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This electronic transmission and the attached document constitute an advertisement prepared in accordance with the Prospectus Regulation Rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000. The prospectus (the "**Prospectus**") was approved by the Financial Conduct Authority and published on or around 27 June 2024. Recipients of this advertisement should only acquire or agree to acquire shares on the basis of the information contained in the Prospectus. Copies of the Prospectus will be available for inspection at www.regionalreit.com.

This electronic transmission, the attached document and the offer when made are only addressed to and directed at persons: (i) in member states of the European Economic Area ("**EEA**") who are "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation (Regulation (EU) 2017/1129 of the European Parliament and of the Council and amendments thereto) (the "**Prospectus Regulation**") ("**Qualified Investors**"); and (ii) in the UK to "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 who are also persons who: (a) fall within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), fall within Article 49(2)(a) to (d) of the Order, or are persons to whom it may otherwise be lawfully communicated; and (b) are a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook (all such persons together being referred to as "**Relevant Persons**"). This electronic transmission and the attached document must not be acted on or relied on in any member state of the EEA by persons who are not Qualified Investors or in the UK by persons who are not Relevant Persons. Any investment or investment activity to which this electronic transmission and the attached document relates is available only in any member state of the EEA to Qualified Investors and in the UK to Relevant Persons and will be engaged in only with such persons. Further, if you are in a member state of the EEA this electronic transmission and the attached document have been sent to you on the basis of an enquiry made at your own initiative.

The offer of the securities referenced in the attached document (the "**New Ordinary Shares**") will not be, and has not been, registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), or any state securities laws and, accordingly, the New Ordinary Shares may not be offered, sold, transferred or delivered, directly or indirectly within the United States, except pursuant to applicable exemptions from such registration. There will be no public offer of the New Ordinary Shares in the United States. The New Ordinary Shares are being offered or sold pursuant to this document outside the United States only in "offshore transactions" in reliance on the exemption from the registration requirements of the US Securities Act provided by Regulation S thereunder (as such term is defined in Regulation S).

This document and the offer of New Ordinary Shares are only made available in Australia to persons to whom a disclosure document or product disclosure statement is not required to be given under Chapter 6D or Chapter 7, Part 7.9 of the Australian Corporations Act 2001 (Cth) (the "**Australian Corporations Act**"). This document is not a prospectus, product disclosure statement or any other form of formal disclosure document or product disclosure statement for the purposes of the Australian Corporations Act, and is not required to, and does not, contain all the information which would be required in a disclosure document or product disclosure statement under the Australian Corporations Act. If you are in Australia, this document is made available to you provided you are a person to whom an offer of securities or financial products can be made without a disclosure document or product disclosure statement such as a professional investor, sophisticated investor or wholesale client for the purposes of Chapter 6D or Chapter 7, Part 7.9 of the Australian Corporations Act.

Information to Distributors: Solely for the purposes of the product governance requirements contained within: (i) the Product Intervention and Product Sourcebook of the FCA Handbook ("**PROD**"); and (ii) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended ("**MiFID II**"), as incorporated into UK law by virtue of the European Union (Withdrawal) Act 2018, as amended by the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018, as amended from time to time (together, the "**UK MiFID Laws**", and together with MiFID II, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in PROD; and (ii) eligible for distribution through all distribution channels as are permitted by PROD for each type of investor (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors (such term to have the same meaning as in the MiFID II Product Governance Requirements) should note that: (i) the price of the New Ordinary Shares may decline and investors could lose all or part of their investment; (ii) the New Ordinary Shares offer no guaranteed income and no capital protection; and (iii) an investment in the New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the offer of New Ordinary Shares. For the avoidance of doubt, the Target Market Assessment does not constitute: (i) an assessment of suitability or appropriateness for the purposes of the UK MiFID Laws; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the New Ordinary Shares and determining appropriate distribution channels.

Neither this electronic transmission, the attached document nor any copy of them may be: (i) taken, transmitted, or distributed, directly or indirectly, into the United States except pursuant to applicable exemptions from registration under the US Securities Act and any state securities laws; (ii) taken or transmitted into or distributed in Australia, New Zealand, the Republic of South

Africa, Japan and any EEA State except under circumstances that will result in compliance with any application laws and regulations; or (iii) taken or transmitted into or distributed in any jurisdiction where the extension or availability of the New Ordinary Shares (and any other transaction contemplated thereby) would: (a) result in a requirement to comply with any governmental or other consent or any registration filing or other formality which the Company regards as unduly onerous; or (b) otherwise breach any applicable law or regulation. Any failure to comply with these restrictions may constitute a violation of the securities laws or the laws of any such jurisdiction. The distribution of this electronic transmission and the attached document in other jurisdictions may be restricted by law and the persons into whose possession this electronic transmission and the attached document comes should inform themselves about, and observe, any such restrictions.

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If you are in any doubt about the investment to which this document relates, you should consult a person authorised by the Financial Conduct Authority (if you are in the UK) or another suitably qualified and authorised financial adviser who specialises in advising on securities of the kind described in the document.

The information on the pages that follow may contain forward-looking statements. Any statement other than a statement of historical fact is a forward-looking statement. Actual results may differ materially from those expressed or implied by any forward-looking statement. None of the Company, the Banks, or any of their respective agents undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on any forward-looking statement, which speaks only as of the date of the document.

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This document comprises (i) a circular prepared in accordance with Chapter 13 of the Listing Rules for the purposes of the Extraordinary General Meeting convened pursuant to the Notice of Extraordinary General Meeting set out in PART 17 of this document and (ii) a prospectus relating to Regional REIT Limited (the "**Company**") prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (the "**FCA**") made under s.73A of FSMA (the "**Prospectus Regulation Rules**"). A copy of this document has been filed with, and approved by, the FCA pursuant to section 87A of FSMA and will be made available to the public in accordance with Article 21 of Regulation (EU) 2017/1129, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**").

This document has been approved by the FCA, as competent authority under the UK Prospectus Regulation. The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation and such approval shall not be considered as an endorsement of the issuer that is the subject of this document or the quality of the securities that are the subject of this document. This document has been drawn up as part of a simplified prospectus in accordance with Article 14 of the UK Prospectus Regulation. Investors should make their own assessment as to the suitability of investing in the securities.

This document is being published in connection with: (i) the issue of up to 1,105,149,821 new Ordinary Shares to raise Gross Capital Raising Proceeds of approximately £110.5 million in connection with the Placing, the Overseas Placing and the Open Offer (together, being the "**Capital Raising**") (new Ordinary Shares being issued pursuant to the Capital Raising being the "**New Ordinary Shares**"); and (ii) the consolidation of the Ordinary Shares at the Consolidation Ratio of one Consolidated Share for every 10 Ordinary Shares (the "**Share Consolidation**"). Application will be made to the FCA and London Stock Exchange plc (the "**London Stock Exchange**") for all of the New Ordinary Shares issued pursuant to the Capital Raising to be admitted to the Official List of the FCA (the "**Official List**") and to trading on the London Stock Exchange's Main Market for listed securities ("**Admission**"). It is expected that Admission will become effective, and that dealings in the New Ordinary Shares issued pursuant to the Capital Raising will commence on 19 July 2024. Application will be made to the FCA and London Stock Exchange for all of the Consolidated Shares to be admitted to the Official List and to trading on the London Stock Exchange's Main Market for listed securities in place of the Ordinary Shares in issue immediately prior to the Share Consolidation ("**Admission of the Consolidated Shares**"). It is expected that Admission of the Consolidated Shares will become effective, and that dealings in the Consolidated Shares will commence on 29 July 2024.

Each of the Company and the Directors, whose names are set out under the heading "Directors, Registered Office, Secretary and Advisers" in PART 4 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of each of the Company and the Directors, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

Prospective investors should read the entire document and, in particular, the section headed "Risk Factors" set out in PART 1, when considering an investment in the Company

REGIONAL REIT LIMITED

(Incorporated under Guernsey law and registered in Guernsey, Channel Islands with registered number 60527)

Placing, Overseas Placing and Open Offer of 1,105,149,821 New Ordinary Shares at an Issue Price of 10 pence per New Ordinary Share

Waiver of the obligation to make an offer under Rule 9 of the Takeover Code

1 for 10 Share Consolidation

Notice of Extraordinary General Meeting

Joint Sponsor, Joint Financial Adviser and Joint Broker	*Joint Sponsor, Joint Financial Adviser and Joint Broker*
PEEL HUNT LLP	**PANMURE GORDON (UK) LIMITED**

The Company is a registered closed-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law 2020, as amended ("**POI Law**"), and the Registered Collective Investment Scheme Rules and Guidance, 2021 ("**RCIS Rules**"), issued by the Guernsey Financial Services Commission (the "**GFSC**"). The GFSC, in granting registration, has not reviewed this document and

has relied upon specific declarations provided by Jupiter Fund Services Limited, the Company's designated administrator for the purposes of the RCIS Rules. Neither the GFSC nor the States of Guernsey take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

If you have sold or otherwise transferred all of your Ordinary Shares prior to the date that your Ordinary Shares are marked ex-entitlement to the Open Offer by the London Stock Exchange, you should send this document and, if relevant, the enclosed Form of Proxy (and reply-paid envelope) at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold or transferred any part of your registered holding of Ordinary Shares, please contact your bank, stockbroker or other agent through whom the sale or transfer was effected immediately. **The distribution of this document and the accompanying documents in or into jurisdictions other than the UK, including in or into the United States or any other Restricted Jurisdictions, may be restricted by law and may constitute a violation of local securities laws. Please refer to the section entitled 'Important Information' in PART 2 of this document if you propose to send this document and/or the accompanying documents into any jurisdiction other than the United Kingdom.** Persons into whose possession this document and any accompanying documents come should inform themselves about, and observe, all such restrictions. This document and the accompanying documents should not be treated as an offer or invitation to subscribe for any Ordinary Shares by or to any person resident or located in a Restricted Jurisdiction.

Notice of the Extraordinary General Meeting, to be held at 10.00 a.m. on 18 July 2024 at 20 Cursitor Street, London EC4A 1LT, is set out at the end of this document. A Form of Proxy is enclosed for use by Shareholders in connection with the Extraordinary General Meeting. To be valid, Forms of Proxy, completed in accordance with the instructions thereon, must be received by the Company's registrars, Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL as soon as possible but in any event by no later than 10.00 a.m. on 16 July 2024 (or, if the Extraordinary General Meeting is adjourned, 48 hours (excluding any part of a day that is not a Business Day) before the time fixed for the adjourned meeting). Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting at the Extraordinary General Meeting should they so wish. Alternatively, you can submit your proxy vote electronically at www.signalshares.com. To be effective, the proxy vote must be submitted so as to have been received by the Company's registrars not less than 48 hours (excluding any part of a day that is not a Business Day) before the time appointed for the meeting or any adjournment of it.

Shareholders who hold their Ordinary Shares in uncertificated form in CREST may alternatively use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual as explained in the notes accompanying the Notice of Extraordinary General Meeting. Proxies submitted via CREST must be received by Link Group (ID RA10) by no later than 10.00 a.m. on 16 July 2024 (or, if the Extraordinary General Meeting is adjourned, 48 hours (excluding any part of a day that is not a Business Day) before the time fixed for the adjourned meeting). The appointment of a proxy using the CREST Proxy Voting Service will not preclude Shareholders from attending and voting in person at the Extraordinary General Meeting should they so wish. If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io.

Completed Open Offer Application Forms and payments under the Open Offer must be received by 11.00 a.m. on 17 July 2024. The procedures for acceptance and payment are set out in APPENDIX A of this document.

Investors are advised to examine all the risks that might be relevant in connection with an investment in the Company. Prospective investors should read this entire document and any documents incorporated herein by reference. In particular, your attention is drawn to the sections entitled "Risk Factors" in PART 1 of this document and the "Letter from the Chairman" in PART 5 of this document, which recommends that Shareholders (excluding the Placee and any person acting in concert with the Placee in relation to the Rule 9 Waiver Resolution) vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting. Prospective investors should be aware that an investment in the Company involves a degree of risk and that, if certain of the risks described in this document occur, investors may find their investment materially adversely affected. Accordingly, an investment in the Company is only suitable for investors who are particularly knowledgeable in investment matters and who are able to bear the loss of the whole or part of their investment.

The Existing Ordinary Shares are listed on the premium listing segment of the Official List of the FCA (the "**Official List**") and are traded on the London Stock Exchange's Main Market for listed securities. Application will be made to the FCA for the New Ordinary Shares to be admitted to the premium listing segment of the Official List and for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities ("**Admission**"). It is expected that Admission will become effective and that unconditional dealings in the New Ordinary Shares will commence on the London Stock Exchange at 8.00 a.m. on 19 July 2024. No application has been, or is currently intended to be, made for the New Ordinary Shares or the Existing Ordinary Shares to be admitted to listing or dealt with on any other exchange.

Application will be made to the FCA for the Consolidated Shares to be admitted to the premium listing segment of the Official List and for the Consolidated Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities ("**Admission of the Consolidated Shares**"). It is expected that Admission of the Consolidated Shares will become effective and that unconditional dealings in the Consolidated Shares will commence on the London Stock Exchange at 8.00 a.m. on 29 July 2024. No application has been, or is currently intended to be, made for the Consolidated Shares to be admitted to listing or dealt with on any other exchange.

Peel Hunt LLP ("**Peel Hunt**") and Panmure Gordon (UK) Limited ("**Panmure Gordon**") (together the "**Banks**"), are authorised and regulated in the United Kingdom by the FCA, are acting as joint sponsor, joint financial adviser and joint broker in relation to the Capital Raising, Admission and Admission of the Consolidated Shares exclusively for the Company and no one else in connection with the matters referred to in this document, and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, for the contents of this document or for providing any advice in relation to this document. Neither of the Banks nor any of their affiliates (nor any of 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 the Banks in connection with this document, any statement contained herein or otherwise.

Apart from the responsibilities and liabilities, if any, which may be imposed by the FCA, FSMA or the regulatory regime established thereunder, neither of the Banks, nor any person affiliated with them, accepts any responsibility whatsoever and makes no representation or warranty, express or implied, in respect of the contents of this document, including its accuracy or completeness, or for any other statement made or purported to be made by any of them, or on behalf of them, in connection with the Company or any matter described in this document and nothing in this document is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. Neither of the Banks have approved the contents of, or any part of, this document and no liability whatsoever is accepted by the Banks for the accuracy of any information or opinions contained in this document and, accordingly, each of the Banks and their respective affiliates disclaims, to the fullest extent permitted by law, all and any liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have to any person, other than the Company, in respect of this document or any such statement.

This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such securities by any person in any circumstances in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. Subject to certain exceptions, neither this document nor any advertisement nor any other offering material may be distributed or published in any Restricted Jurisdiction (including the United States).

The offer and sale of the New Ordinary Shares will not be, and have not been, registered under the US Securities Act of 1933, as amended (the "**US Securities Act**") or state securities laws and, accordingly, the New Ordinary Shares may not be offered, sold, transferred or delivered, directly or indirectly, within the United States, except pursuant to applicable exemptions from such registration. There will be no public offer of the New Ordinary Shares in the United States. The New Ordinary Shares are being offered or sold outside the United States only in "offshore transactions" in reliance on the exemption from the registration requirements of the US Securities Act provided by Regulation S thereunder (as such term is defined in Regulations). The Company will require the provision of confirmations in an Overseas Placing allocation letter containing representations by any investors in the United States as to, among other things, their status under the US Securities Act.

THE NEW ORDINARY SHARES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT DETERMINED THE ACCURACY, ADEQUACY, TRUTHFULNESS OR COMPLETENESS OF THIS DOCUMENT AND HAVE NOT PASSED UPON THE MERIT OR VALUE OF THE NEW ORDINARY SHARES, OR APPROVED, DISAPPROVED OR ENDORSED THE CAPITAL RAISING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

This document and the offer of New Ordinary Shares is only made available in Australia to persons to whom a disclosure document or product disclosure statement is not required to be given under Chapter 6D or Chapter 7, Part 7.9 of the Australian Corporations Act. This document is not a prospectus, product disclosure statement or any other form of formal disclosure document or product disclosure statement for the purposes of the Australian Corporations Act, and is not required to, and does not, contain all the information which would be required in a disclosure document or product disclosure statement under the Australian Corporations Act. If you are in Australia, this document is made available to you provided you are a person to whom an offer of securities or financial products can be made without a disclosure document or product disclosure statement such as a professional investor, sophisticated investor or wholesale client for the purposes of Chapter 6D or Chapter 7, Part 7.9 of the Australian Corporations Act.

This document has not been and will not be lodged or registered with the Australian Securities and Investments Commission or Australian Securities Exchange or any other regulatory body or agency in Australia. The persons referred to in this document may not hold Australian financial services licences and may not be licensed to provide financial product advice in relation to the securities. No "cooling-off" regime will apply to an acquisition of any interest in the Company.

This document does not take into account the investment objectives, financial situation or needs of any particular person. Accordingly, before making any investment decision in relation to this document, you should assess whether the acquisition of any interest in the Company is appropriate in light of your own financial circumstances or seek professional advice. If you acquire the New Ordinary Shares in Australia then you:

- represent and warrant that you are a professional or sophisticated investor as defined in the Australian Corporations Act; or
- represent and warrant that you are a wholesale client as defined under the Australian Corporations Act; and
- agree not to sell, transfer, assign, offer, or otherwise alienate any New Ordinary Shares to any person located in, or a resident of, Australia within 12 months from the date of their allotment, or as the case may be, issued under the Overseas Placing, except in circumstances where:
    - disclosure to investors would not be required under either Chapter 6D or Chapter 7, Part 7.9 of the Australian Corporations Act; or
    - such sale or offer is made pursuant to a disclosure document or product disclosure statement which complies with either Chapter 6D or Chapter 7, Part 7.9 of the Australian Corporations Act.

If you acquire the New Ordinary Shares in Australia, the Company will require you to provide certain confirmations and representations in an Overseas Placing allocation letter as to, among other things, the type of investor you are classified as under Australian Corporations Act.

If you are in any doubt about the contents of this document, you should consult your accountant, legal or professional adviser or financial adviser.

The date of this document is 27 June 2024.

CONTENTS

SUMMARY INFORMATION

This summary contains the information required to be included in a summary for the New Ordinary Shares proposed to be issued by the Company pursuant to this document. This summary also contains a summary of the Share Consolidation.

1 Introduction and warnings

This summary should be read as an introduction to this document. Any decision to invest in New Ordinary Shares should be based on consideration of this document, including the information incorporated by reference and any supplement thereto, as a whole by an investor.

An investor could lose all or part of their invested capital. Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this document or it does not provide, when read together with the other parts of this document, key information in order to aid investors when considering whether to invest in New Ordinary Shares.

The securities which the Company intends to issue are ordinary shares in the capital of the Company of no par value whose ISIN is GG00BYV2ZQ34.

Regional REIT Limited, the Company, can be contacted by writing to its registered office, Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey GY2 4LH. The Company can also be contacted through its Investment Advisor, ESR Europe Private Markets Limited, by writing to 10 Cork Street, London, W1S 3LW or calling within business hours, +44 (0) 203 831 9776 or emailing investors@regionalreit.com. The Company's legal entity identifier is 549300D8G4NKLRIKBX73.

This document was approved on 27 June 2024 by the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN, telephone number 020 7066 1000. Contact information relating to the Financial Conduct Authority can be found at https://www.fca.org.uk/contact.

2 Key information on the issuer

2.1 *Who is the issuer of the securities?*

The Company is a registered, closed-ended investment scheme pursuant to the Protection of Investors (Bailiwick of Guernsey) Law 2020, as amended, and the Registered Collective Investment Scheme Rules and Guidance, 2021 issued by the Guernsey Financial Services Commission. The Company is incorporated in Guernsey with its registered office situated in Guernsey with registered number 60527 and legal entity identifier 549300D8G4NKLRIKBX73. The Company operates under the Companies Law.

The Company was incorporated in Guernsey for the purpose of delivering an attractive total return to Shareholders, with a strong focus on income, from investing in UK commercial property, predominantly in the office sector in major regional centres and urban areas outside of the M25 motorway.

The principal activity of the Company is to target assets falling within its investment policy and to pursue active property management and prudent use of debt finance.

As at close of business on the Latest Practicable Date, the following parties were known to be interested in 5 per cent. of more of the Company's share capital (being the threshold for notification under the Disclosure Guidance and Transparency Rules):

Shareholder	*Number of Ordinary Shares*	*Percentage of total share capital (%)*
OMP-SSS	35,525,698	6.89

The Company is not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

The Company's directors are Kevin McGrath, Daniel Taylor, Stephen Inglis, Frances Daley and Massy Larizadeh.

The Company's key service providers are Toscafund Asset Management Limited (the AIFM), London & Scottish Property Investment Management Limited (the Asset Manager), ESR Europe Private Markets Limited (the Investment Adviser), Jupiter Fund Services Limited (the Administrator), Link Company Matters Limited (the Company Secretary) and Link Group (the Company's registrar and receiving agent in relation to the Open Offer). Toscafund Asset Management LLP will continue to act as the alternative investment fund manager and provide the relevant regulatory services to the Company until an affiliate of ESR Europe Private Markets Limited has acquired its own regulatory

permissions and a short handover period has completed, which is expected to be in August 2024. The Company's statutory auditors are RSM UK Audit LLP.

2.2 *What is the key financial information regarding the issuer?*

Table 1: additional information relating to closed ended funds

Share class	Total EPRA NTA*	No. of shares*	*EPRA NTA per share**
Ordinary Shares	£290.8 million	515,736,583	56.4p

* This information is accurate as at the Latest Practicable Date.

Historical performance of the Company

Financial period ended 31 December 2021
During the period, the Company delivered a total shareholder return of 22.4 per cent. This is measured as the growth in share price plus dividends over the period. Dividends for the period totalled 6.5 pence per Ordinary Share.

The Company's investment properties were independently valued on 31 December 2021 at £906.1 million, generating a 5.6 per cent. weighted average net initial yield.

As at 31 December 2021, the Company's EPRA NTA per Ordinary Share was 97.2 pence.

Financial period ended 31 December 2022
During the period, the Company delivered a total shareholder return of (31.3) per cent. This is measured as the growth on share price plus dividends over the period. Dividends for the period totalled 6.6 pence per Ordinary Share.

The Company's investment properties were independently valued on 31 December 2022 at £789.5 million, generating a 6.0 per cent. weighted average net initial yield.

As at 31 December 2022, the Company's EPRA NTA per Ordinary Share was 73.5 pence.

Financial Period ended 31 December 2023
During the period, the Company delivered a total shareholder return of (31.7) per cent. This is measured as the growth on share price plus dividends over the period. Dividends for the period totalled 5.25 pence per Ordinary Share.

The Company's investment properties were independently valued on 31 December 2023 at £700.7 million, generating a 6.2 per cent. weighted average net initial yield.

As at 31 December 2023, the Company's EPRA NTA per Ordinary Share was 56.4 pence.

Table 2: income statement for closed ended funds**

	Audited annual report and accounts for the year ended 31 December 2023	*Audited annual report and accounts for the year ended 31 December 2022*	*Audited annual report and accounts for the year ended 31 December 2021*
Rental income (£'000)	91,880	93,318	79,899
Profit/loss for the period (£'000)	(67,447)	(65,163)	28,757
Asset, investment and property management fees (£'000)	6,565	8,422	7,147
Any other material fees (accrued/paid) to service providers (£'000)	Professional fees: 2,203 Administration: 727	Professional fees: 2,083 Administration: 697	Professional fees: 1,680 Administration: 647
EPRA earnings per share	5.2p	6.6p	6.6p

Table 3: balance sheet for closed-ended funds**

	Audited annual report and accounts for the year ended 31 December 2023	*Audited annual report and accounts for the year ended 31 December 2022*	*Audited annual report and accounts for the year ended 31 December 2021*
Total net assets (£'000)	306,089	402,942	502,401
Leverage ratio***	55.1%	49.5%	42.4%

****** The key figures set out in table 2 and table 3 above that summarise the Company's financial condition in respect of the periods covered by the 2021 Annual Report, the 2022 Annual Report and the 2023 Annual Report have been extracted without material adjustment from the Company's historical financial information.
******* Balance sheet loan amount less cash balances divided by total investment properties valuation.

2.3 *What are the key risks that are specific to the issuer?*

- If the Capital Raising does not complete (i) the Group will be unable to fund its short-term working capital needs; (ii) the Board will be required to take immediate restructuring action including seeking to obtain appropriate sources of new capital; and (iii) despite the restructuring action, the Group may not be considered a 'going concern' and may not receive a clean viability statement from its auditors. As a result of the Company not being able to obtain appropriate sources of new capital, the Company and other material companies in the Group could enter into administration or liquidation shortly thereafter, which could be as early as August 2024, due to the £50 million Retail Bond liability becoming due for repayment.

- The Capital Raising is being conducted at the Issue Price, which is at a significant discount to (i) the Closing Price of 20.2 pence; and (ii) the latest published NTA per Share of 56.4 pence and, accordingly, is highly dilutive to those Existing Shareholders who do not, or cannot, participate in it or take up their full entitlements under it.

- The Group's financial performance will be affected by variations in the macro-economic environment, as well as general conditions affecting the office property real estate market as a whole and/or events specific to the Group's investment, such as a decrease in capital values and the weakening of rental yields.

- The Group's borrowing facilities contain certain financial covenants (among others) relating to loan-to-value ratio and interest or debt service cover ratio, a breach of which could lead to a default under such facilities. In addition, it is not certain that the Group will be able to refinance indebtedness as it matures or enter into new facilities on acceptable terms or at all.

- The Group's ability to generate revenues from its portfolio is linked to occupancy levels, rental payments (including the timeliness thereof) and the scope for rental increases. These factors are themselves determined to varying degrees by a number of other macro-economic factors outside of the Group's control.

- The valuation of the Group's properties is inherently uncertain due to, among other things, the individual nature of each property, its location and the expected future rental revenues from that particular property and the fact that valuation of property is inherently a subjective exercise based on a range of assumptions and estimations which require professional judgement.

- To the extent that the relevant members of the Group do not enter into hedging arrangements in respect of future borrowings, or if such arrangements are no longer available or are only available on unacceptable terms, the Group may be exposed to interest rate risk.

- The quality of tenants and occupancy levels at the Group's properties may decline over time as leases expire, having an adverse effect on the Group's business, financial condition and results of operations.

- The Group's properties and those in which the Group may invest in the future, are relatively illiquid in the sense that there may not be ready buyers with financing and who are willing to pay fair value at the time the Group desires to sell. In addition, in the case of leasehold properties, consents are often required from landlords to transfer such properties. This could prevent or delay the ability of the Group to execute its asset disposal programme and reduce LTV to its long-term target of less than 40 per cent.

- The Company has no employees and is reliant on the performance of third-party service providers.

- The Company is dependent on the expertise of the Asset Manager, the Investment Adviser and the AIFM and their respective key personnel to evaluate investment opportunities and to assist in the implementation of the Company's investment objective and Investment Policy.

- If the Group fails to remain qualified as a REIT, its rental income and gains will be subject to UK corporation tax.

3 Key information on the New Ordinary Shares

3.1 *What are the main features of the securities?*

Ordinary Shares

The securities which the Company intends to issue are sterling ordinary shares in the capital of the Company of no par value whose ISIN is GG00BYV2ZQ34 (prior to completion of the Share Consolidation). As at the close of business on the Latest Practicable Date, the Company had 515,736,583 Ordinary Shares in issue. The Company has no partly paid shares in issue.

Rights attaching to the Ordinary Shares

Shareholders are entitled to participate in dividends which the Company declares from time to time pro rata to their respective holdings of such Ordinary Shares. Shareholders are entitled to a distribution of capital (on a winding-up or other return of capital) which the Company declares from time to time pro rata to their respective holdings of such Ordinary Shares. Every Shareholder has one vote for each Ordinary Share held by it.

Restrictions on free transferability of Ordinary Shares

The Board may, in its absolute discretion, and without giving a reason, refuse to register a transfer of any Ordinary Share (to the extent permitted by the Regulations and the RCIS Rules) which is not fully paid up or on which the Company has a lien, or (provided that this would not prevent dealings in the Ordinary Share from taking place on an open and proper basis on the London Stock Exchange): (i) if it is in respect of more than one class of shares; (ii) if it is in favour of more than four joint transferees; (iii) if applicable, it is delivered for registration to the Company's registered office or such other place as the Board may decide, not accompanied by the certificate for the Ordinary Shares to which it relates and such other evidence of title as the Board may reasonably require; (iv) if the transfer is in favour of any Non-Qualified Holder; or (v) if the transfer would make the Company a close company.

Dividend policy

The Directors maintain a dividend policy which has due regard to sustainable levels of dividend cover and reflects the Directors' views on the outlook for sustainable recurring earnings, subject to compliance with REIT status requirements.

Assuming that Admission and Admission of the Consolidated Shares occur, then immediately following Admission of the Consolidated Shares there are 162,088,640 Ordinary Shares in issue, the dividend target for 1 April 2024 to 31 December 2024 is 6.6 pence per Ordinary Share.

Relative seniority of Ordinary Shares

In addition to the Ordinary Shares, the Company has issued £50 million of sterling denominated 4.5 per cent. bonds due August 2024 (the "**Retail Bond**"), which the Company intends to repay out of the Net Capital Raising Proceeds. The New Ordinary Shares will rank alongside the Company's Existing Ordinary Shares but behind the Retail Bond in the event of an insolvency. On an insolvency the Shareholders will be entitled to a share in the capital of the Company, in the same proportions as capital is attributable to them, only after the Company has settled all amounts owed to its creditors (including holders of the Retail Bond).

3.2 *Where will the securities be traded?*

Application will be made for all of the New Ordinary Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Admission will become effective, and that dealings in the New Ordinary Shares will commence, on 19 July 2024.

3.3 *What are the key risks that are specific to the securities?*

- The market value of, and the income derived from the Ordinary Shares can fluctuate. The market value of an Ordinary Share, as well as being affected by the Net Tangible Assets per Share and prospective Net Tangible Assets per Share, also takes into account its dividend yield and prevailing interest rates.

- The Company's ability to pay dividends will depend upon its ability to generate sufficient earnings and certain legal and regulatory restrictions. If it is not able to generate such earnings or such legal and regulatory restrictions apply, the amount of dividends paid by the Company may reduce or dividends may not be paid at all.

- The Ordinary Shares may prove difficult to sell as a result of illiquidity in the Company's shares.

4 Key information on the offer of securities to the public and the admission to trading

4.1 *Under which conditions and timetable can I invest in this security?*

Applications will be made for all of the New Ordinary Shares to be issued pursuant to the Capital Raising to be admitted to the Official List and to trading on the London Stock Exchange's Main Market for listed securities. Qualifying Shareholders and Overseas Placees are not obliged to participate in the Capital Raising. However, those Qualifying Shareholders and Overseas Placees who do not participate, and those Restricted Shareholders who are unable to participate in the Open Offer or Overseas Placing, will suffer a dilution of approximately 68.2 per cent. to their existing percentage holdings. Those Qualifying Shareholders who take up their entitlements in full under the Open Offer and those Overseas Placees who subscribe for the maximum amount of Overseas Placing Shares (as defined below) permitted in the Overseas Placing will not suffer a dilution to their existing percentage holdings. The costs and expenses of the Capital Raising payable by the Company are expected to be approximately £5.8 million. No taxes or expenses will be charged directly to any investor by the Company.

The New Ordinary Shares are being made available under the Capital Raising (which comprises the Placing, the Overseas Placing and the Open Offer) at the Issue Price. The Company is seeking to raise gross proceeds of approximately £110.5 million through the Capital Raising.

(a) Placing

The Placee has agreed to subscribe for the Placing Shares at the Issue Price, subject to the terms and conditions of the Subscription Agreement. The Placing Shares will be subject to clawback to satisfy valid applications under the Open Offer and Overseas Placing Shares to be issued pursuant to the Overseas Placing.

(b) Overseas Placing

The Overseas Placing will be made to invited placees who are Existing Shareholders situated in certain Restricted Jurisdictions into which the Open Offer cannot be made as a consequence of legal and regulatory impediments ("**Overseas Placees**"). The purpose of the Overseas Placing is to allow Overseas Placees to participate in the Capital Raising on substantially the same terms as they would have been able to participate in the Open Offer if the Open Offer could have been made in the relevant Restricted Jurisdiction.

Pursuant to the Overseas Placing, each Overseas Placee will be permitted to subscribe for New Ordinary Shares on the basis of 15 New Ordinary Shares for every 7 Existing Ordinary Shares held by them and registered in their names as at the Record Date (the **"Overseas Placing Shares**").

The Overseas Placing Shares are not subject to clawback to satisfy Open Offer Entitlements. Overseas Placees will irrevocably undertake not to take up their Open Offer Entitlements.

(c) Open Offer

The Open Offer provides an opportunity for Qualifying Shareholders to participate in the Capital Raising by subscribing for their respective Open Offer Entitlements. The Open Offer is being made on a pre-emptive basis to Qualifying Shareholders and Open Offer Shares subscribed for under the Open Offer are not subject to scaling back to satisfy Placing Shares subscribed for by the Placee pursuant to the Placing. No excess application facility is available as part of the Open Offer.

Qualifying Shareholders are being given the opportunity to subscribe for New Ordinary Shares pro rata to their existing shareholdings at the Issue Price on the basis of:

15 New Ordinary Shares for every 7 Existing Ordinary Shares

held and registered in their name at the Record Date.

The last time for acceptance and payment in full under the Open Offer is 11.00 a.m. on 17 July 2024.

The Capital Raising is conditional (*inter alia*) upon: (i) the Transaction Resolutions being passed by Shareholders (excluding the Placee and any person acting in concert with the Placee in relation to the Rule 9 Waiver Resolution) at the Extraordinary General Meeting (without material amendment); (ii) the Subscription Agreement becoming unconditional in all respects (save for the condition therein relating to Admission) and not having been terminated in accordance with its terms prior to Admission; and (iii) Admission becoming effective by not later that 8.00 a.m. on 19

July 2024 (or such later time and/or date as the parties to the Subscription Agreement and the Sponsor Agreement may agree, not being later than 8.00 a.m. on 13 August 2024).

The summary timetable for the Capital Raising is as follows:

	2024
Record Date for entitlements under the Open Offer	6.00 p.m. on 25 June
Ex-Entitlements date for the Open Offer	8.00 a.m. on 27 June
Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders in CREST	28 June
Latest time and date for receipt of Overseas Placing commitments	5.00 p.m. on 16 July
Latest time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	11.00 a.m. on 17 July
Extraordinary General Meeting	10.00 a.m. on 18 July
Announcement of results of Extraordinary General Meeting	18 July
Results of the Capital Raising announced through a Regulatory Information Service	by 7.00 a.m. on 19 July
Admission and commencement of dealings in New Ordinary Shares	8.00 a.m. on 19 July

The timetable above is subject to change at the determination of the Company, following consultation with the Banks. Any such change will be publicly announced by the Company via an RIS announcement.

4.2 *Why is this prospectus being produced?*

Background to and reasons for the Capital Raising

This document has been prepared in connection with the Capital Raising to be undertaken by the Company. This prospectus is being produced as it is required under the UK Prospectus Regulation in connection with: (i) the admission of the New Ordinary Shares to trading on a regulated market; and (ii) the offer to the public made pursuant to the Open Offer.

The principal purpose of the Capital Raising is to repay indebtedness and improve the Company's capital position. Additionally, the Capital Raising is being made in order to raise funds for the purpose of achieving the Company's investment objective in line with the Investment Policy, to provide funding for capital expenditure on existing assets of the Group. The Capital Raising is being fully underwritten by the Placee, subject to the conditions set out in the Subscription Agreement. So far as the Directors are aware, there are no interests of the Directors that are material to the Capital Raising.

Following the Capital Raising, the Group intends to continue with its asset disposal programme to target reducing LTV to the Group's long-term target of less than 40 per cent.

Use of Proceeds

The maximum aggregate proceeds of the Capital Raising, after deduction of expenses, are expected to be approximately £104.7 million.

The Net Capital Raising Proceeds are expected to be utilised to repay the Company's £50 million Retail Bond due for repayment on 6 August 2024, eliminating this short term liability and further reducing the constraints caused by the requirement to pay coupon distributions on the Retail Bond. In addition, £26.3 million of the Net Capital Raising Proceeds will be used to reduce bank facilities, which will result in the Company having greater headroom under the covenants in such facilities, and the remaining £28.4 million of the Net Capital Raising Proceeds will provide additional flexibility to fund selective capital expenditure on assets, which will enhance earnings in the near term and value in the mid to long-term, further underpinning quarterly dividends going forward. This will reduce LTV from 56.8 per cent. (based on the valuations as at 21 June 2024 as set out in the Valuation Report) to 40.6 per cent. upon completion of the Capital Raising. The use of proceeds complies with the Investment Policy.

Conflicts of Interest

As at the date of this document, there are no material conflicts of interest pertaining to: (i) the admission of the New Ordinary Shares to trading on a regulated market; or (ii) the offer to the public made pursuant to the Open Offer.

5 Key information on the Share Consolidation

Following completion of the Capital Raising, it is proposed that the Ordinary Shares are consolidated at the Consolidation Ratio of one Consolidated Share for every 10 Ordinary Shares (the "**Share Consolidation**").

As a result of the Share Consolidation, any shareholding of Ordinary Shares that is not exactly divisible by 10 will be rounded down to the nearest whole number of Consolidated Shares. Any fractional entitlements to Consolidated Shares will be disregarded and will not be aggregated. Accordingly, no Consolidated Shares will result from such fractional entitlements. Any Shareholder holding fewer than 10 Ordinary Shares on the Share Consolidation Record Date will therefore not be entitled to any Consolidated Shares following the Share Consolidation and will no longer be a member of the Company as a result.

The Share Consolidation is conditional upon the Share Consolidation Resolution being passed at the Extraordinary General Meeting (without material amendment).

Application will be made for all of the Consolidated Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities in place of the Ordinary Shares in issue immediately prior to the Share Consolidation. It is expected that Admission of the Consolidated Shares will become effective, and that dealings in the Consolidated Shares will commence, on 29 July 2024.

The summary timetable for the Share Consolidation is as follows:

Share Consolidation Record Date	6.00 p.m. on 26 July 2024
Admission and commencement of dealings in Consolidated Shares	8.00 a.m. on 29 July 2024
CREST accounts credited with uncertificated Consolidated Shares	29 July 2024
Where applicable, definitive share certificates despatched by post in the week commencing	5 August 2024

The timetable above is subject to change at the determination of the Company, following consultation with the Banks. Any such change will be publicly announced by the Company via an RIS announcement.

PART 1
RISK FACTORS

Any investment in the Company or the New Ordinary Shares is subject to a number of risks. Prior to acquiring any New Ordinary Shares, prospective investors should consider carefully the factors and risks associated with any investment in the Company, the Group's business and the industry in which it operates, together with all other information contained in this document including, in particular, the risk factors described below.

*Prospective investors should note that the risks relating to the Group, its industry and the Ordinary Shares summarised in the section of this document headed "**Summary**" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Company. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in paragraphs 2.3 and 3.3 of the summary of this document but also, among other things, the risks and uncertainties described below.*

The risks and uncertainties described below represent those the Directors consider to be material as at the date of this document. The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Company and should be used as guidance only. Additional risks and uncertainties relating to the Group that are not currently known to the Directors, or that they currently deem immaterial, may individually or cumulatively also have a material adverse effect on the Group's business, prospects, results of operations and financial position and, if any such risk should occur, the price of the Ordinary Shares may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Company is suitable for them in the light of the information in this document and their personal circumstances.

*Except as required by law or regulation, the information set out below will not be updated. Any forward-looking statements are made subject to the reservations specified under the section headed "**No profit forecast and forward-looking statements**" in paragraph 15 of* PART 2 *of this document.*

1 Risks relating to the Group and the market in which it operates

1.1 *The Group's performance will depend on the general economic environment and general property and investment market conditions*

The Group's financial performance will be affected by variations in the macro-economic environment, as well as general conditions affecting the office property real estate market as a whole and/or events specific to the Group's investments, such as a decrease in capital values and weakening of rental yields. There are certain downward pressures that the market may need to contend with, such as a potential further rise in interest rates, political uncertainty relating to the tax regime and more generally and the availability of third party funding.

Returns from an investment in property depend largely upon the amount of rental income generated from the property versus the expenses incurred in the acquisition, construction or redevelopment and management of the property, as well as changes in its market value.

The Group's ability to generate revenues from its portfolio is linked to occupancy levels, rental payments (including the timeliness thereof) and the scope for rental increases. These factors are themselves determined to varying degrees by a number of other general economic factors outside of the Group's control, including, but not limited to: the underlying performance of the tenants that rent space in those properties, which is influenced by consumer spending and fluctuations in: disposable income; the solvency of retailers; the availability of lending and consumer credit; the level of consumer indebtedness; consumer and business confidence; gross domestic product growth; infrastructure quality; financial performance and productivity of industry; levels of employment; interest rates; tax rates; business rates; government policies on spending and/or fiscal stimulus; trends in house prices; fluctuations in weather and other seasonal cycles; taxation; changes in laws and governmental regulations in relation to

property (including those governing permitted and planning usage, taxes and governmental charges, health and safety and environmental compliance); and oil prices.

In particular, patterns of office working are still being adjusted following the COVID-19 pandemic when working patterns changed considerably. The post-pandemic period has seen a softening of office demand. That lower level of demand may continue. In addition, the Group may be negatively affected by management teams reconsidering their office space requirements as leases mature and office attendance may never recover to pre-pandemic levels. The further development of artificial intelligence may lead to automation of manual processes and reduce the need for office-based employment, which may lead to reduced demand for office space.

While the Company mitigated recent rising interest rate costs as the Bank of England tightened monetary policy in response to persistently high inflation through a fully fixed and hedged borrowing structure, there is no guarantee that the Company will be able to mitigate against further rate rises or persistently high interest rates as its bank facilities and other indebtedness mature.

In addition, the number of office property transactions has been severely curtailed in recent times, including by pandemic-imposed restrictions, resulting in a lack of liquidity in the office market. This lack of liquidity may persist, meaning that the Company may be unable to realise assets pursuant to its assets disposal programme or otherwise at attractive valuations or at all or refinance its indebtedness on competitive terms.

The Group manages its properties with a focus on net income but is also mindful of protecting values and tenant mix strategies for medium and long term value creation.

Negative changes in a significant number of the Group's tenants, including actual tenant failure, could result in a substantial decrease in the Group's rental income, which would have an adverse impact on the Group's business, financial condition and/or results of operations.

Both rental income and the value of properties may also be affected by other factors specific to the real estate market, such as competition from other property owners driving increased and potentially longer rent-free periods or other tenant incentives reducing rental incomes, the perception by prospective tenants of the attractiveness, convenience and safety of properties, the inability to collect rent because of the bankruptcy or insolvency of tenants or otherwise, the periodic need to renovate, repair and release space and the costs thereof, the costs of maintenance and insurance, and increased operating costs.

Any significant decline in the valuation of the Group's property portfolio would have an adverse impact on the Group's business, financial condition and/or results of operations.

1.2 ***Market conditions may affect the Group's ability to adjust its portfolio strategically***

While the Company is not a limited life company and is under no obligation to sell its assets within a fixed timeframe, there can be no assurance that, at the time it seeks to dispose of its assets, conditions in the relevant market will be favourable or that the Group will be able to maximise the returns on assets of which it is seeking to dispose. As property assets are relatively illiquid (see the risk factor below headed "The market for the Group's real estate investments is relatively illiquid and may result in low disposal prices or an inability to sell certain properties" for further information), such illiquidity may affect the Group's ability to adjust, dispose of, or liquidate its portfolio in a timely fashion and at satisfactory prices. To the extent that market conditions are not favourable, the Group may not be able to dispose of property assets at a gain or at all. If the Group was required to dispose of or liquidate an investment on unsatisfactory terms, it may realise less than the value at which the investment was previously recorded in its accounts, which could result in a decrease in Net Tangible Assets and which would, in turn, have a negative impact on the Group's financial condition and/or results of operations as well as potentially having a negative impact on its wider

business. As a result of the foregoing, there can be no assurance that the Group's property portfolio will generate attractive returns for Shareholders.

Further, in acquiring a particular property, the Group may agree to restrictions that prohibit the sale of that property for a period of time or impose other restrictions, such as a limitation on the amount of debt that can be attached to or repaid in respect of that property. In addition, in circumstances where the Group purchases properties when capitalisation rates are low and purchase prices are high, the value of properties may not increase over time. This may restrict the Group's ability to sell its properties or, in the event that it is able to sell such a property, may lead to losses on the sale.

1.3 ***The Group's business is dependent on its ability to identify and manage investments which offer satisfactory returns***

When the Group raises capital by way of equity issuances or through the disposal of assets, it may need to make further acquisitions in order to increase rental income and earnings and to maintain its earnings and dividends on a per share basis. The Group's strategy is therefore founded upon the basis that suitable properties will be available for investment at prices and upon terms and conditions (including financing) that the Board considers favourable. There can be no assurance that the Group will be able to find suitable properties in which to invest. The longer the period before investment, the greater the likelihood that having uninvested cash may adversely affect earnings and/or dividends per share.

2 Real estate risks

2.1 ***The valuation of the Group's property is inherently subjective and uncertain and is based on assumptions which may prove to be inaccurate***

The valuation of the Group's properties is inherently uncertain due to, amongst other things, the individual nature of each property, its location and the expected future rental revenues from that particular property as well as the fact that the valuation of property is inherently a subjective exercise based on a range of assumptions and estimations which require professional judgment. The Group's property portfolio has been valued by external valuers half-yearly on a fair value basis in accordance with the RICS Valuation - Professional Standards (Incorporating the International Valuation Standards) January 2014 prepared by the Royal Institution of Chartered Surveyors (the "**Red Book**"). In determining Market Value, the valuers are required to make certain assumptions. Such assumptions may prove to be inaccurate. Incorrect assumptions or flawed assessments underlying a valuation report could negatively affect the Group's financial condition and potentially inhibit the Group's ability to realise a sale price that reflects the stated valuation. This is particularly so in periods of volatility or when there has been limited transactional evidence against which property valuations can be benchmarked. In particular, this factor could cause the Company's shares to trade at a discount to NTA. In addition, NTA will be adversely affected if the Company disposes of property assets at below previously reported NTA. Further, if the Group acquires properties based on inaccurate valuations, the Group's net assets and results of operations may be materially adversely affected, for example, because the Group's ability to realise a sale price that reflects the stated valuation on the balance sheet is inhibited. There can be no assurance that the valuations of the Group's existing and future properties will be reflected in actual transaction prices, even where any such transactions occur shortly after the relevant valuation date, or that the estimated yield and estimated annual rental income will prove to be attainable. In addition, property valuations are dependent on the level of rental income receivable and anticipated to be receivable on that property in the future and, as such, declines in rental income could have an adverse impact on revenue and the value of the Group's properties, which would, in turn, have an adverse impact on NTA.

2.2 ***The quality of tenants and occupancy levels at the Group's properties may decline over time as leases expire, having an adverse effect on the Group's business, financial condition and results of operations***

There can be no assurance that existing tenants of the Group will renew their respective leases when they expire and, if they do not, that new tenants of equivalent standing (or at all) will be found to take up replacement leases. This is particularly the case where a property requires refurbishment or redevelopment following the expiry of the tenancy. Tenants with the benefit of contractual break rights may also exercise these to bring the lease to an end before the contractual termination date. Furthermore, even if renewals are effected or replacement leases granted, there can be no assurance that such renewals or replacement leases will be on terms (including as to rental levels) as favourable as those which exist now or before such termination, nor that the financial strength of tenants who renew their leases or new tenants who replace them will be the same as, or equivalent to, those now existing or existing before such termination. In addition, there can be no assurance that a significant number of existing and/or future leases will not expire at the same time or within a short period of each other, either with respect to any particular property or across all or a large number of properties, thereby concentrating any such occupancy risk within a limited time period. During void periods, the Group will suffer a rental shortfall and incur additional expenses until the property is re-let. Any prolonged period of reduced occupancy could have an adverse effect on the Group's business, financial condition and/or results of operations.

2.3 ***The market for the Group's real estate investments is relatively illiquid and may result in low disposal prices or an inability to sell certain properties***

The Group's properties, and those in which the Group may invest in the future, are relatively illiquid in the sense that there may not be ready buyers with financing and who are willing to pay fair value at the time the Group desires to sell. In addition, in the case of leasehold properties, consents are often required from landlords to transfer such properties. Such illiquidity and/or consent requirements may affect the Group's ability to dispose of, or liquidate part of, its portfolio in a timely fashion and at satisfactory prices (or at all) in response to changes in economic, real estate market or other conditions or to finance its risk-controlled development activity. In the case of an accelerated sale, or a sale required for compliance with covenants contained in the Group's financing, or in the event of enforcement of security by a lender under one of the Group's borrowing facilities, there may be a significant shortfall between the carrying value of the property on the Group's consolidated balance sheet and the price achieved on the disposal of such property, and there can be no assurance that the price obtained from such a sale would cover the book value of the property sold. This could prevent or delay the ability of the Group to execute its asset disposal programme and target to reduce LTV to the Group's long-term target of less than 40 per cent.

2.4 ***The Group may fail to complete acquisitions successfully and may incur additional liabilities as part of such acquisitions***

When the Group makes any acquisition, the successful completion of such acquisition may be impacted by various factors, including the inability to satisfy any condition(s) precedent to such acquisition. The Group may also be exposed to substantial undisclosed or unascertained liabilities embedded in properties that were incurred or arose prior to the acquisition of the properties. These liabilities may include, in cases where the Group has acquired the entity which owned the property, tax liabilities, liabilities to state entities and liabilities to existing tenants, to creditors or to other persons involved with the properties prior to the acquisition. Furthermore, there can be no assurance that the title to the properties in any acquisition will not be subject to challenge. It can be difficult in certain cases to establish beyond doubt that any such title is incapable of challenge. Any successful challenge to the validity of the Group's title to a property may have adverse consequences for its title and the Group may not be able to obtain compensation from the seller in such case. These risks may subsist notwithstanding the fact that the Company has undertaken due diligence (see the risk factor below headed

"Due diligence may not identify all risks and liabilities in respect of an acquisition" for further information).

2.5 ***Due diligence may not identify all risks and liabilities in respect of an acquisition***

Prior to entering into an agreement to acquire any property, the Group will perform due diligence on the proposed investment. In doing so, it would typically rely, in part, on third parties to conduct a significant portion of this due diligence (including legal reports on title and property valuations).

To the extent that the Group or other third parties underestimate or fail to identify risks and liabilities associated with the investment in question, the investment may be subject to defects in title; to environmental, structural or operational defects requiring investigation, removal or remediation; or the Group may be unable to obtain necessary permits.

If there is a due diligence failure, there may be a risk that properties are acquired that are not consistent with the Company's investment strategy, that properties are purchased for a price which exceeds their realistic value or that properties are acquired that fail to perform in accordance with projections.

2.6 ***The Group may not be able to maintain or increase the rental rates for its properties, which may, in the longer term, have a material adverse impact on the value of the Group's properties, as well as the Group's turnover***

The value of the Property Portfolio, and the Group's turnover, will depend on the rental rates that can be achieved from the Property Portfolio. The ability of the Group to maintain or increase the rental rates for its properties generally may be adversely affected by general UK economic conditions. In addition, there may be other factors that depress rents or restrict the Group's ability to increase rental rates, including local factors relating to particular properties/locations (such as increased competition). Any failure to maintain or increase the rental rates within the Property Portfolio generally may have a material adverse effect on the Company's profitability, the Net Tangible Assets, the price of Ordinary Shares and the Group's ability to meet interest and capital repayments on any debt facilities.

Periods of reduced liquidity in the property market may also mean that it may be difficult to achieve the sale of property assets at prices reflecting the Group's property valuations. In addition, the lack of relevant transactional evidence increases the possibility of being unable to achieve successful sales of properties at acceptable prices. Failure to achieve successful sales of properties in the future at acceptable prices could have an adverse impact on the Group's business, financial condition and/or results of operations.

2.7 ***The Group may be exposed to future liabilities and/or obligations with respect to the disposal of property investments***

The Group may be exposed to future liabilities and/or obligations with respect to the disposal of its property investments. The Group may be required, or may consider it prudent, to set aside provisions for warranty claims or contingent liabilities in respect of property disposals. The Group may be required to pay damages (including, but not limited to, litigation costs) to a purchaser to the extent that any representations and/or warranties that it has given to a purchaser prove to be inaccurate or to the extent that it has breached any of its covenants or obligations contained in the disposal documentation. In certain circumstances, it is possible that any representations and/or warranties incorrectly given could give rise to a right by the purchaser to rescind the contract in addition to the payment of damages. Further, the Group may become involved in disputes or litigation in connection with such disposed investments. Certain obligations and liabilities associated with the ownership of investments (such as certain environmental liabilities) can also continue to exist notwithstanding any disposal. Any such claims, litigation or obligations, and any steps which the Group is required to take to

meet such costs, such as sales of assets or increased borrowings, may have a material adverse effect on the Group's business, financial condition and/or results of operations.

2.8 ***Real estate development may incur more cost and time than expected***

Returns from investment in property depend largely upon the amount of rental income generated from the property and the expenses incurred in the repair, maintenance and management of the property, as well as upon changes in its market value. Development or redevelopment expenditure may be necessary in the future to preserve the rental income generated from, and/or the value of properties and this may affect the Group's profits and/or cashflows.

2.9 ***Redevelopment, refurbishment and/or expansion potential may be adversely affected by a number of factors***

The potential for the redevelopment, refurbishment and/or expansion of properties may be adversely affected by a number of factors, including constraints on location, planning legislation and the need to obtain other licences, consents and approvals and the existence of restrictive covenants affecting the title to such property. Consequently, on some of its assets, there may not be an opportunity for the Group to carry out redevelopment, expansion, refurbishment or enhancement work, which, in each case, may have an adverse effect on the Group's business, financial condition and/or results of operations.

2.10 ***The Group's consolidated balance sheet and income statement may be significantly affected by fluctuations in the fair market value of the Group's properties as a result of revaluations***

In accordance with IAS 40, the Group's properties are independently revalued on a biannual basis and any increase or decrease in the value of its properties is recorded in the Group's income statement in the period during which the revaluation occurs. As a result, the Group can have significant non-cash gains and losses from period to period depending on the change in the fair value of its properties, whether or not such properties are sold, and could have difficulty maintaining its internal target balance sheet gearing ratio and other financial measures.

Any such fluctuations could have an adverse impact on the Group's business, financial condition and/or results of operations.

2.11 ***The Group may be subject to environmental liabilities***

As the owner of real property, the Group is subject to environmental regulations that can impose liability for cleaning up contaminated land, watercourses or groundwater on the person causing, or knowingly permitting, the contamination. If the Group acquires contaminated land, it could also be liable to third parties for harm caused to them or their property as a result of the contamination. If the Group is found to be in violation of environmental regulations, it could face reputational damage, regulatory compliance penalties, reduced letting income and reduced asset valuation, which could have a material adverse effect on the Group's business, financial condition and results of operations.

3 Risks of leverage

3.1 ***The Group is exposed to interest rate risk***

Where the Group has borrowed on a variable rate basis, it has entered into derivative instruments to mitigate the risk of movements in interest rates. The Group's policy is that any future variable rate borrowings should also be appropriately hedged. To the extent that the relevant members of the Group do not enter into hedging arrangements, or if such

arrangements are no longer available or are only available on unacceptable terms, the Group may be exposed to interest rate risk arising from its borrowings.

3.2 ***The Group may breach its financial covenants or be unable to refinance indebtedness or secure new or replacement indebtedness on acceptable terms or at all***

The Group's borrowing facilities contain certain financial covenants (among others) relating to loan-to-value (LTV) ratio and interest or debt service cover ratio, a breach of which could lead to a default under such facilities. The Group must continue to operate within these financial covenants to avoid default. In the event that the Group breaches any of the financial covenants relating to its facilities, it may, among other things: (i) be required to repay the loans early and, as a consequence, may be forced to sell assets at a price lower than that which would otherwise be achieved in an ordinary sale in order to fund such early repayment; or (ii) incur default interest charges which would erode profits available for distribution to Shareholders. For the avoidance of doubt, as a result of the Capital Raising, the Group does not currently anticipate breaching such financial covenants in the short term, being at least the next 12 months following the date of this document.

In addition, in the medium and longer term, it is not certain that the Group will be able to refinance indebtedness as it matures or enter into new facilities on acceptable terms or at all. In such circumstances, the Group may be required to liquidate investments prematurely (or otherwise raise capital) to service its debt obligations and there can be no guarantee the Group will be able to liquidate such investments at prices reflective of their valuations, if at all.

Any of the foregoing events may have a material adverse effect on the Group's financial condition, business, prospects and results of operations and the Company's ability to make distributions to Shareholders.

3.3 ***Availability of borrowings and the gearing effect of borrowing can work against, as well as for, Shareholders***

It is intended that the Group will incur gearing to fund its business in the future. There is no certainty that such borrowings will be made available to the Group either at all or on acceptable terms. In particular, the cost of any such debt will be adversely impacted by increases in interest rates from current levels. This may adversely affect the ability of the Company to grow in the future and acquire further properties and/or may increase the cost of the debt which could, as a consequence, have a material adverse impact on the financial position of the Group and the level of returns and dividends the Company may be able to pay to Shareholders.

Prospective investors should be aware that, whilst the use of borrowings should enhance the Net Tangible Assets per Share where the value of the Company's underlying assets is rising, it will have the opposite effect where the underlying asset value is falling. In addition, in the event that the rental income of the Property Portfolio falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net revenue of the Company and accordingly will have an adverse effect on the Company's ability to pay dividends to Shareholders.

Under the REIT legislation, a UK tax charge will arise in the Company if the ratio of the Group's income profits (before capital allowances) in respect of its Property Business to the financing costs incurred in respect of the Property Business is less than 1.25:1 for an accounting period.

4 Risks relating to the Capital Raising and the Ordinary Shares

4.1 *If the Capital Raising does not proceed, there will be a working capital shortfall potentially leading to administration or liquidation*

Your attention is drawn to the fact that the Capital Raising is conditional and dependent upon, among other things, the Transaction Resolutions, each of which is inter-conditional, being passed at the Extraordinary General Meeting.

The issue of the New Ordinary Shares pursuant to the Capital Raising is conditional, among other things, on the Transaction Resolutions having been passed and the conditions to the Subscription Agreement and the Sponsor Agreement having been satisfied or, where applicable, waived and each such agreement not having been terminated prior to Admission in accordance with its terms. If the Transaction Resolutions are not passed and the Capital Raising does not complete, on the basis of the Company's base case projections, the Group will be unable to fund the £50 million Retail Bond liability due for repayment on the 6 August 2024, resulting in an immediate working capital shortfall.

Consequently:

- the Board will be required immediately to seek new sources of capital, including (but not limited to) seeking to enter into a subordinated borrowing facility (which may not be available, is likely to be expensive and is likely to significantly constrain the Group's activities; based on the Board's investigations to date, if available at all, such a facility is likely to be available on highly unattractive terms) and approaching current Retail Bond holders to request an extension to the redemption date of the Retail Bond (which is challenging from a timing perspective and, in the Board's view, unlikely to be successful based on informal consultations to date);

- the Board will likely need to take other mitigation actions, as described below;

- if the Group is unable to obtain appropriate new sources of capital, the Group may not be considered a 'going concern' and may not receive a clean viability statement from its auditors; and

- as a result of the Group being unable to obtain appropriate new sources of capital, the Company and other material companies in the Group could enter into administration or liquidation shortly thereafter, which could be as early as 13 August 2024, being seven days after the repayment date for the £50 million Retail Bond.

Shareholders (excluding the Placee and any person acting in concert with the Placee in relation to the Rule 9 Waiver Resolution) are therefore asked to vote in favour of the Transaction Resolutions at the Extraordinary General Meeting in order for the Capital Raising to proceed.

The Directors believe that completion of the Capital Raising will increase the strength of the Company's balance sheet and fund its ongoing value enhancing capital expenditure programme.

If the Capital Raising does not complete, the Company envisages that it would have a short-term liquidity shortfall and would not have sufficient working capital for its present requirements.

The Company anticipates that it would first be in breach of the terms and conditions applicable to the Retail Bond (under which, as at the Latest Practicable Date, the total amount drawn was £50 million) in August 2024, which would allow the bondholders thereunder to demand repayment of the outstanding loans thereunder. In turn, the non-repayment of the Retail Bond would constitute an event of default under the lending facilities provided to RR Range Limited

and RR Star Limited (under which, as at the Latest Practicable Date, the amounts drawn were £147.5 million and £36.0 million respectively) as an event of default is triggered under such facility agreements if the Company is unable, or admits inability, to pay its debts as they fall due. At the lowest point in the working capital cycle in August 2024, the Company estimates that its liquidity shortfall would be approximately £24.3 million, due to the £50 million Retail Bond liability becoming due for repayment. In the event of a liquidity shortfall, the Company would immediately put in place an action plan to mitigate the shortfall, which would involve some or all of the following:

- seeking to enter into a subordinated borrowing facility agreement of a two-to-three-year duration. In such a situation, there can be no guarantee of the terms of any such arrangement, if it is available at all. Any such arrangement will likely be significantly more expensive and on significantly more onerous terms than those which apply currently under the Group's existing financing arrangements, with annual borrowing rates expected to match the current market rate of c. 15 per cent. (including all associated facility arrangement and exit fees);

- approaching the current bondholders and requesting an extension to the redemption date of 6 August 2024 under the Retail Bond (noting the timing challenges in connection with the same);

- approaching the lenders under the lending facilities provided to RR Range Limited and RR Star Limited to request new terms and conditions;

- ceasing all dividend distributions to Shareholders; and

- expediting the Company's asset disposal programme.

As a result of such mitigating actions, the Group would likely experience some or all of the following:

- a significant increase in the cost of its borrowings;

- it becoming significantly more difficult for the Group to operate as a result of onerous covenants in a subordinated borrowing facility, risking worse financial performance and, ultimately, administration or liquidation;

- corporation tax on the Company's taxable earnings as a result of the Company failing to distribute property income distributions to shareholders within 12 months of the last accounting period in compliance with the REIT Regime;

- asset disposal prices significantly below book value, and on terms which the Company would not ordinarily accept, as a result of accelerated forced sales;

- reduced flexibility from other lenders; and

- suppliers withdrawing their services.

Notwithstanding the mitigating actions set out above, the Directors do not consider that significant asset sales (outside of the Group's existing asset disposal programme) would provide a viable solution to the working capital shortfall due to covenant constraints under the Group's existing bank facilities. Therefore, if the Group is not able to obtain appropriate new sources of capital as described above, the Company and other material companies in the Group may enter into administration or liquidation in the near term, which could be as early as August 2024, due to the £50 million Retail Bond liability becoming due for repayment, which could result in the loss by Shareholders of all or part of their investment in the Company.

4.2 ***Shareholders may suffer substantial dilution to their shareholdings***

The Capital Raising is being conducted at the Issue Price, which is at a significant discount to (i) the Closing Price of 20.2 pence; and (ii) the latest published NTA per Share of 56.4 pence and, accordingly, is highly dilutive to those Existing Shareholders who do not, or cannot, participate in it or take up their full entitlements under it. Those Qualifying Shareholders and Overseas Placees who do not participate in the Open Offer or the Overseas Placing (as applicable), and those Restricted Shareholders who are unable to participate in the Open Offer or Overseas Placing, will suffer a dilution of approximately 68.2 per cent. to their existing percentage holdings. Those Qualifying Shareholders who take up their entitlements in full under the Open Offer and those Overseas Placees who subscribe for the maximum amount of Overseas Placing Shares permitted in the Overseas Placing will not suffer a dilution to their existing percentage holdings.

Following Admission, the Company may seek to issue new equity in the future. In addition to the Capital Raising, any additional equity financing will be dilutive to those Shareholders who cannot, or who choose not to, participate in such fundraises. Further issues of new equity could have a material adverse effect on the market price of Ordinary Shares as a whole.

4.3 ***The market price of the Ordinary Shares may rise or fall and may not reflect the value of the Group's underlying assets***

The price of the Ordinary Shares and the income derived from them can go down as well as up. If the Company's assets do not grow at a rate sufficient to cover the Group's operating costs, Shareholders may not recover the amount initially invested.

The market value of, and the income derived from, the Ordinary Shares can fluctuate. As the Company is a REIT, the market value of an Ordinary Share, as well as being affected by its Net Tangible Assets per Share and prospective Net Tangible Assets per Share, also takes into account its dividend yield and prevailing interest rates. As such, the market value of an Ordinary Share may vary considerably from its underlying Net Tangible Assets per Share and investors may not get back the full value of their investment.

The Ordinary Shares may trade at a discount to Net Tangible Assets per Share for a variety of reasons, including adverse market conditions, a deterioration in investors' perceptions of the merits of the Company's investment objective and Investment Policy, an excess of supply over demand in the Ordinary Shares and to the extent investors undervalue the advisory activities of the Asset Manager or the Investment Adviser, or to the extent investors discount the valuation methodology and judgements made by the Company. While the Directors may seek to mitigate any discount to Net Tangible Assets per Share through such discount management mechanisms as they consider appropriate, there can be no guarantee that they will do so or that such mechanisms will be successful.

Fluctuations could also result from a change in national and/or global economic and financial conditions, the actions of governments in relation to changes in the national and global financial climate or taxation and various other factors and events, including rental yields, variations in the Company's operating results and business developments of the Company and/or its competitors. Stock markets have experienced significant price and volume fluctuations in the past that have affected market prices for securities.

The price of an Ordinary Share may also be affected by speculation in the press or investment community regarding the business or investments of the Group or factors or events that may, directly or indirectly, affect its investments.

4.4 ***There can be no assurance that the Company will be able to pay dividends in the future***

The Company may not achieve its investment objective. Meeting the investment objective is a target but the existence of such a target should not be considered as an assurance or guarantee that it will be met.

Notwithstanding the Company's quarterly dividend programme, the Company may not pay dividends if the Directors believe that this would cause the Company to be less than adequately capitalised or if for any other reason the Directors determine, in the exercise of their statutory duties as directors, that it would not be in the best interests of the Company to do so. Future dividends will depend on, amongst other things, the Group's future profits, financial position, working capital requirements, macro-economic conditions and other factors that the Directors deem significant from time to time.

4.5 ***The Ordinary Shares may prove difficult to sell as a result of the liquidity in the Company's shares***

As at close of business on the Latest Practicable Date, the Company's market capitalisation was approximately £111.4 million. Market liquidity of companies with relatively small market capitalisations is frequently inferior to the market liquidity of shares issued by larger companies traded on the London Stock Exchange. The investment focus of the Company may also reduce the universe of available buyers of the Ordinary Shares. Accordingly, Shareholders may have difficulty in selling Ordinary Shares.

4.6 ***The Capital Raising may result in the Company having a significant Shareholder***

Upon completion of the Capital Raising, the Placee may beneficially own up to 1,105,149,821 Ordinary Shares (representing up to approximately 68.2 per cent. of the Enlarged Issued Share Capital). In addition, pursuant to the Subscription Agreement, if the Placee Parties hold 10 per cent. or more of the Ordinary Shares, the Placee shall have the right to appoint a non-executive director to the Board.

As a result, the Placee may, following the Capital Raising, be able to influence decision-making within, and may exert substantial influence over, the Company and the Placee's interests may differ from or conflict with those of the Company's other shareholders. If the Placee holds more than 50 per cent. of the Enlarged Issued Share Capital following the Capital Raising, the Placee would be able to pass ordinary resolutions.

The market price of the Ordinary Shares may decline if the Placee uses its influence over the Company's voting capital in ways that are, or may be, adverse to the interests of other shareholders.

Further, the concentration of ownership in the Placee may have the effect of delaying, deferring or preventing a change of control, merger, consolidation, takeover or other business combination or discouraging a potential acquirer from making an offer for, or otherwise attempting to obtain control of, the Company, which, in turn, could have an adverse effect on the trading price of the Ordinary Shares.

4.7 ***Exchange rate fluctuations may impact the price of Ordinary Shares***

The Ordinary Shares are quoted in Pounds Sterling. An investment in Ordinary Shares by an investor in a jurisdiction whose principal currency is not Pounds Sterling exposes the investor to foreign currency rate risk. Any depreciation of Pounds Sterling in relation to such foreign currency will reduce the value of the investment in the Ordinary Shares in foreign currency terms.

4.8 ***Future sales of Ordinary Shares could cause the market price of the Ordinary Shares to fall***

Sales of Ordinary Shares, or interests in the Ordinary Shares, by significant investors could depress the market price of the Ordinary Shares. The Placee could become a significant investor after completion of the Capital Raising and, accordingly, sales of Ordinary Shares, or interests in the Ordinary Shares, by the Placee could depress the market price of the Ordinary Shares.

Pursuant to the Subscription Agreement, the Placee has undertaken to the Company that, conditional upon the Placee holding not less than 20 per cent. of the Ordinary Shares immediately following Admission, subject to certain customary exceptions set out in the Subscription Agreement:

- it will not effect any disposal of any Placing Shares and any shares that accrue to the Placee as a result of its holding of such Placing Shares (or any of them) (the "**Restricted Shares**") until the date falling six months after the date of Admission of such Ordinary Shares (the "**Lock-in Period**"); and

- it will not effect any disposal of Restricted Shares in the six month period following the expiry of the relevant Lock-in Period, unless such disposal is effected through the Company's corporate broker (from time to time).

After the expiry of the relevant Lock-in Periods, the Placee would be able to effect disposals of Restricted Shares, which could depress the market price of the Ordinary Shares.

A substantial number of Ordinary Shares being sold, or the perception that sales of this type could occur, could also depress the market price of the Ordinary Shares. Both scenarios, occurring either individually or collectively, may make it more difficult for Shareholders to sell the Ordinary Shares at a time and price that they deem appropriate.

4.9 ***The Company may be liable under the terms of an exclusivity agreement***

The Company entered into an exclusivity agreement (the "**Exclusivity Agreement**") in early 2024 which proposed participation in and underwriting of a firm placing and open offer of Ordinary Shares. The Exclusivity Agreement provides for a break fee of £1,152,671 (being an amount equal to 1 per cent. of the market capitalisation of the Company on the date of the Exclusivity Agreement) to be payable on a breach of the exclusivity provisions in the Exclusivity Agreement (which, for the avoidance of doubt, would be payable on such breach whether or not the Capital Raising completes). There is a risk that the Company may need to make a payment in settlement of the break fee clause contained within the Exclusivity Agreement. Negotiations are at an early stage and it is therefore not possible at this stage to quantify the Company's liability for this claim. If it were to exceed the break fee amount, the same may materially adversely affect the Group's profits and cashflows. The Directors do not, however, expect any payment to exceed the break fee amount.

5 Risks relating to service providers

5.1 ***The Company has no employees and is reliant on the performance of third party service providers***

The Company has no employees and the Directors are non-executive directors. While the Company has taken all reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations, the Company is reliant upon the performance of third party service providers for certain of its executive functions. In particular, the Asset Manager, the Investment Adviser, the AIFM, the Administrator, the Company Secretary, the Registrar, the Depositary and the Valuer each perform services which are integral to the operation of the Company. Failure by any such service provider to

carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company.

The past performance of other investments managed or advised by the Asset Manager, the Investment Adviser, the AIFM or their respective investment professionals cannot be relied upon as an indicator of the future performance of the Company. Shareholder returns will be dependent upon the Company successfully pursuing its investment objective. The success of the Company depends, inter alia, on the ability of the Asset Manager, with the assistance of the Investment Adviser and the AIFM, to identify, acquire, refurbish, let and realise properties in accordance with the Company's investment objective. This, in turn, depends on the ability of the Asset Manager to apply its investment analysis processes in a way which is capable of identifying suitable properties for the Company to invest in. There can be no assurance that the Asset Manager will be able to do so or that the Company will be able to invest its assets on attractive terms or generate any investment returns for Shareholders or indeed avoid investment losses.

5.2 ***The Company is dependent on the expertise of the Asset Manager, the Investment Adviser and the AIFM and their respective key personnel to evaluate investment opportunities and to assist in the implementation of the Company's investment objective and Investment Policy***

In accordance with the Asset Management Agreement and Investment Management Agreement, the Asset Manager is responsible for providing property management services to the Company, the AIFM is responsible for providing AIFM services to the Company pursuant to the UK AIFM Laws and the Investment Adviser is responsible for providing certain advisory services to the Company, Midco and the SPVs. Accordingly, the Company is reliant upon, and its success depends on, the Asset Manager, the Investment Adviser and the AIFM and their personnel, services and resources.

Consequently, the future ability of the Company successfully to pursue its investment objective and Investment Policy may, among other things, depend on the ability of the Asset Manager, the Investment Adviser and the AIFM to retain their respective existing staff and/or to recruit individuals of similar experience and calibre. Whilst the Asset Manager and the Investment Adviser have each endeavoured to ensure that the principal members of their respective management teams are suitably incentivised, the retention of key members of the team cannot be guaranteed. Furthermore, in the event of a departure of a key employee of the Asset Manager, the Investment Adviser or the AIFM, there is no guarantee that the Asset Manager, the Investment Adviser or the AIFM (as applicable) would be able to recruit a suitable replacement or that any delay in doing so would not adversely affect the performance of the Company. Events impacting but not entirely within the Asset Manager's, the Investment Adviser's of the AIFM's control, such as its financial performance, it being acquired or making acquisitions or changes to its internal policies and structures could in turn affect its ability to retain key personnel.

Under the terms of the Asset Management Agreement and the Investment Management Agreement, the Asset Manager, the Investment Adviser and the AIFM, respectively, are required to devote appropriate time and resources to the Company's investments. However, if the Asset Manager, the Investment Adviser or the AIFM fails to allocate the appropriate time or resources to the Company's investments, the Company may be unable to achieve its investment objective. In addition, although the Asset Management Agreement and the Investment Management Agreement require the Asset Manager, the Investment Adviser and the AIFM, respectively, to dedicate suitably qualified personnel to the Company's business or to require personnel servicing the Company's business to allocate a specific amount of time to the Company they may not be able to do so.

The Company is also subject to the risk that the Asset Management Agreement or Investment Management Agreement may be terminated and that no suitable replacement will be found. If the Asset Management Agreement or Investment Management Agreement is terminated

and a suitable replacement is not secured in a timely manner or key personnel of the Asset Manager, Investment Adviser or the AIFM (as applicable) are not available to the Company with an appropriate time commitment, the ability of the Company to execute its investment objective and Investment Policy may be adversely affected.

The obligations of the Asset Manager under the Asset Management Agreement are not guaranteed by any other person. The obligations of the Investment Adviser and the AIFM under the Investment Management Agreement are not guaranteed by any other person.

5.3 ***Each Manager or its associates may have conflicts of interest***

The services of each Manager, its associates and their respective officers and employees, are not exclusive to the Company. Each Manager in fulfilling its responsibilities to the Company may be subject to certain conflicts of interest arising from its relations with third parties to whom it also owes duties or in whom it has an interest.

In particular:

- the Asset Manager may from time to time act as distributor, promoter, manager, asset manager, registrar, transfer agent, administrator, external valuer, trustee or director, or be otherwise involved in, other collective investment schemes which have similar investment objectives to that of the Company or may otherwise provide property management or ancillary administration or property advisory services to investors with similar investment objectives to those of the Company.

- the Investment Adviser may from time to time act as distributor, promoter, manager, investment manager, investment adviser to, or be otherwise involved in, other collective investment schemes which have a similar investment objective to that of the Company or may otherwise provide discretionary fund management or ancillary administration or advisory services to investors with a similar investment objective to that of the Company; and

- the AIFM may from time to time act as distributor, promoter, manager, investment manager, investment adviser to, or be otherwise involved in, other collective investment schemes which have a similar investment objective to that of the Company or may otherwise provide discretionary fund management or ancillary administration or advisory services to investors with a similar investment objective to that of the Company.

Arrangements are in place to address such potential conflicts including (i) a requirement at all times for each Manager to have regard in a conflict situation to its obligations to act in the best interests of Shareholders so far as practicable, having regard to its obligations to other clients, and endeavour to resolve such conflicts fairly; and (ii) rights of first refusal for property assets that fall within the Investment Policy. However, there is a risk that such potential conflicts of interest are not managed in accordance with those arrangements or that such conflicts of interest are not resolved a manner that is favourable to the Group. If such risks materialise, the terms on which the Company has access to certain opportunities may be less favourable than they would have been if such conflicts of interest did not exist, and the Company may not be able to access such opportunities at all. These factors may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

5.4 ***The Group may be exposed to the effects of material business disruption or other detrimental events to its service providers***

Natural disasters, terrorist attacks, power outages or other detrimental events, whether man-made or natural in origin, that prevent any of the Group's service providers from using all or a significant part of its offices or computer systems, or that otherwise disrupt operations, may

make it difficult and, in some cases, impossible for such service provider to continue to operate its business for a substantial period of time and therefore provide services to the Group, which could materially and adversely affect the Group's business, results of operations and financial performance. Whilst the Group's service providers have in place disaster recovery plans and procedures which the Directors consider to be appropriate, there can be no assurance that these will be adequate to ensure that any disruption is minimised.

5.5 ***Failure of the AIFM to comply with US regulatory requirements could prevent the AIFM from providing services to the Company***

The AIFM is registered as an investment adviser under the US Advisers Act. Accordingly, the AIFM will be required to comply with all of the provisions of the US Advisers Act and the rules thereunder that apply to registered investment advisers. If the AIFM fails to comply with its obligations under the US Advisers Act, the AIFM may be prohibited from engaging in activities relating to securities, including the fulfilment of its obligations under the Investment Management Agreement. Any interruption to the provision of investment management services to the Company could adversely impact the value of the Company's investments and compromise its ability to make new investments.

6 Risks relating to taxation and regulation

6.1 ***The Group is exposed to risks relating to its REIT status***

The Group is, at the date of this document, a group UK REIT. The basis of taxation of any Shareholder's shareholding in the Company will differ or change fundamentally if the Group fails to maintain its REIT status.

The requirements for maintaining REIT status are complex. While minor breaches of the REIT regime conditions and requirements may result only in specific additional amounts of tax being payable or will not be punished if remedied within a given period of time (provided that the regime is not breached more than a certain number of times), the Company cannot guarantee that the Group will maintain continued compliance with all of the REIT conditions. There is a risk that the REIT regime may cease to apply in some circumstances. HMRC may require the Group to exit the REIT regime if:

- it regards a breach of the conditions relating to the REIT regime (including in relation to its property business) or an attempt to obtain a tax advantage as sufficiently serious;
- the Group has committed a certain number of breaches in a specified period; or
- HMRC has given the Group at least two notices in relation to the obtaining of a tax advantage within a ten-year period.

In addition, if the conditions for REIT status relating to the share capital of the Company or the prohibition on entering into certain prohibited loans are breached or the Company ceases to be UK tax resident, becomes dual tax resident or becomes an open-ended investment company, or (in certain circumstances) ceases to satisfy the close company conditions or ceases to be listed or traded, the Group will automatically lose REIT status.

The Group could therefore lose its status as a REIT as a result of actions by third parties, for example, in the event of a successful takeover by a company that is not a REIT (and which does not qualify as an institutional investor under Section 528(4A) CTA 2010) or due to a breach of the close company condition if it is unable to remedy the breach within a specified timeframe. If the Group were to be required to leave the REIT regime within 10 years of joining, HMRC has wide powers to direct how it would be taxed, including in relation to the date on which the Company would be treated as exiting the REIT regime. This could have a material impact on the financial condition of the Company and, as a result, Shareholder

returns. In addition, incurring a tax liability might require the Group to borrow funds, liquidate some of its assets or take other steps that could negatively affect its operating results.

If the Group fails to remain qualified as a REIT, its rental income (and any capital gains within the scope of UK taxation) will be subject to UK tax.

6.2 ***The Capital Raising may result in the Group automatically ceasing to benefit from the REIT regime***

As set out above, one of the requirements for maintaining REIT status is that the Company must satisfy the close company conditions (i.e. not be a close company). These conditions are complex, but broadly a company is close if it is under the control of five or fewer participators (broadly, persons who control voting rights). Upon completion of the Capital Raising, the Placee may beneficially own up to 1,105,149,821 Ordinary Shares (representing up to approximately 68.2 per cent. of the Enlarged Issued Share Capital) (the Placee's actual beneficial ownership will depend on take-up of Open Offer Entitlements in the Capital Raising). As a result, following the Capital Raising, the Placee may (itself or together with four or fewer other participators) control the Company.

However, the Company should not be treated as a close company provided, broadly, shares carrying at least 35 per cent. of the votes in the Company are beneficially held by the public and such shares have within the preceding 12 months been the subject of dealings on a recognised stock exchange. Generally, shares held by shareholders who (together with certain related persons) possess no more than 5 per cent. of the shareholder voting power are treated as beneficially held by the public provided they are not held:

a) by directors of the Company or an associate of such a director;

b) by a company which is under the control of one or more persons each of whom is such a director or associate;

c) by an associated company of the Company; or

d) as part of a fund, the capital or income of which is applicable or applied wholly or mainly for the benefit of: (i) employees, directors, past employees or past directors of the Company or of any company within (b) or (c) above; or (ii) dependants of any individuals within (i).

If following the Capital Raising, the Placee (together with four or fewer other shareholders) holds more than 50 per cent of the Enlarged Issued Share Capital, less than 35 per cent. of the shares in the Company may be treated as "beneficially owned by the public". The Company estimates that (subject to certain exceptions, which would improve the situation) if Existing Shareholders whose holdings would be treated as 'beneficially held by the public' take up less than nine per cent. (in aggregate) of their Open Offer Entitlements in the Capital Raising, the Company would be in breach of the REIT conditions and the Group would automatically lose REIT status with effect from the end of the accounting period before the one in which the breach occurred (i.e. from 31 December 2023).

If the Company loses its REIT status, all profits and gains arising to the Group after the Company's exit from the REIT regime would be subject to UK corporation tax, without the benefit of the REIT exemption.

Each of the Subscription Agreement and the Sponsor Agreement are conditional upon the Company not being a close company immediately following Admission and so if that condition is not satisfied or waived under each of the Subscription Agreement and the Sponsor Agreement, the Capital Raising will not proceed.

6.3 ***The Group may become subject to tax charges in respect of distributions to holders of excessive rights***

A REIT may become subject to an additional tax charge if it pays a dividend to, or in respect of, a holder of excessive rights (as defined in section 553 CTA 2010). This additional tax charge will not be incurred if the REIT has taken reasonable steps to avoid paying dividends to, or in respect of, a holder of excessive rights. Therefore, the Articles contain provisions designed to avoid the situation where dividends may become payable to a holder of excessive rights. These provisions provide the Directors with powers to identify holders of excessive rights and to prohibit the payment of dividends on Ordinary Shares that form part of a holding of excessive rights, unless certain conditions are met. The Articles also allow the Board to require the disposal of Ordinary Shares forming part of a holding of excessive rights in certain circumstances where the holder of excessive rights has failed to comply with the above provisions.

6.4 ***The Group may become subject to tax charges associated with borrowings***

Under the UK REIT legislation, a UK tax charge will arise in the Company if, in respect of an accounting period, the Group's ratio of income profits to financing costs (in respect of its qualifying property rental business) is less than 1.25:1.

6.5 ***Any changes in taxation rules could affect the value of certain tax reliefs currently afforded to the Group***

The levels of, and reliefs from, taxation may change. The tax reliefs referred to in this document are those currently available and their value depends on the individual circumstances of investors. Any change in the Company's or Group's tax status or in taxation legislation in the UK, including as a result of a change of policy in connection with the UK general election to be held on 4 July 2024, or any other tax jurisdiction affecting Shareholders or investors could affect the value of the investments held by the Company, or affect the Company's ability to achieve its investment objective or alter the post-tax returns to Shareholders. Changes to tax legislation could include the imposition of new taxes or increases in tax rates. In particular, an increase in the rates of stamp duty land tax could have a material impact on the price at which UK land can be sold, and therefore on asset values. If you are in any doubt as to your tax position, you should consult your own professional adviser without delay.

6.6 ***Any changes under Guernsey law could affect the Company's ability to be a REIT***

The Company is incorporated in Guernsey although it is managed, controlled and taxed in the UK. In order to qualify as a REIT, the Company must be tax resident in the UK and in no other jurisdiction. Failure to satisfy this condition would result in immediate expulsion from the REIT regime. The Company has non-resident tax status for Guernsey income tax purposes. This status may be reviewed periodically by the Guernsey Revenue Service and the Company is obliged to inform the Guernsey Revenue Service of any changes which would mean it is no longer eligible for non-resident tax status. Any changes under Guernsey law or failure to retain its status as non-resident for Guernsey tax purposes such that the Company is also considered tax resident in Guernsey could impact the Company's ability to satisfy the REIT conditions and consequently to remain within the REIT regime.

6.7 ***Disposals of property could expose the Group to tax***

If a member of the Group disposes of a property in the course of a trade, any gain will generally be subject to corporation tax (currently at 25 per cent.). For example, acquiring a property with a view to sale followed by a disposal of the asset would indicate a trading activity, whereas disposal of a property as part of a normal variation of a property rental portfolio would not indicate a trading activity. Whilst the Group does not intend to dispose of property in the course of a trade, there can be no assurance that HMRC will not scrutinise any disposals and

successfully contend that any or some of them have been in the course of a trade, with the consequence that corporation tax may be payable in respect of any profits from the disposal of such property.

6.8 ***FATCA rules may require US Tax withholding on certain payments***

FATCA is aimed at reducing tax evasion by US citizens.

The FATCA provisions of the US Internal Revenue Code of 1986, as amended, may impose a 30 per cent. withholding tax on payments of: (i) certain US source interest, dividends and other types of income, (ii) payments of gross proceeds from the sale or disposition of certain US assets which produce US source interest or dividends, and (iii) no sooner than two years following the date of publication of certain final regulations a portion of non-US source payments from certain non-US financial institutions to the extent attributable to US source payments, in all cases to a foreign financial institution (or "**FFI**"), unless that FFI complies with certain reporting and other related obligations under FATCA. Treasury Regulations proposed by the US Treasury Department on December 18, 2018 indicate an intent to eliminate the requirement under FATCA of withholding on payments of gross proceeds (other than amounts treated as interest). The US Treasury Department has indicated that taxpayers may rely on these proposed Treasury Regulations pending their finalisation. The UK has concluded an intergovernmental agreement with the US ("**US-UK IGA**"), pursuant to which parts of FATCA have been effectively enacted into UK law. Guernsey has also concluded an intergovernmental agreement with the US ("**US-Guernsey IGA**"), pursuant to which parts of FATCA have been effectively enacted into Guernsey law.

Under the UK-US IGA, an FFI that is resident in the UK (a "**UK Reporting FFI**") is not subject to withholding under FATCA provided it complies with the terms of the US-UK IGA, including requirements to register with the IRS and requirements to identify, and report certain information on, accounts held by US holders owning, directly or indirectly, an equity or debt interest in the UK Reporting FFI (other than equity and debt interests that are regularly traded on an established securities market, for which see below), and report on accounts held by certain other persons or entities to HMRC for onward reporting to the IRS. An FFI that fails to comply with the US-UK IGA will be treated as a "non-Participating FFI" and may be subject to a 30 per cent. withholding tax on certain payments to it.

The Company is treated as a UK Reporting FFI pursuant to the US-UK IGA. The Company's Ordinary Shares, in accordance with current HMRC practice, comply with the conditions set out in the US-UK IGA to be "regularly traded on an established securities market", such as the main market of the London Stock Exchange, meaning that the Company does not have to report specific information on its Shareholders and their investments to HMRC for FATCA purposes (although such reporting may be required for CRS purposes, as to which see below). However, there can be no assurance that the Company will be treated as a UK Reporting FFI, that its Ordinary Shares will be considered to be "regularly traded on an established securities market" in the future or that it would not in the future be subject to withholding tax under FATCA or the US-UK IGA. If the Company becomes subject to a withholding tax as a result of FATCA or the US-UK IGA, the return on investment of some or all Shareholders may be materially adversely affected.

Under the US-Guernsey IGA, an FFI that is resident in Guernsey (a "**Guernsey Reporting FFI**") is not subject to withholding under FATCA provided it complies with the terms of the US-Guernsey IGA, including requirements to register with the IRS and requirements to identify, and report certain information on, accounts held by US holders owning, directly or indirectly, an equity or debt interest in the Guernsey Reporting FFI (other than equity and debt interests that are regularly traded on an established securities market, for which see below), and report on accounts held by certain other persons or entities to the Director of the Revenue Service in Guernsey for onward reporting to the IRS. An FFI that fails to comply with the US-Guernsey IGA will be treated as a "non-Participating FFI" and may be subject to a 30 per cent. withholding tax on certain payments to it.

Whilst the Company is not a Guernsey Reporting FFI for FATCA purposes or a financial institution ("**FI**") for CRS purposes under Guernsey legislation, there can be no guarantee in this regard. If the Company were to become a Guernsey Reporting FFI for FATCA purposes or a FI for CRS purposes under Guernsey legislation, the Company may be obliged to report certain information in respect of certain Shareholders and/or natural persons that control certain Shareholders. Further, the Company may be required to disclose to other FFIs or FIs certain information in respect of certain Shareholders and/or natural persons that control certain Shareholders.

If: (i) the Company becomes a Guernsey Reporting FFI for FATCA purposes under Guernsey legislation; and (ii) the Company does not comply with the due diligence and reporting requirements under FATCA, it could become subject to a 30 per cent. withholding tax on certain payments of US source income (including dividends and interest) and (from no earlier than two years after the date of publication of certain final regulations defining "foreign passthru payments") a portion of non-US source payments from certain non-US financial institutions to the extent attributable to US source payments.

All prospective investors should consult with their respective tax advisers regarding the possible implications of FATCA, the CRS and any other similar legislation and/or regulations on their investments in the Company. If a Shareholder fails to provide the Company with information that is required by any of them to allow them to comply with any of the above reporting requirements, or any similar reporting requirements, adverse consequences may apply.

6.9 ***Investors are subject to risks relating to PFIC status***

A non-US company (such as the Company) is a "passive foreign investment company" for US federal income tax purposes (a "**PFIC**") if, during any taxable year, (i) 75 per cent. or more of its gross income consists of certain types of passive income, or (ii) the average value (or basis in certain cases) of its passive assets (generally assets that generate passive income) is 50 per cent. or more of the average value (or basis in certain cases) of all of its assets. For purposes of these tests, "passive income" includes dividends, interest, and gains from the sale or exchange of investment property and rents and royalties other than rents and royalties which are received from unrelated parties in connection with the active conduct of a trade or business.

The Company believes that it is, and expects that it will continue to be, a PFIC. If the Company is a PFIC for US federal income tax purposes, US holders may become subject to certain US reporting obligations and to adverse US federal income tax consequences, including with respect to distributions received from the Company and the gain, if any, derived from the sale or other disposition of Ordinary Shares. Specifically, the PFIC rules could have the effect of subjecting US holders to an interest charge on any "deferred tax amounts" and taxing gain upon the sale of Ordinary Shares as ordinary income. Certain of these adverse tax consequences may be mitigated if a US holder makes a mark-to-market election or a "qualified electing fund" election. However, no assurance can be provided that a mark-to-market election is or will be available for the Ordinary Shares. Further, the Company does not expect to provide US holders with sufficient information to make a "qualified electing fund" election. Prospective US investors should consult their own tax advisors regarding the US federal income tax treatment of the Ordinary Shares, including the potential application to them of the PFIC rules.

A prospective US investor that will own (or will be treated as owning) 10 per cent. or more of the shares of the Company (by value or vote) should consult with its own tax advisors about the application of the US federal income tax "controlled foreign corporation" rules.

6.10 ***The Company has certain automatic exchange of information ("AEOI") obligations***

To the extent that the Company may be a reporting financial institution under FATCA and/or CRS (a "Financial Institution"), it may require Shareholders to provide it with certain information in order to comply with its AEOI obligations which information may be provided to the UK or Guernsey tax authorities who may in turn exchange that information with certain other jurisdictions.

Whilst the Company will seek to satisfy its AEOI obligations, the ability of the Company to satisfy such obligations will depend on receiving relevant information and/or documentation about each investor and where appropriate the direct and indirect beneficial owners of the interests held in the Company. There can be no assurance that the Company will be able to satisfy such obligations.

6.11 ***Distribution requirements may limit the Company's flexibility in executing its acquisition plans***

The REIT distribution requirements may limit the Company's ability to fund acquisitions and capital expenditures through retained income earnings. To maintain REIT status (and therefore full exemption from UK corporation tax and UK income tax on the profits of the Group's Property Business), the Company is required to distribute annually to Shareholders an amount sufficient to meet the 90 per cent. distribution test by way of property income distributions. As a result of this condition, the Company's ability to grow through acquisition of new assets and development of existing assets could be limited if the Company was unable to obtain debt or issue shares.

6.12 ***The Company may be adversely affected by change of law, regulation and/or practice guidance in relation to the UK AIFM Laws***

Changes to laws, regulations and practice guidance (including any FCA guidance or recommendations) could adversely affect the Company or the AIFM. Regulation of, and practice guidance relating to, entities such as the Company, and their investment managers and depositaries, is evolving and subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. Changes to the legal and regulatory regime applicable to the AIFM could adversely affect the Company because of the Company's reliance upon the continuing availability to it of the expertise of the AIFM and the likelihood that such changes would increase the on-going costs borne, directly or indirectly, by the Company by virtue of the contractual arrangements agreed between the Company and the AIFM. The effect of any future legal or regulatory change (including changes in practice guidance) on the Company or on the AIFM is not possible to predict, but could be substantial and adverse.

6.13 ***Changes to the UK AIFM Laws or their interpretation, or the AIFM becoming unable to act as the Company's AIFM, may have a material adverse effect on the Company.***

As the AIFM for the Company, the AIFM is required to comply with on-going capital, reporting and transparency obligations and a range of organisational requirements and conduct of business rules. The AIFM must also, as the AIFM for the Company, adopt a range of policies and procedures addressing areas such as risk management, liquidity management, conflicts of interest, valuations, compliance, internal audit and remuneration. If the AIFM were to fail to comply with the legal and other regulatory requirements applicable to an authorised AIFM or otherwise cease to hold authorisation as an AIFM, the AIFM would not be permitted to continue to manage the Company and a successor AIFM duly authorised as an AIFM would need to be appointed to perform this function. The Company is reliant upon the investment expertise of the AIFM and there is no guarantee that a suitably qualified successor AIFM could be found or could be engaged on terms comparable to those applicable to the AIFM. Any transition to a successor AIFM could result in significant costs being incurred by the

Company and material disruptions to its investment activities and operations and to the marketing of interests in the Company.

Changes to the UK AIFM Laws or new recommendations and guidance as to their implementation may impose new operating requirements and result in a change in the operating procedures of the AIFM and its relationship with the Company and service providers. Changes may impose restrictions on the investment activities that the AIFM (and in turn the Company) may engage in. Such changes may also increase the on-going costs borne, directly or indirectly, by the Company by virtue of the contractual arrangements agreed between the Company and the AIFM, between the Company/AIFM and service providers and between the Company and the Depositary.

These factors may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

PART 2
IMPORTANT INFORMATION

1 General

Prospective investors must rely only on the information contained in this document and the documents (or parts thereof) incorporated into it by reference and any supplementary prospectus produced to supplement the information contained in this document. Where only parts of a document are incorporated by reference, the parts of any such document which are not incorporated by reference are either not relevant to prospective investors, or the information contained therein is covered elsewhere in this document. No person has been authorised to issue any advertisements or to give any information or to make any representations in connection with the issue of the New Ordinary Shares, other than those contained in this document and the documents (or parts thereof) incorporated into it by reference and, if issued, given or made, such advertisement, information or representation may not be relied upon as having been authorised by or on behalf of the Company, the Directors, the officers or employees of the Company or any other person.

This document describes the Company and the Group and provides general information about the issue of the New Ordinary Shares pursuant to the Capital Raising. Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to Article 23 of the UK Prospectus Regulation, neither the delivery of this document at any time nor any purchase or sale made under this document shall, under any circumstances, create any implication that there has not been a change in the business or affairs of the Company or of the Group, taken as a whole, since the date of this document or that the information contained herein is correct as at any time subsequent to its date.

Apart from the responsibilities and liabilities, if any, which may be imposed on the Banks by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regime would be illegal, void or unenforceable, neither of the Banks, nor any of their respective affiliates or representatives, accepts any responsibility whatsoever for the contents of this document or for any other statement made, or purported to be made by it, or on its behalf, in connection with the Company, the Ordinary Shares or the issue of New Ordinary Shares. Accordingly, each of the Banks and their respective affiliates and representatives disclaim, to the fullest extent permitted by applicable law, all and any liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of such document or any such statement. No representation or warranty, express or implied, is made by the Banks or their respective affiliates or representatives as to the accuracy or completeness of such information, and nothing contained in this document is, or shall be relied upon as, a promise or representation by either of the Banks as to the past, present or future.

Each of the Banks and their respective affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services to, the Company, for which they may have received fees. Each of the Banks and their respective affiliates may provide such services to the Company or members of the Group in the future.

In connection with the Capital Raising, each of the Banks and any of their respective Affiliates acting as an investor for their own account(s), may take up a portion of the New Ordinary Shares as a principal position and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for their own account(s) in such New Ordinary Shares, any other securities of the Company or other related investments in connection with the Capital Raising or otherwise. Accordingly, references in this document to the New Ordinary Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, the Banks and any of their respective affiliates acting in such capacity as an investor for their own account(s). In addition, each Bank or its affiliates may enter into financing arrangements (including swaps or contracts for difference) with investors in connection with which such Bank or its affiliates may from time to time acquire, hold or

dispose of New Ordinary Shares. Neither Bank, nor any of their respective affiliates, intends to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.

None of the Company, the Directors, the Banks or any of their respective affiliates or representatives, is making any representation to any prospective investor regarding the legality of an investment in the Company by any such prospective investor under the laws applicable to any such prospective investor.

This document is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Company, the Directors, the Banks or any of their respective affiliates and representatives that any recipient of this document should subscribe for or purchase Ordinary Shares. Prior to making any decision as to whether to subscribe for or purchase Ordinary Shares, prospective investors should read this document. Prospective investors should ensure that they read the whole of this document carefully and not just rely on key information or information summarised within it. In making an investment decision, prospective investors must rely upon their own examination of the Company and the terms of this document, including the risks involved.

Investors who subscribe for New Ordinary Shares will be deemed to have acknowledged that (i) they have not relied on either of the Banks or any of their respective affiliates or representatives in connection with any investigation of the accuracy of any information contained in this document or their investment decision and (ii) they have relied on the information contained in this document, and no person has been authorised to issue any advertisement, give any information or make any representation concerning the Group or the Ordinary Shares (other than as contained in this document) and, if issued, given or made, any such other information or representation should not be relied upon as having been authorised by the Company, the Directors or either of the Banks or any of their respective affiliates or representatives.

2 Interpretation

Certain terms used in this document, including certain capitalised terms and certain technical and other terms are defined, and explained in PART 16 of this document.

3 UK AIFM Laws

This document contains the information required to be made available to investors in the Company before they invest pursuant to the UK AIFM Laws except for details of the maximum level of leverage which the AIFM is entitled to employ on behalf of the Company, which are provided in the Company's 2023 Annual Report, which can be found on the Company's website: www.regionalreit.com.

4 No incorporation of websites

The content of any of the websites of the Group, the AIFM, the Investment Adviser or the Asset Manager does not form part of this document and prospective investors should not rely on it.

5 Presentation of financial information

The Group has prepared the following historical financial information in relation to the Group, which is incorporated by reference into this document:

- audited historical financial information for the year ended 31 December 2021;
- audited historical financial information for the year ended 31 December 2022; and

- audited historical financial information for the year ended 31 December 2023,

in each case, prepared in accordance with IFRS. Unless otherwise indicated, the financial information presented in this document has been prepared in accordance with IFRS.

Save for the audited historical financial information for the Group for the year ended 31 December 2021, the year ended 31 December 2022 and the year ended 31 December 2023, none of the information in this document or incorporated by reference has been audited.

Unless otherwise indicated, all unaudited financial information contained in this document relating to the Group has been sourced, without material adjustment, from the internal accounting records of the Group, on a basis consistent with the Company's accounting policies.

The Company prepares its financial statements in accordance with IFRS.

The Group also presents key performance indicators. These include certain ratios and other measures that are derived from a combination of the Group's principal non-IFRS measures and IFRS measures. Where such amounts have been presented, a description of the amount and the measures from which it has been derived has been included. These measures may not be comparable to similarly titled measures presented by other companies in the Group's industry or otherwise. Such measures are not intended to be substitutes for any IFRS measures of performance.

6 Trade names, logos, trademarks and service marks

Any trade names, logos, trademarks and service marks of third parties appearing in this document are the property of their respective holders. Use or display by the Group of third parties' trade names, logos, trademarks or service marks is not intended to and does not imply a relationship with, or endorsement or sponsorship by the Group of, such third parties.

7 Market, economic and industry data

This document contains information regarding the Group's business and the markets in which it operates and competes, which the Company has obtained from various third party sources. Where information contained in this document has been sourced from a third party, the Company confirms that such information has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third-party information has been used in this document, the source of such information has been identified.

Certain information on market sizes, projected growth rates and market positions set out in this document is not based on published statistical data or information obtained from independent third parties. Rather, it represents the Directors' estimates based on information available to them at the date of this document, including information obtained from trade and business organisations and other contacts within the Company's industry, as well as information published by its competitors and which, in each case, has not been independently verified. The reliance by the Directors on estimates reflects the fact that there is no single, recognised definition of the scope of the industry, the absence of publicly available information for certain participants in the industry and the absence of detailed breakdowns of information for certain participants. Trends described as industry trends may not apply across the industry due to the diversity of participants and, as such, may have a greater or lesser impact on the Group than on other participants. Please also refer to PART 1 of this document.

8 Regulatory information

The distribution of this document (and the accompanying documents) in jurisdictions other than the United Kingdom may be restricted by law and persons into whose possession this document (and the accompanying documents) comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document does not, and the accompanying documents do not, constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

9 Information to distributors

Solely for the purposes of the product governance requirements contained within the MiFID II Product Governance Requirements, and disclaiming all and any liability whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in the FCA's Product Intervention and Governance Sourcebook ("**PROD**"); and (ii) eligible for distribution through all distribution channels as are permitted by PROD for each type of investor (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors (such term to have the same meaning as in the MiFID II Product Governance Requirements) should note that: the market price of the New Ordinary Shares may decline and investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Capital Raising.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of the UK MiFID Laws; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the New Ordinary Shares and determining appropriate distribution channels.

10 Non-mainstream pooled investments status and the UK MiFID Laws

As the Company is a REIT, the New Ordinary Shares will be "excluded securities" for the purpose of the FCA's rules on the promotion of non-mass market investments. Accordingly, the promotion of the New Ordinary Shares is not subject to the FCA's restriction on the promotion of non-mass market investments. The Company will conduct its affairs so that its Ordinary Shares can be recommended by financial advisers to retail investors in accordance with the rules on the distribution of financial instruments under the UK MiFID Laws. The Directors consider that the necessary requirements of the UK MiFiD Laws and the FCA rules will be met in relation to the New Ordinary Shares and that, accordingly, the New Ordinary Shares should be considered "non-complex" for the purposes of the UK MiFiD Laws.

11 Key information document

In accordance with the UK PRIIPs Laws, a key information document ("**KID**") prepared in relation to the Ordinary Shares, including the New Ordinary Shares proposed to be issued pursuant to the Capital Raising, is available on the Company's website: www.regionalreit.com. It is the responsibility of each distributor of New Ordinary Shares to ensure that any "retail clients" are provided with a copy of the KID in good time before such "retail clients" subscribe for New Ordinary Shares.

The KID does not form part of this Prospectus, and its content is highly prescriptive, both in terms of the narrative and the calculations underlying the relevant costs and potential returns figures, with limited ability to add further context and explanations. As such, the KID should be read in conjunction with other material produced by the Company, including the annual report, the latest factsheet and this document, all of which are available on the Company's website.

The AIFM is the only manufacturer of the New Ordinary Shares for the purposes of the PRIIPs Law and it is acknowledged that neither of the Banks are a manufacturer for these purposes. Neither of the Banks make any representation, express or implied, or accepts any responsibility whatsoever for the contents of the KID prepared by the AIFM in relation to the Ordinary Shares nor accepts any responsibility to update the contents of the KID in accordance with the UK PRIIPs Law, to undertake any review processes in relation thereto or to provide KID to future distributors of New Ordinary Shares. Each of the Banks and their respective affiliates accordingly disclaims all and any liability (whether arising in tort or contract or otherwise) which it or they might have in respect of the KIDs prepared by the AIFM.

12 Currency presentation

All references in this document to "**Pounds Sterling**", "**Pounds**", "**£**", "**pence**" or "**p**" are to the lawful currency of the United Kingdom. Unless otherwise indicated, the financial information in this document has been expressed in Pounds Sterling. The functional currency of all members of the Group is Pounds Sterling and the Group presents its financial statements in Pounds Sterling.

13 Roundings

Certain data in this document, including financial, statistical and operating information, has been rounded. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data. In certain instances, the sum of the numbers in a column or a row in tables contained in this document may not conform exactly to the total figure given for that column or row. Percentages in tables have been rounded and accordingly may not add up to 100 per cent.

14 Enforceability of judgments

The Company is a limited liability company registered in Guernsey, Channel Islands. All of the Directors of the Company are citizens or residents of countries other than the United States. All of the assets of such persons and the assets of the Company are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or the Company, or to enforce against them, judgments of US courts, including judgments predicated upon civil liabilities under the securities laws of the United States or any state or territory within the United States. There is substantial doubt as to the enforceability in the United Kingdom in original actions or in actions for enforcement of judgments of US courts, based on the civil liability provisions of US federal securities laws. In addition, awards for punitive damages in actions brought in the United States or elsewhere may be unenforceable in the United Kingdom.

Under the Judgments (Reciprocal Enforcement) (Guernsey) Law, 1957, as amended (the "**Judgments Law**") a judgment of a superior court can be reciprocally enforced in Guernsey by way of registration subject to certain qualifications to registration outlined in the Judgments Law. The scope of the Judgments Law is limited to a small number of jurisdictions including the UK, Israel, Netherlands and Italy. The Royal Court may (in its discretion) recognise as a valid judgment any final and conclusive judgment obtained in a Court of a country other than those listed under the Judgments Law provided certain conditions are met. Legal advice needs to be taken before attempting to enforce a foreign judgment in the Guernsey courts.

15 No profit forecast and forward-looking statements

No statement in this document or incorporated by reference into this document is intended as a profit forecast or profit estimate for any period and no statement in this document or incorporated by reference into this document should be interpreted to mean that the earnings or earnings per share of the Company will necessarily be greater or lesser than those for the relevant preceding financial periods for the Company.

This document includes statements that are, or may be deemed to be, "**forward looking statements**". These forward looking statements can be identified by the use of forward looking terminology, including the terms "**believes**", "**projected**", "**estimates**", "**forecasts**", "**plans**", "**potential**", "**prepares**", "**anticipates**", "**expects**", "**intends**", "**may**", "**will**", "**could**" or "**should**" or, in each case, their negative or other variations or comparable terminology. These forward looking statements include all matters about future events and developments and with respect to future financial results as well as other statements that do not relate to historical facts and events. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Group and the Directors concerning, amongst other things, financing strategies, results of operations, financial condition, prospects and dividend policy of the Group and the markets in which it operates.

By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future.

Forward looking statements are not guarantees of future performance and no assurance can be or is given that such future results will be achieved. The Group's actual results of operations, financial condition, dividend policy and the development of its financing strategies may differ materially from the impression created by the forward looking statements contained in this document. Prospective investors must determine for themselves what reliance (if any) they should place on such statements, views, projections or forecasts and no responsibility is accepted by the Company, the Asset Manager, the Investment Adviser, the AIFM or any of their respective officers, directors, employees or affiliates in respect thereof. In addition, even if the results of operations, financial condition and dividend policy of the Group, and the development of its financing strategies, are consistent with the forward looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause these differences include, but are not limited to, those factors set out in PART 1 of this document.

Prospective investors are advised to read this document in its entirety for a further discussion of the factors that could affect the Group's future performance (including, without limitation, the "risk factors" described in PART 1 of this document. In light of these risks, uncertainties and assumptions, the events described in the forward looking statements in this document may not occur.

Consequently, neither the Company nor the Directors can give any assurances regarding the accuracy of the opinions set out in this document or the actual occurrence of any predicted developments.

Nothing in this paragraph 15 of PART 2 should be taken as limiting the working capital statement in paragraph 16.1 of PART 15 of this document.

Subject to their legal and regulatory obligations (including under the Listing Rules, the UK Prospectus Regulation, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules and UK MAR), the Company and each of the Banks expressly disclaims any obligations to update or revise any forward looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based. All subsequent forward looking statements that can be attributed either to the Company or to individuals acting on its behalf (including the Directors) are expressly qualified in their entirety by this paragraph.

16 Notice to Overseas Shareholders and investors

United States

The offer of the New Ordinary Shares will not be, and has not been, registered under the US Securities Act or any state securities laws and, accordingly, the New Ordinary Shares may not be offered, sold, transferred or delivered, directly or indirectly within the United States, except pursuant to applicable exemptions from such registration. There will be no public offer of the New Ordinary Shares in the United States. The New Ordinary Shares are being offered or sold pursuant to this document outside the United States only in "offshore transactions" in reliance on the exemption from the registration requirements of the US Securities Act provided by Regulation S thereunder (as such term is defined in Regulation S).

Australia

This document and the offer of New Ordinary Shares is only made available in Australia to persons to whom a disclosure document or product disclosure statement is not required to be given under Chapter 6D or Chapter 7, Part 7.9 of the Australian Corporations Act. This document is not a prospectus, product disclosure statement or any other form of formal disclosure document or product disclosure statement for the purposes of the Australian Corporations Act, and is not required to, and does not, contain all the information which would be required in a disclosure document or product disclosure statement under the Australian Corporations Act. If you are in Australia, this document is made available to you provided you are a person to whom an offer of securities or financial products can be made without a disclosure document or product disclosure statement such as a professional investor, sophisticated investor or wholesale client for the purposes of Chapter 6D or Chapter 7, Part 7.9 of the Australian Corporations Act.

This document has not been and will not be lodged or registered with the Australian Securities and Investments Commission or Australian Securities Exchange or any other regulatory body or agency in Australia. The persons referred to in this document may not hold Australian financial services licences and may not be licensed to provide financial product advice in relation to the securities. No "cooling-off" regime will apply to an acquisition of any interest in the Company.

This document does not take into account the investment objectives, financial situation or needs of any particular person. Accordingly, before making any investment decision in relation to this document, you should assess whether the acquisition of any interest in the Company is appropriate in light of your own financial circumstances or seek professional advice. If you acquire the New Ordinary Shares in Australia then you:

(a) represent and warrant that you are a professional or sophisticated investor as defined in the Australian Corporations Act; or

(b) represent and warrant that you are a wholesale client as defined under the Australian Corporations Act; and

(c) agree not to sell, transfer, assign, offer, or otherwise alienate any New Ordinary Shares to any person located in, or a resident of, Australia within 12 months from the date of their allotment, or as the case may be, issued under the Overseas Placing, except in circumstances where:

(i) disclosure to investors would not be required under either Chapter 6D or Chapter 7, Part 7.9 of the Australian Corporations Act; or

(ii) such sale or offer is made pursuant to a disclosure document or product disclosure statement which complies with either Chapter 6D or Chapter 7, Part 7.9 of the Australian Corporations Act.

None of the Existing Ordinary Shares or the New Ordinary Shares have been, nor will they be, registered under the applicable securities laws of any Restricted Jurisdiction, and (subject to certain limited exceptions) this document is not being made available to Shareholders with registered addresses in a Restricted Jurisdiction and may not be treated as an offer or invitation to subscribe for any New Ordinary Shares by any person resident or located in any such jurisdiction. Subject to certain limited exceptions, none of the Existing Ordinary Shares or the New Ordinary Shares may be offered in or into any Restricted Jurisdiction or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. Any persons (including, without limitation, custodians, nominees and trustees) who have a contractual or other legal obligation to forward this document or any accompanying document into a Restricted Jurisdiction should seek appropriate advice before taking any such action. Accordingly, neither this document nor any advertisement nor any other offering material may be distributed or published in any Restricted Jurisdiction (including the United States) except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document (and the accompanying documents) come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions 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 Capital Raising and Admission disclaim any responsibility or liability for the violation of such requirements by any person. This document has been prepared to comply with the requirements of English law, Guernsey law, the Listing Rules, the UK Prospectus Regulation, the Prospectus Regulation Rules and the rules of the London Stock Exchange and information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside England and Wales and Guernsey.

17 Changes to the Listing Rules

The FCA has proposed changes to the Listing Rules which are expected to come into force early in the second half of 2024. When these changes take effect, this document shall be read in light of those changes; for example, references to the premium listing segment shall no longer be relevant.

18 London time

All references to time in this document are to London time, unless otherwise stated.

19 Advice

Prospective investors should not treat the contents of this document as legal, taxation or investment advice or advice relating to any other matters. Prospective investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Ordinary Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Ordinary Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of Ordinary

Shares. Prospective investors must rely upon their own representatives, including their own legal advisers, financial advisers and accountants, as to legal, taxation, investment advice or any other related matters concerning the Company and an investment therein. Statements made in this document are based on the law and practice currently in force in England and Wales, Guernsey, Australia and the United States and are subject to changes therein.

PART 3
EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates in the table below is indicative only and may be subject to change.

	2024
Record Date for entitlements under the Open Offer	6.00 p.m. on 25 June
Publication and despatch of this document, posting of the Notice of Extraordinary General Meeting and the Open Offer Application Forms and Capital Raising commences	27 June
Ex-Entitlements date for the Open Offer	8.00 a.m. on 27 June
Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders in CREST	As soon as possible on 28 June
Recommended latest time for requesting withdrawal of Open Offer Entitlements from CREST	4.30 p.m. on 11 July
Recommended latest time and date for depositing Open Offer Entitlements into CREST	3.00 p.m. on 12 July
Latest time and date for splitting of Open Offer Application Forms (to satisfy *bona fide* market claims only)	3.00 p.m. on 15 July
Latest time and date for receipt of Forms of Proxy and receipt of electronic proxy appointments via CREST	10.00 a.m. on 16 July
Latest time and date for receipt of Overseas Placing commitments	5.00 p.m. on 16 July
Latest time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate). Open Offer Entitlements disabled in CREST	11.00 a.m. on 17 July
Extraordinary General Meeting	10.00 a.m. on 18 July
Announcement of results of Extraordinary General Meeting	18 July
Results of the Capital Raising announced through a Regulatory Information Service	by 7.00 a.m. on 19 July
Admission and commencement of dealings in New Ordinary Shares	8.00 a.m. on 19 July
CREST accounts credited with uncertificated New Ordinary Shares	19 July
Share Consolidation Record Date	6.00 p.m. on 26 July
Admission and commencement of dealings in Consolidated Shares	8.00 a.m. on 29 July
CREST accounts credited with uncertificated Consolidated Shares	29 July
Where applicable, definitive share certificates despatched by post in the week commencing	5 August

Notes:

(i) CREST Shareholders should inform themselves of CREST's requirements in relation to electronic proxy appointments.

(ii) Subject to certain restrictions relating to Shareholders with a registered address outside the United Kingdom, details of which are set out in paragraph 8 of PART 5 of this document.

The times and dates set out in the expected timetable of principal events above and mentioned throughout this document are indicative only and subject to change. If any of the times and/or dates change, the revised time and/or date will be notified to the London Stock Exchange, the FCA and through a Regulatory Information Service.

Different deadlines and procedures may apply in certain cases. For example, Shareholders who hold their Existing Ordinary Shares through a CREST member or other nominee may be set earlier deadlines by the CREST member or other nominee than the times and dates noted above.

STATISTICS RELATING TO THE CAPITAL RAISING AND SHARE CONSOLIDATION

Issue Price	10 pence per New Ordinary Share
Number of Existing Ordinary Shares in issue at the Latest Practicable Date	515,736,583
Entitlement under the Open Offer	15 Open Offer Share for every 7 Existing Ordinary Shares
Aggregate number of New Ordinary Shares to be issued pursuant to the Capital Raising	1,105,149,821
Number of Ordinary Shares in issue upon Admission	1,620,886,404
Number of Consolidated Shares in issue upon Admission of the Consolidated Shares	162,088,640
Gross Capital Raising Proceeds	£110.5 million
Estimated net proceeds of the Capital Raising receivable by the Company after expenses	£104.7 million
Estimated expenses of the Capital Raising	£5.8 million
ISIN of the Existing Ordinary Shares (and the New Ordinary Shares to be admitted to trading following the Capital Raising)	GG00BYV2ZQ34
ISIN of the Open Offer Entitlement	GG00BRRGWK33
ISIN of the Consolidated Shares	GG00BSY2LD72
SEDOL – Existing Ordinary Shares (and the New Ordinary Shares to be admitted to trading following the Capital Raising)	BYV2ZQ3
SEDOL – Open Offer Entitlement	BRRGWK3
SEDOL – Consolidated Shares	BSY2LD7

PART 4
DIRECTORS, REGISTERED OFFICE, SECRETARY AND ADVISERS

Directors	Kevin McGrath Daniel Taylor Stephen Inglis Frances Daley Massy Larizadeh
Administrator and Designated Administrator	Jupiter Fund Services Limited Mont Crevelt House Bulwer Avenue St. Sampson Guernsey GY2 4LH
Sub-Administrator	Link Alternative Fund Administrators Broadwalk House Southernhay West Exeter EX1 1TS
Company Secretary	Link Company Matters Limited 6th Floor 65 Gresham Street London EC2V 7NQ
Registered Office	Mont Crevelt House Bulwer Avenue St. Sampson Guernsey GY2 4LH
Asset Manager	London & Scottish Property Investment Management Limited 300 Bath Street Glasgow Scotland G2 4JR
Investment Adviser	ESR Europe Private Markets Limited 10 Cork Street London W1S 3LW
AIFM	Toscafund Asset Management LLP 5th Floor 15 Marylebone Road London NW1 5JD
Joint Sponsor, Joint Financial Adviser and Joint Broker	Peel Hunt LLP 7th Floor 100 Liverpool Street London EC2M 2AT

Joint Sponsor, Joint Financial Adviser and Joint Broker	Panmure Gordon (UK) Limited Ropemaker Place 25 Ropemaker St London United Kingdom EC2Y 9LY
Legal advisers to the Company as to English law	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT
Legal advisers to the Company as to Guernsey law	Carey Olsen (Guernsey) LLP Carey House Les Banques St Peter Port Guernsey GY1 4BZ
Legal advisers to the Joint Sponsors, Joint Financial Advisers and Joint Brokers as to English law	Eversheds Sutherland (International) LLP One Wood Street London EC2V 7WS
Auditor	RSM UK Audit LLP Third Floor Centenary House 69 Wellington Street Glasgow G2 6HG
Reporting Accountant	RSM UK Corporate Finance LLP 25 Farringdon Street London EC4A 4AB
Registrar	Link Market Services (Guernsey) Limited Mont Crevelt House Bulwer Avenue St Sampson Guernsey GY2 4LH
Receiving Agent	Link Group Corporate Actions Central Square 29 Wellington Street Leeds LS1 4DL
Depositary	Ocorian Depositary (UK) Limited 20 Fenchurch Street London EC3M 3BY

Valuer of the Property Portfolio	Colliers International Property Consultants Limited 95 Wigmore Street London W1U 1FF
PR Adviser to the Company	Buchanan Communications Limited 107 Cheapside London EC2V 6DN
Principal Bankers	The Royal Bank of Scotland International 1 Glategny Esplanade St Peter Port Guernsey GY1 4BQ

PART 5
LETTER FROM THE CHAIRMAN

Directors:
Kevin McGrath
Stephen Inglis
Daniel Taylor
Frances Daley
Massy Larizidah

Registered office:
Mont Crevelt House
Bulwer Avenue
St. Sampson
Guernsey
GY2 4LH

27 June 2024

Dear Shareholder,

Proposed Underwritten Capital Raising, Share Consolidation and Notice of General Meeting

1 Introduction to the Capital Raising and Share Consolidation

The Board of Regional REIT Limited announced today:

- a Capital Raising of approximately £110.5 million, in aggregate, by way of a Placing, Overseas Placing and Open Offer at an issue price of 10 pence per New Ordinary Share, which is being fully underwritten by Bridgemere Investments Limited (the "**Placee**") on the terms, and subject to the conditions, of the Subscription Agreement. The Placee is part of the Bridgemere group of Companies established by Steve Morgan CBE in 1996; and

- following completion of the Capital Raising, a proposed consolidation of its share capital to reduce the number of Ordinary Shares in issue.

I am writing to give you further details of the Capital Raising and the Share Consolidation, to explain why the Board considers the Capital Raising and Share Consolidation to be in the best interests of the Company and the Shareholders as a whole, to summarise the details of the related Rule 9 Waiver and to seek your approval of the Resolutions (excluding the Placee and any person acting in concert with the Placee in relation to the Rule 9 Waiver Resolution) to be proposed at an extraordinary general meeting of the Company to be convened in connection with the Capital Raising and Share Consolidation.

Capital Raising

Despite the Group having weathered the stay-at-home measures imposed by the UK devolved governments during the COVID-19 pandemic and having mitigated rising interest rate costs as the Bank of England tightened monetary policy through a fully fixed and hedged borrowing structure, the Property Portfolio has been revalued downwards from the prior financial year by £116.7 million (12.9 per cent.) in 2022 and by a further £88.8 million (11.2 per cent.) in 2023, which has resulted in the Group's net borrowings as a percentage of Gross Investment Properties Value ("**LTV**") increasing to 55.1 per cent. as at 31 December 2023. The Group is therefore in need of recapitalisation to reduce its net debt and repay borrowings due for repayment in the short term.

The Capital Raising will enable the Company's £50 million Retail Bond to be fully repaid, eliminating this short term liability and further reducing the constraints caused by the requirement to pay coupon distributions on the Retail Bond. In addition, £26.3 million of the Net Capital Raising Proceeds will be used to reduce bank facilities, which will result in the Company having greater headroom under the covenants in such facilities, and the remaining £28.4 million of the Net Capital Raising Proceeds will provide additional flexibility to fund selective capital expenditure on assets, which will enhance earnings in the near term and

value in the mid to long-term, further underpinning quarterly dividends going forward. This will reduce LTV from 56.8 per cent. (based on the valuations as at 21 June 2024 as set out in the Valuation Report) to 40.6 per cent. upon completion of the Capital Raising.

The Company is currently engaged in an asset disposal programme with a view to assisting it to reduce its LTV to its long-term target of less than 40 per cent. Since 31 December 2023, the Company has completed 13 disposals and 3 part sales for a combined total of c. £21.9 million.

Your attention is drawn to the fact that the Capital Raising is conditional and dependent upon, among other things, the Transaction Resolutions, each of which is inter-conditional, being passed at the Extraordinary General Meeting.

The issue of the New Ordinary Shares pursuant to the Capital Raising is conditional, among other things, on the Transaction Resolutions having been passed and the conditions to the Subscription Agreement and the Sponsor Agreement having been satisfied or, where applicable, waived and each such agreement not having been terminated prior to Admission in accordance with its terms. If the Transaction Resolutions are not passed and the Capital Raising does not complete, on the basis of the Company's base case projections:

- the Group will be unable to fund the £50 million Retail Bond liability due for repayment on the 6 August 2024 resulting in an immediate working capital shortfall; consequently

- the Board will be required immediately to seek new sources of capital, including (but not limited to) seeking to enter into a subordinated borrowing facility (which may not be available, is likely to be expensive and is likely to significantly constrain the Group's activities; based on the Board's investigations to date, if available at all, such a facility is likely to be available on highly unattractive terms) and approaching current Retail Bond holders to request an extension to the redemption date of the Retail Bond (which is challenging from a timing perspective and, in the Board's view, unlikely to be successful based on informal consultations to date);

- the Board will likely need to take other mitigation actions, including ceasing all dividend distributions to Shareholders and expediting the Company's asset disposal programme;

- if the Group is unable to obtain appropriate new sources of capital, the Group may not be considered a 'going concern' and may not receive a clean viability statement from its auditors; and

- as a result of the Group not being unable to obtain appropriate new sources of capital, the Company and other material companies in the Group could enter into administration or liquidation shortly thereafter, which could be as early as August 2024, due to the £50 million Retail Bond liability becoming due for repayment.

The Directors believe that completion of the Capital Raising will increase the strength of the Company's balance sheet and fund its ongoing value enhancing capital expenditure programme.

Share Consolidation

With the aim of ensuring that the Ordinary Shares trade at a sensible price, increasing market liquidity and reducing the volatility, as well as making the Ordinary Shares more attractive to a broader range of institutional and public investors, following completion of the Capital Raising, the Company also proposes to undertake a reorganisation of its share capital to reduce the number of Ordinary Shares in issue. Save in respect of fractional entitlements, following the Share Consolidation each Shareholder's percentage holding of Ordinary Shares would remain unchanged.

Shareholders are therefore asked to vote in favour of the Resolutions (excluding the Placee and any person acting in concert with the Placee in relation to the Rule 9 Waiver Resolution) at the Extraordinary General Meeting in order for the Capital Raising and Share Consolidation to proceed.

The attention of Shareholders is drawn to paragraph 20 (Importance of vote) of this letter, which contains further details in relation to these matters.

2 Background to, and reasons for, the Capital Raising

2.1 *Background and summary information on Group*

The Company is an established UK real estate investment trust which has been listed on the premium listing segment of the Official List of the FCA and admitted to trading on the London Stock Exchange's Main Market for listed securities since 2015. The Company is managed by the Asset Manager and the AIFM and advised by the Investment Adviser and was formed from the combination of property funds previously created by the Managers. The Company's commercial Property Portfolio is located wholly in the UK and comprises, predominantly, quality offices located in the regional centres of the UK outside of the M25 motorway. The portfolio is highly diversified, with 132 properties, 1,305 individual units and 827 tenants as at the date of this document, with a valuation of £647.8 million as at 21 June 2024.

On 12 November 2020, the Board announced that, following an internal strategic review of the Company's investment objectives, the Company would focus its investment solely on properties in the office sector.

The Company's portfolio's attributes focus upon: (i) diversification by sector and geographic prospects; (ii) tenant covenant strength and lease length; (iii) initial and equivalent yields; and (iv) the potential for active asset management of the properties. These attributes, with the use of gearing, have allowed the Company to enhance equity returns to deliver an attractive stream of quarterly dividends to Shareholders.

The Company pursues its investment objective by investing in, actively managing and disposing of regional property assets. The Group offers investors a highly differentiated play on the prospects of UK regional property. The Company aims to deliver an attractive return to its Shareholders, with a strong focus on income and good long-term capital growth prospects.

2.2 *Background to, and reasons for, the Capital Raising*

Between March 2020 and March 2022, the devolved Governments of the United Kingdom implemented stay-at-home measures, requiring those office workers not designated as essential workers under the relevant government guidance, to change their working patterns. In turn, management teams reconsidered their office space requirements as leases matured.

The Group weathered the stay-at-home measures as a result of its Property Portfolio being highly diversified by property type, geographical spread and range and quality of tenants. In addition, as the Bank of England tightened monetary policy, the Company was able to mitigate rising interest rate costs through a fully fixed and hedged borrowing structure.

The post-pandemic period has seen a softening of office demand and approaches to the need for and utilisation of office space continue to evolve. Alongside the macro factors impacting the office sector of the commercial property market, the number of office property transactions has been severely curtailed, initially by pandemic-imposed restrictions and then subsequently by the increased cost of debt finance, resulting in a lack of liquidity in the office market.

The combination of the above factors resulted in the Property Portfolio being revalued downwards from the prior financial year by £116.7 million (12.9 per cent.) in 2022 and by a

further £88.8 million (11.2 per cent.) in 2023. The fall in value of the Property Portfolio has resulted in the Group's net borrowings as a percentage of Gross Investment Properties Value ("**LTV**") increasing to 55.1 per cent. as at 31 December 2023 against a targeted LTV of less than 40 per cent. and an upper limit of 50 per cent. The average LTV from 2015 Admission to 31 December 2023 was 42.3 per cent.

The Company is currently engaged in an asset disposal programme with a view to assisting it to reduce its LTV to its long-term target of less than 40 per cent. Since 31 December 2023, the Company has completed 13 disposals and 3 part sales for a combined total of c. £21.9 million.

Currently there are:

- 2 disposals contracted for £1.4 million;
- 7 disposals totalling c. £15.9 million under offer and in legal due diligence;
- 4 further disposals totalling c. £6.5 million in negotiation;
- 14 further disposals totalling c. £18.9 million on the market; and
- 29 potential disposals totalling c. £69.8 million being prepared for the market.

The Retail Bond is due for redemption on 6 August 2024. The Company considered a number of refinancing options (including both equity and debt solutions) and the Board has elected to propose to Shareholders its preferred option, the Capital Raising. The Directors believe that the Capital Raising is in the best interests of Shareholders because it reduces the Group's LTV and the Group will not be constrained by the requirement to pay interest on any debt solution (which, may not be available, is likely to be expensive and is likely to significantly constrain the Group's activities; based on the Board's investigations to date, if available at all, such a facility is likely to be available on highly unattractive terms). The Directors do not consider that significant asset sales (outside of its existing asset disposal programme) would provide a viable solution due to covenant constraints under the Group's existing bank facilities.

The Capital Raising will enable the £50 million Retail Bond to be repaid, eliminating this short term liability and further reducing the constraints caused by the requirement to pay coupon distributions on the Retail Bond. In addition, £26.3 million of Net Capital Raising Proceeds will be used to reduce bank facilities, which will result in the Company having greater headroom under the covenants in such facilities, and the remaining £28.4 million of the Net Capital Raising Proceeds will provide additional flexibility to fund selective capital expenditure on assets, which will enhance earnings in the near term and value in the mid to long-term, further underpinning quarterly dividends going forward. This will reduce LTV from 56.8 per cent. (based on the valuations as at 21 June 2024 as set out in the Valuation Report) to 40.6 per cent. upon completion of the Capital Raising. The Capital Raising is fully underwritten, providing the requisite certainty to recapitalise the Company.

The expectations of the Company (as set out above) are aligned with the Placee's intentions, details of which are provided in paragraph 5 of PART 7 of this document.

3 Use of proceeds

The Company is seeking to raise Gross Capital Raising Proceeds of approximately £110.5 million from the Capital Raising. The Net Capital Raising Proceeds of approximately £104.7 will be used for:

- satisfying the redemption of the £50 million 4.5 per cent. Retail Bond, which matures on the 6 August;

- reducing bank facilities by £26.3 million, which will result in the Company having greater headroom under the covenants in such facilities; and

- the remaining £28.4 million of the Net Capital Raising Proceeds will provide additional flexibility to fund selective capital expenditure on assets, which will enhance earnings in the near term and value in the mid to long-term, further underpinning quarterly dividends going forward.

The use of proceeds complies with the Investment Policy.

4 Effects of the Capital Raising

Upon Admission, assuming Gross Capital Raising Proceeds of approximately £110.5 million, the Enlarged Issued Share Capital of the Company will be 1,620,886,404 Ordinary Shares. This includes 515,736,583 Existing Ordinary Shares and 1,105,149,821 New Ordinary Shares proposed to be issued pursuant to the Capital Raising. On this basis, the Open Offer Shares will represent approximately 68.2 per cent. of the Enlarged Issued Share Capital (assuming full take-up of the Open Offer).

The Capital Raising is being conducted at the Issue Price, which is at a significant discount to (i) the Closing Price of 20.2 pence; and (ii) the latest published NTA per Share of 56.4 pence and, accordingly, is highly dilutive to those Existing Shareholders who do not, or cannot participate in it or take up their full entitlements under it. Following the issue of New Ordinary Shares proposed to be allotted and issued pursuant to the Capital Raising, Qualifying Shareholders who do not take up any offer of their Open Offer Entitlements, Overseas Placees who do not subscribe for any Overseas Placing Shares in the Overseas Placing and those Restricted Shareholders who are unable to participate in the Open Offer or Overseas Placing will suffer a dilution of 68.2 per cent. to their existing percentage holdings. Qualifying Shareholders who take up their full Open Offer Entitlements or Overseas Placees who subscribe for the maximum amount of Overseas Placing Shares permitted will not suffer a dilution to their existing percentage holdings.

The percentage of the Company's issued share capital that the Existing Ordinary Shares represent will be reduced by approximately 68.2 percentage points to comprise 31.8 per cent. of the Enlarged Issued Share Capital as a result of the Capital Raising.

5 Key terms of the Capital Raising

The Company is proposing to raise Gross Capital Raising Proceeds of approximately £110.5 million (Net Capital Raising Proceeds of approximately £104.7 million) by way of a Placing, an Overseas Placing and Open Offer of 1,105,149,821 New Ordinary Shares in aggregate, representing, in aggregate, 68.2 per cent. of the Enlarged Issued Share Capital, at an Issue Price, in each case, of 10 pence per New Ordinary Share.

The Issue Price represents a discount of 50.4 per cent. to the Closing Price of 20.2 pence and a discount of 82.3 per cent. to the latest published NTA per Share prior to the Latest Practicable Date of 56.4 pence. The Issue Price has been set by the Directors following their assessment of market conditions and following negotiations with the Placee. The Directors are in agreement that the level of discount and method of issue are appropriate to secure the investment sought.

The Overseas Placing and Open Offer are fully underwritten by the Placee on the terms, and subject to the conditions, of the Subscription Agreement, details of which are set out in paragraph 11.1 of PART 15 of this document.

The Capital Raising is conditional (inter alia) upon the following:

- the Transaction Resolutions being passed by the Shareholders (excluding the Placee and any person acting in concert with the Placee in relation to the Rule 9 Waiver Resolution) at the Extraordinary General Meeting (without material amendment);

- the Subscription Agreement becoming unconditional in all respects (save for the condition therein relating to Admission) and not having been terminated in accordance with its terms prior to Admission; and

- Admission becoming effective by not later than 8.00 a.m. on 19 July 2024 (or such later time and/or date as the parties to the Subscription Agreement may agree, being not later than 8.00 a.m. on 13 August 2024).

The Subscription Agreement is also capable of termination at any time prior to Admission in certain circumstances.

Accordingly, if any of such conditions are not satisfied, or, if applicable, waived, or if the Subscription Agreement is terminated in accordance with its terms prior to Admission, the Capital Raising will not proceed and any Open Offer Entitlements admitted to CREST will thereafter be disabled and application monies will be returned (at the applicants' risk) without interest as soon as possible.

Application will be made for the New Ordinary Shares to be admitted to listing on the premium listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Admission will become effective and dealings in the New Ordinary Shares will commence at 8.00 a.m. on 19 July 2024.

The New Ordinary Shares (assuming Gross Capital Raising Proceeds of approximately £110.5 million) will, in aggregate, represent approximately 68.2 per cent. of the Company's issued Ordinary Shares following Admission.

No taxes or expenses will be charged directly to any investor by the Company.

5.1 ***Placing, Overseas Placing and Open Offer***

The Company intends to raise approximately £110.5 million (gross) through the Placing, the Overseas Placing and the Open Offer at the Issue Price.

5.1.1 ***Placing***

The Placee has agreed to subscribe for the Placing Shares at the Issue Price, subject to the terms and conditions of the Subscription Agreement. The Placing Shares may represent up to 68.2 per cent. of the Enlarged Issued Share Capital. The Placing Shares will be subject to clawback to satisfy valid applications under the Open Offer and commitments to subscribe for Overseas Placing Shares to be issued pursuant to the Overseas Placing.

5.1.2 ***Overseas Placing***

The Overseas Placing will be made to invited placees who are Existing Shareholders situated in certain Restricted Jurisdictions into which the Open Offer cannot be made as a consequence of onerous regulatory requirements associated with offering securities into those jurisdictions ("**Overseas Placees**"). The purpose of the Overseas Placing is to provide a facility for Overseas Placees to participate in the Capital Raising on substantially the same terms as they would have been able to participate in the Open Offer if the Open Offer could

have been extended to them in the relevant Restricted Jurisdictions in which they are located.

Pursuant to the Overseas Placing, each Overseas Placee will be permitted to subscribe for New Ordinary Shares on the basis of:

15 New Ordinary Shares for every 7 Existing Ordinary Shares

held by them and registered in their names as at the Record Date (the **"Overseas Placing Shares**"). Entitlements and fractional entitlements to Overseas Placing Shares will be rounded down to the nearest whole number of Overseas Placing Shares. Fractional entitlements to New Ordinary Shares, including any New Ordinary Shares which have been rounded down to the nearest whole number of New Ordinary Shares, will be aggregated and will be made available under the Placing to the Placee.

Overseas Placees will irrevocably undertake not to take up their Open Offer Entitlements.

The Overseas Placing Shares are not subject to clawback to satisfy Open Offer Entitlements.

5.1.3 ***Open Offer***

Qualifying Shareholders have the opportunity under the Open Offer to subscribe for Open Offer Shares at the Issue Price, payable in full on application and free of expenses, pro rata to their existing shareholdings, on the following basis:

15 New Ordinary Shares for every 7 Existing Ordinary Shares

held by them and registered in their names at the Record Date. Fractions of Ordinary Shares will not be allotted and issued and each Qualifying Shareholder's entitlement under the Open Offer will be rounded down to the nearest whole number of New Ordinary Shares. Fractional entitlements to New Ordinary Shares will be aggregated and will be made available under the Placing to the Placee.

Any New Ordinary Shares not taken up pursuant to the Open Offer will be made available under the Placing.

No excess application facility will be available under the Open Offer.

Qualifying Shareholders may apply for any whole number of Open Offer Shares up to their maximum entitlement which, in the case of Qualifying Non-CREST Shareholders, is equal to the number of Open Offer Entitlements as shown in Box 5 on their Open Offer Application Form, or, in the case of Qualifying CREST Shareholders, is equal to the number of Open Offer Entitlements standing to the credit of their stock account in CREST. Qualifying CREST Shareholders will receive a credit to their stock accounts in CREST in respect of their Open Offer Entitlements on 28 June 2024.

Qualifying Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating their entitlements under the Open Offer, as will Qualifying Shareholders with holdings under different designations or in different accounts.

Application has been made for the Open Offer Entitlements (in respect of Qualifying CREST Shareholders) to be admitted to CREST. It is expected that such Open Offer Entitlements will be admitted to CREST as soon as possible on 28 June 2024. The Open Offer Entitlements will also be enabled for settlement in CREST as soon as possible on 28 June 2024. Applications through the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim.

The last time and date for application under the Open Offer is 11.00 a.m. on 17 July 2024. After that time, Open Offer Entitlements admitted to CREST will be disabled.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in APPENDIX A of this document and, where relevant, in the Open Offer Application Form.

If Admission does not take place on or before the Long Stop Date, the Open Offer will lapse and application monies under the Open Offer will be refunded to the applicants, by cheque (at the applicant's risk) in the case of Qualifying Non-CREST Shareholders and by way of a CREST payment in the case of Qualifying CREST Shareholders, without interest as soon as practicable thereafter.

Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should note that their Open Offer Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although Open Offer Entitlements will be admitted to CREST and be enabled for settlement, they will not be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim. Open Offer Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their entitlements will have no rights nor receive any benefit under the Open Offer. Any Open Offer Shares which are not applied for under the Open Offer will be allocated to the Placee and the net proceeds will be retained, for the benefit of the Company.

It is important that sufficient Qualifying Shareholders take up their Open Offer Entitlements. The Company estimates that (subject to certain exceptions, which would improve the situation) if Existing Shareholders whose holdings would be treated as 'beneficially held by the public' take up less than nine per cent. (in aggregate) of their Open Offer Entitlements in the Capital Raising, the Company would be in breach of the close company REIT conditions and the Group would automatically lose REIT status with effect from the end of the accounting period before the one in which the breach occurred (i.e. from 31 December 2023). If the Company loses its REIT status, all profits and gains arising to the Group after the Company's exit from the REIT regime would be subject to UK corporation tax, without the benefit of the REIT exemption. Each of the Subscription Agreement and the Sponsor Agreement are conditional upon the Company not being a close company immediately following Admission and so if that condition is not satisfied or waived under each of the Subscription Agreement and the Sponsor Agreement, the Capital Raising will not proceed.

6 Information on the Placee

The Placee is part of the Bridgemere group of companies, which was established by Steve Morgan CBE in 1996. The Bridgemere group of companies consists of a portfolio of individual businesses and strategic, long-term investments covering a range of sectors, which include housebuilding, land and property development and leisure.

The Bridgemere group of companies were cornerstone investors in Tosca Commercial II LP (launched July 2013) and TUKCP Jersey LP (launched July 2014). These funds, together with associated entities, were reorganised in November 2015 to create Regional REIT Ltd.

Steve Morgan CBE founded the housebuilder, Redrow Plc, in the 1970s, and brings experience and knowledge of the property sector. In 1992 Steve Morgan CBE received an OBE for Services to the construction industry and, in 2016, received a CBE for philanthropic services.

The Placee's registered address is Third Floor, Cambridge House, Le Truchot, St. Peter Port, GY1 3UW, Channel Islands, Guernsey.

7 Rule 9 of the City Code

Except as set out below, the Placee and persons acting in concert with the Placee were not interested in any Existing Ordinary Shares as at the Latest Practicable Date.

Steve Morgan CBE (a director of the Placee and a person acting in concert with the Placee) placed eight spread bets on the price of the Ordinary Shares increasing above an "Opening Level Price". Further details on such spread bets are set out in paragraph 7.2 of PART 7 of this document.

As a result of the Placing, the aggregate interest of the Placee (and any persons acting in concert with the Placee) in the Company's voting rights could increase to approximately 68.2 per cent. (if: (i) none of the Qualifying Shareholders participate in the Open Offer; and (ii) none of the Overseas Placees participate in the Overseas Placing), based on certain assumptions set out in paragraph 2 of PART 7 this document. Those assumptions include, among others, that the Placee subscribes for 1,105,149,821 Placing Shares pursuant to the Placing.

Ordinarily, under Rule 9 of the Takeover Code, this would result in the Placee being obliged to make a mandatory offer to acquire all of the issued Ordinary Shares not already owned by the Placee (and any persons acting in concert with the Placee) in cash. However, the Takeover Panel has agreed to waive this obligation, subject to approval by the Independent Shareholders of the relevant Rule 9 Waiver Resolution on a poll (the "**Rule 9 Waiver**"). Accordingly, the Rule 9 Waiver Resolution will be proposed at the Extraordinary General Meeting, as described in the Notice of Extraordinary General Meeting set out in PART 17 of this document, to approve the Rule 9 Waiver. The Placee and any persons acting in concert with the Placee are not eligible to vote on the Rule 9 Waiver Resolution to the extent that they acquire any Ordinary Shares other than through the Placing.

If: (i) all Qualifying Shareholders take up all of their Open Offer Entitlements; (ii) all of the Overseas Placees subscribe for all of the Overseas Placing Shares (and based on certain assumptions set out in paragraph 2 of PART 7 of this document), the Placee and any persons acting in concert with the Placee would not be interested in any New Ordinary Shares and the Placee would not hold any voting rights attaching to the Enlarged Issued Share Capital.

If the Qualifying Shareholders and the Overseas Placees subscribe for, in aggregate, 30 per cent. of the New Ordinary Shares pursuant to the Open Offer or Overseas Placing (as applicable), the Placee and any persons acting in concert with the Placee would, in aggregate, be interested in 773,604,874 New Ordinary Shares, representing approximately 47.7 per cent. of the voting rights of the Enlarged Issued Share Capital, based on certain assumptions set

out in paragraph 2 of PART 7 of this document. In this scenario, any increase in the Placee's, or persons acting in concert with it, aggregate interest in Ordinary Shares would be subject to the provisions of Rule 9 of the Takeover Code.

Shareholders should note that, if the Capital Raising completes:

- the Placee could hold shares carrying up to 68.2 per cent. of the voting rights of the Company (in each case, based on certain assumptions set out in paragraph 2 of PART 7 of this document); and

- (for so long as they continue to be acting in concert) the Placee and persons acting in concert with the Placee will accordingly increase their aggregate interests in shares in the Company without incurring any obligation to make an offer under Rule 9 of the Takeover Code.

This means that, in those circumstances, the Company would be controlled by the Placee and any persons acting in concert with the Placee. If the Transaction Resolutions are approved, the Placee will not be restricted from making an offer for the Company.

Further details of the Rule 9 Waiver are set out in PART 7 of this document.

8 Share Consolidation

As at the date of this document, the Company has 515,736,583 Existing Ordinary Shares in issue, each of which has no par value. The closing price of the Ordinary Shares on the Latest Practicable Date was 21.60 pence. Upon completion of the Capital Raising, the Company will have 1,620,886,404 Ordinary Shares in issue (made up of the New Ordinary Shares and Existing Ordinary Shares), each of which will have no par value.

Given the large number of Ordinary Shares in issue upon the completion of the Capital Raising, the Board believes that:

- share trades could result in disproportionately large percentage movements in the market share price (causing considerable price volatility); and

- the Company's low share price could affect investor perception of the Company,

in each case to the detriment of Shareholders.

Following completion of the Capital Raising, pursuant to the Share Consolidation, the Ordinary Shares will be consolidated at the Consolidation Ratio of one Consolidated Share for every 10 Ordinary Shares (the "**Share Consolidation**").

The Board believes that the Share Consolidation will be beneficial to the Company, as it would reduce the number of Ordinary Shares in issue and ensure that the Ordinary Shares trade at a sensible price. The Board also believes that the Share Consolidation will increase market liquidity of the Ordinary Shares by reducing the volatility of the Ordinary Shares and make trading in the Ordinary Shares more attractive to a broader range of institutional investors and public investors.

As a result of the Share Consolidation, any shareholding of Ordinary Shares that is not exactly divisible by 10 will be rounded down to the nearest whole number of Consolidated Shares. Any fractional entitlements to Consolidated Shares will be disregarded and will not be aggregated. Accordingly, no Consolidated Shares will result from such fractional entitlements. Any Shareholder holding fewer than 10 Ordinary Shares on the Share Consolidation Record Date will therefore not be entitled to any Consolidated Shares following the Share Consolidation and will no longer be a member of the Company as a result.

As all Ordinary Shares will be consolidated, each Shareholder's percentage holdings in the total issued share capital of the Company immediately before and after the implementation of the Share Consolidation will (save in respect of fractional entitlements) remain unchanged. As a direct result of the Share Consolidation:

- the number of Ordinary Shares listed on the Official List and admitted to trading on the London Stock Exchange's main market for listed securities will change;
- the number of Ordinary Shares held by each Shareholder will reduce by a factor of approximately 10;
- the market value of an Ordinary Share should increase by a factor of approximately 10 (although the price of Ordinary Shares will continue to fluctuate);
- the overall value of each Shareholder's existing holding of Ordinary Shares should remain approximately the same (although the value of an investment in Consolidated Shares will continue to fluctuate);
- the Group's or the Company's net assets will not be affected; and
- the Consolidated Shares held by Shareholders will have the same rights, including voting and dividend rights, as the Ordinary Shares immediately prior to the Share Consolidation.

The Share Consolidation Record Date is proposed to be 6.00 p.m. on 26 July 2024.

Following the Share Consolidation, and assuming no further Ordinary Shares, other than the New Ordinary Shares, were to be issued or repurchased between the Latest Practicable Date and the date on which the Share Consolidation becomes effective, the Company's total issued share capital (excluding treasury shares) will comprise approximately 162,088,640 Consolidated Shares.

For the avoidance of doubt: (i) the Capital Raising is not conditional on Shareholders approving the Share Consolidation Resolution; and (ii) the Share Consolidation Resolution is not conditional on Shareholders (excluding the Placee and any person acting in concert with the Placee in relation to the Rule 9 Waiver Resolution) approving the Transaction Resolutions, as outlined below.

Application will be made for the Consolidated Shares to be admitted to trading on the London Stock Exchange in place of the Ordinary Shares in issue immediately prior to the Share Consolidation. Subject to approval of the Share Consolidation by Shareholders, it is expected that Admission of the Consolidated Shares will become effective and that dealings in Consolidated Shares will commence on 29 July 2024. Further details of the Share Consolidation Resolution are set out in paragraph 16.3 below and in PART 17.

9 Current trading and prospects

On 26 March 2024, the Company released its 2023 Annual Report for the year ended 31 December 2023. On 22 May 2024, the Company released its Q1 Trading Update, Dividend Declaration and EPC Update for the period from 1 January 2024 to 31 March 2024 (the "**Q1 Trading Update**").

A summary of the key financial and operational highlights from the 2023 Annual Report and the Q1 Trading Update is set out below:

9.1 ***Summary of key financial and operational highlights***

9.1.1 ***Financial highlights***

In the period from 1 January 2024 to 31 March 2024, the value of the gross investment property portfolio was £688.2 million, which was down from: (i) £700.7 million in the financial year to 31 December 2023; and (ii) £789.5 million in the financial year to 31 December 2022.

Gross bank borrowings fell from £390.8 million for the year ended 31 December 2022 to £370.8 million for the year ended 31 December 2023. In addition to bank borrowings, the Group has a £50 million 4.5 per cent. retail eligible bond, which is due for repayment in August 2024.

In aggregate, the total debt available for the period from 1 January 2024 to 31 March 2024 amounted to £413.2 million, which was down from: (i) £420.8 million for the year ended 31 December 2023; and (ii) £444.9 million for the year ended 31 December 2023. The Group weighted average cost of debt, including hedging, as at 31 March 2024, was 3.4 per cent., down from 3.5 per cent. as at 31 December 2023 and 31 December 2022.

The audited fully diluted EPRA NTA per Ordinary Share for the year ended 31 December 2023 was 56.4 pence, down from 73.5 pence for the year ended 31 December 2022. Dividends declared for the financial year ended 31 December 2023 amounted to 5.25 pence per Ordinary Share, down from 6.6 pence per Ordinary Share for the year ended 31 December 2022.

9.1.2 ***Operational highlights***

In the period from 1 January 2024 to 31 March 2024, EPRA occupancy was 79.9 per cent., which was: (i) down from 80.0 per cent. for the financial year to 31 December 2023; and (ii) down from 83.4 per cent. for the financial year ended 31 December 2022.

92.8 per cent. (by value) of the Property Portfolio was represented by offices for the period between 1 January 2024 to 31 March 2024, which was up from 92.1 per cent. for the financial year ended 31 December 2023. Retail, Industrial and other real estate sectors remain non-core to the Group, amounting to 7.2 per cent. of the Property Portfolio, which was down from 7.9 per cent. for the financial year ended 31 December 2023.

As at 31 December 2023, the largest single tenant represented 2.5 per cent. of gross rental income, while the largest property represented 2.8 per cent. of the Property Portfolio.

Since 2015 Admission, the Company has achieved an EPRA Total Return of 12.7 per cent. and an annualised EPRA Total Return of 1.5 per cent. per annum.

9.2 ***The following events have occurred since 31 December 2023***

- Since 31 December 2023, the Company has completed 13 disposals and 3 part sales for an aggregate total of £21.9 million (before costs);

- Since 31 December 2023, the Group has exchanged on 40 leases to new tenants totalling 98,495 sq. ft. amounting to £1.7 million per annum ("**pa**") of rental income when fully occupied, achieving a rental uplift of 5.3 per cent. against December 2023 ERVs. In addition, the Group has completed a number of lease renewals for leases that had renewal dates in 2024, amounting to 81,292 sq. ft. and £1.3 million of rental income,

delivering a rental uplift of 4.1 per cent. against December 2023 ERVs; and

- The Property Portfolio was valued at £647.8 million as at 21 June 2024.

9.3 ***Future prospects***

Although the economic activity in the UK regions continues to improve, the Board expects the macroeconomic challenges to remain in the near term, particularly around the availability of funding, given the prolonged monetary policy tightening. Operationally, the Company continues to perform well, delivering against the factors which are within its control, as demonstrated by the robust rent collections.

The Board's focus remains to continue to offer vibrant spaces to give the Group’s current and future tenants the ability to grow and thrive, leading to increased occupancy and in-turn a reduction in the carrying costs associated with the vacant spaces. The Board looks forward to growing the portfolio's rent roll which underpins the quarterly dividend distributions and the execution of the Company's asset management plans to drive property values over the long term.

10 Dividend entitlement

At the time of 2015 Admission, the Company stated that it would assemble a Property Portfolio supporting a target dividend of between seven to eight pence per annum at 100 pence per Existing Ordinary Share.

As a REIT, the Company is required to distribute at least 90 per cent. of the profits from its property rental business as dividends.

Currently, the Company pays dividends on a quarterly basis with dividends declared in or around February, May, August and November in each year and paid as soon as practicable thereafter.

The Company has declared the following dividends since 2015 Admission:

- in respect of the period from incorporation to 31 December 2015, aggregate interim dividends of 1.00 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2016, aggregate interim dividends of 7.65 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2017, aggregate interim dividends of 7.85 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2018, aggregate interim dividends of 8.05 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2019, aggregate interim dividends of 8.25 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2020, aggregate interim dividends of 6.40 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2021, aggregate interim dividends of 6.50 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2022, aggregate interim dividends of 6.60 pence per Ordinary Share;

- in respect of the financial year ended 31 December 2023, aggregate interim dividends of 5.25 pence per Ordinary Share; and

- in respect of the period 1 January 2024 to 31 March 2024, aggregate interim dividends of 1.20 pence per Ordinary Share.

The next dividend is expected to be declared in September 2024 and paid in October 2024 (the "**2024 Q2 Dividend**"). The Board's current intention is to pay an amount of approximately 2.2 pence per Ordinary Share (assuming the Share Consolidation becomes effective) in relation to the 2024 Q2 Dividend.

The New Ordinary Shares issued in connection with the Capital Raising will rank, from Admission, *pari passu* in all respects with the Existing Ordinary Shares and will have the right to receive all dividends and distributions declared in respect of issued Ordinary Share capital of the Company after Admission, including the 2024 Q2 Dividend.

Assuming that Admission and Admission of the Consolidated Shares occur, then immediately following Admission of the Consolidated Shares there are 162,088,640 Ordinary Shares in issue, the dividend target for 1 April 2024 to 31 December 2024 is 6.6 pence per Ordinary Share.*

*This is a target only and not a profit forecast. There can be no assurance that this target can or will be met and it should not be seen as an indication of the Company's expected or actual results or returns. Accordingly, investors should not place any reliance on this target in deciding whether to invest in the New Ordinary Shares. In addition, prior to making any investment decision, prospective investors should carefully consider the risk factors described in PART 1 of this document.

The payment and level of future dividends will be determined by the Board having regard to, among other things, the financial position and performance of the Group at the relevant time, the business outlook, market conditions, distributing a minimum of 90 per cent. of property income in accordance with the UK REIT requirements and the interests of Shareholders, as a whole.

11 Overseas Shareholders

The offer of the New Ordinary Shares will not be, and has not been, registered under the US Securities Act or any state securities laws and, accordingly, the New Ordinary Shares may not be offered, sold, transferred or delivered, directly or indirectly within the United States, except pursuant to applicable exemptions from such registration. There will be no public offer of the New Ordinary Shares in the United States. The New Ordinary Shares are being offered or sold pursuant to this document outside the United States only in "offshore transactions" in reliance on the exemption from the registration requirements of the US Securities Act provided by Regulation S thereunder (as such term is defined in Regulation S).

None of the Existing Ordinary Shares or the New Ordinary Shares have been, nor will they be, registered under the applicable securities laws of any Restricted Jurisdiction, and (subject to certain limited exceptions) this document is not being made available to Shareholders with registered addresses in a Restricted Jurisdiction and may not be treated as an offer or invitation to subscribe for any New Ordinary Shares by any person resident or located in any such jurisdiction. Subject to certain limited exceptions, none of the Existing Ordinary Shares or the New Ordinary Shares may be offered in or into any Restricted Jurisdiction or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. Any persons (including, without limitation, custodians, nominees and trustees) who have a contractual or other legal obligation to forward this document or any accompanying document into a Restricted Jurisdiction should seek appropriate advice before taking any such action. Accordingly, neither this document nor any advertisement nor any other offering material may be distributed or published in any Restricted Jurisdiction (including the United States) except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document (and the accompanying documents) come

should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions 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 Capital Raising and Admission disclaim any responsibility or liability for the violation of such requirements by any person. This document has been prepared to comply with the requirements of English law, Guernsey law, the Listing Rules, the UK Prospectus Regulation, the Prospectus Regulation Rules and the rules of the London Stock Exchange and information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside England and Wales and Guernsey.

NONE OF THE SECURITIES REFERRED TO IN THIS DOCUMENT SHALL BE SOLD, ISSUED OR TRANSFERRED IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW.

12 Settlement and listing of, and dealings in, the New Ordinary Shares

The results of the Capital Raising are expected to be announced on 19 July 2024. The New Ordinary Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares including in respect of any dividends or distributions declared in respect of the Ordinary Shares following Admission. The New Ordinary Shares will be created under the Companies Law and the legislation made thereunder, will be issued in registered form and will be capable of being held in both certificated and uncertificated form.

Applications will be made to the FCA for the New Ordinary Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Admission will become effective, and that dealings for normal settlement in the New Ordinary Shares will commence, on the London Stock Exchange by 8.00 a.m. on 19 July 2024.

The Existing Ordinary Shares are already admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities and to CREST. It is expected that all of the New Ordinary Shares, when issued and fully paid, will be capable of being held and transferred by means of CREST. The New Ordinary Shares will trade under ISIN GG00BYV2ZQ34. The ISIN for the Open Offer Entitlements is GG00BRRGWK33.

13 Settlement and listing of, and dealings in, the Consolidated Shares

The Consolidated Shares held by Shareholders will be credited as fully paid and have the same rights, including voting and dividend rights, as the Ordinary Shares immediately prior to the Share Consolidation. The Consolidated Shares will be created under the Companies Law and the legislation made thereunder, will be issued in registered form and will be capable of being held in both certificated and uncertificated form.

Applications will be made to the FCA for the Consolidated Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities in place of the Ordinary Shares in issue immediately prior to the Share Consolidation. It is expected that Admission will become effective, and that dealings for normal settlement in the Consolidated Shares will commence, on the London Stock Exchange by 8.00 a.m. on 29 July 2024.

It is expected that all of the Consolidated Shares, when issued, will be capable of being held and transferred by means of CREST. The Consolidated Shares will trade under ISIN GG00BSY2LD72.

14 Further information and risk factors

Your attention is drawn to the further information set out in this document. In particular, your attention is drawn to the section entitled "Risk Factors" in PART 1 of this document. You are advised to read the whole of this document and the documents incorporated by reference in Section A of PART 12 of this document and not to rely solely on the information contained in this letter, before deciding the action to take in respect of the Extraordinary General Meeting.

15 Board composition

Pursuant to the Subscription Agreement, for such time as the Placee Parties holds 10 per cent. or more of the Ordinary Shares, the Placee shall have the right to appoint a non-executive director to the Board (an "**Appointee Director**").

Each of Kevin McGrath and Dan Taylor, having each served nine years, and in full accordance with the Company's corporate governance policy and AIC guidelines, intend to resign as directors of the Company as soon as reasonably practicable following the Company's next annual general meeting after the completion of the Capital Raising, subject to replacement directors being appointed in their place.

The Company has agreed with the Placee in the Subscription Agreement that:

- it is intended that Dan Taylor be replaced by an Appointee Director (to be identified); and
- the Company shall appoint a new non-executive chair to replace Kevin McGrath as soon as reasonably practicable following the Company's next annual general meeting after the Capital Raising, subject to the prior approval of the identity of that director by the Placee (such consent not to be unreasonably withheld or delayed).

16 Extraordinary General Meeting

The Capital Raising is subject to certain conditions, including the approval of Shareholders of: (i) the Issue Price; and (ii) the waiver granted by the Panel on Takeovers and Mergers under Rule 9 of the Takeover Code.

If the Transaction Resolutions are not approved at the Extraordinary General Meeting, the Capital Raising will be unable to proceed. The Transaction Resolutions are: (i) inter-conditional; and (ii) not conditional on the passing of the Share Consolidation Resolution.

The Share Consolidation Resolution is subject to the approval of Shareholders. The Share Consolidation Resolution is not conditional on the passing of the Transaction Resolutions. If the Share Consolidation Resolution is not approved at the Extraordinary General Meeting, the Share Consolidation will be unable to proceed.

A notice convening the Extraordinary General Meeting to be held at 10.00 a.m. on 18 July 2024 is set out in PART 17 of this document.

In summary, the Resolutions are as follows:

16.1 *Capital Raising Resolution*

The Capital Raising Resolution approves the Issue Price of 10 pence per New Ordinary Share, which is at a 50.4 per cent. discount to the Closing Price and a 82.3 per cent. discount to the latest published NTA per Share prior to the Latest Practicable Date of 56.4 pence.

Pursuant to Listing Rule 9.5.10, the Company is not permitted to undertake the Capital Raising in respect of a class of shares already listed at a discount of more than 10 per cent. to the middle market price of those shares at the time of announcing the terms of the Capital

Raising unless the terms of the Capital Raising at that discount have been specifically approved by Shareholders. Pursuant to Listing Rule 15.4.11(1), unless authorised by its Shareholders, the Company may not issue further shares of the same class as existing shares for cash at a price below the net asset value per share of those shares unless they are first offered pro rata to existing holders of shares of that class.

The Capital Raising Resolution will be proposed as an ordinary resolution requiring the approval of more than 50 per cent. of the votes cast. The authority granted under the Capital Raising Resolution will (unless previously revoked or varied by the Company in general meeting) expire at the conclusion of the annual general meeting of the Company to approve the financial reports and accounts for the Company for the year ending 31 December 2024.

The pre-emption provisions in the Articles do not apply in relation to the allotment and issue of equity securities in the Company in connection with an open offer or other offer of securities in favour of holders of ordinary shares at such record date as the Directors may determine where the securities attributable to the interest of the holders of Ordinary Shares are proportionate (as nearly as may be practicable) to the respective numbers of Ordinary Shares held by them on such record date. As the Open Offer is being made on a pre-emptive basis and there are no provisions of Guernsey law which confer rights of pre-emption in respect of the allotment and issuance of the Ordinary Shares, the Company is not required to pass an extraordinary resolution to exclude the pre-emption provisions in the Articles in order to approve the Capital Raising.

For further information in relation to the Capital Raising Resolution to be proposed at the Extraordinary General Meeting, see the Notice of Extraordinary General Meeting in PART 17 of this document.

16.2 ***Rule 9 Waiver Resolution***

The Rule 9 Waiver Resolution is required for the reasons which are set out in paragraph 7 of this PART 5 of this document. The Rule 9 Waiver Resolution will be proposed as an ordinary resolution requiring the approval of more than 50 per cent. of the votes cast (either in person or by proxy). In accordance with the City Code, the Rule 9 Waiver is subject to the passing of this resolution by the Independent Shareholders on a poll at the Extraordinary General Meeting. The Placee and any persons acting in concert with the Placee are not eligible to vote on the Rule 9 Waiver Resolution to the extent that they acquire any Ordinary Shares other than through the Placing.

For further information in relation to the Rule 9 Waiver Resolution to be proposed at the Extraordinary General Meeting, see the Notice of Extraordinary General Meeting in PART 17 of this document.

Your attention is drawn to the fact that the Capital Raising is conditional and dependent upon the Transaction Resolutions being passed (there are also additional conditions which must be satisfied before the Capital Raising can be completed, further details of which are summarised in paragraph 5 of this PART 5).

16.3 ***Share Consolidation Resolution***

The Share Consolidation Resolution is an ordinary resolution which will permit the Ordinary Shares to be consolidated immediately thereafter in accordance with the Consolidation Ratio, such Consolidated Shares having the same rights and being subject to the same restrictions as the Ordinary Shares in issue immediately prior to the Share Consolidation. The Share Consolidation Resolution is required for Shareholders to authorise the Company to undertake a consolidation of the Ordinary Shares in accordance with the Company's Articles.

17 Directors' participation

The Directors are interested in 3,931,935 Existing Ordinary Shares in aggregate (representing approximately 0.76 per cent. of the Existing Ordinary Shares). The Directors intend to participate in the Capital Raising and subscribe for up to the following number of New Ordinary Shares in the Open Offer:

- Kevin McGrath – 1,082,297 New Ordinary Shares;
- Daniel Taylor – 1,537,587 New Ordinary Shares;
- Frances Daley – 315,550 New Ordinary Shares;
- Stephen Inglis – 5,387,925 New Ordinary Shares; and
- Massy Larizadeh – 102,214 New Ordinary Shares.

Further information in relation to the Directors' participation in the Capital Raising, their holdings of Existing Ordinary Shares as at the date of this document and their anticipated shareholdings at Admission are set out in paragraph 8 of PART 15 of this document.

18 Taxation

A general guide to certain aspects of current UK tax law and HMRC published practice as at the date of this document which applies only to certain Shareholders and prospective investors in the New Ordinary Shares pursuant to the Capital Raising resident for tax purposes in the UK is set out in PART 13 of this document. A general guide to certain aspects of Guernsey tax law as at the date of this document is set out in PART 14 of this document, some of which relates to Shareholders and prospective investors in the New Ordinary Shares pursuant to the Capital Raising resident for tax purposes in Guernsey. Each summary does not purport to be a complete analysis or listing of all the potential tax consequences of holding Ordinary Shares or acquiring New Ordinary Shares pursuant to the Capital Raising. Shareholders and prospective investors in New Ordinary Shares pursuant to the Capital Raising are advised to consult their own independent tax advisers concerning the consequences under UK tax law or Guernsey tax law (as applicable) of the acquisition, ownership and disposition of Ordinary Shares.

19 Action to be taken

19.1 *The Open Offer*

If you are a Qualifying Non-CREST Shareholder and you wish to take up your Open Offer Entitlements, in whole or in part, you should complete and return the enclosed Open Offer Application Form, together with your remittance for the full amount of the subscription monies for the Open Offer Shares being taken up in accordance with the instructions printed thereon and in APPENDIX A of this document, by post or by hand, (during normal business hours only) to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to arrive as early as possible but in any event by no later than 11.00 a.m. on 17 July 2024 (being the latest time for acceptance and payment in full). If you do not wish to apply for any Open Offer Shares under the Open Offer, you should not complete or return the Open Offer Application Form. If you are a Qualifying CREST Shareholder, no Open Offer Application Form is enclosed and you will receive a credit to your stock account in CREST in respect of the Open Offer Entitlements representing your entitlement under the Open Offer.

The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Open Offer Application Form in respect of your entitlement under the Open Offer or have Open Offer Entitlements credited to your stock

account(s) in CREST in respect of such entitlements. The latest time for applications under the Open Offer to be received is 11.00 a.m. on 17 July 2024.

If you sell or have sold or otherwise transferred all of your Existing Ordinary Shares prior to the date the Existing Ordinary Shares were marked ex-entitlement to the Open Offer, you should send this document (but not any personalised Form of Proxy or Open Offer Application Form) at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or the transferee.

Full details of the terms of and conditions applicable to the Open Offer and the procedure for application and payment are contained in APPENDIX A of this document.

19.2 ***In respect of the Extraordinary General Meeting***

You will find in PART 17 of this document a notice convening the Extraordinary General Meeting to be held at 10.00 a.m. on 18 July 2024 at the office of Macfarlanes LLP at 20 Cursitor Street, London EC4A 1LT. A Form of Proxy for use at the Extraordinary General Meeting (or at any adjournment thereof) accompanies this document. Whether or not you intend to be present in person at the Extraordinary General Meeting, you are requested to complete and sign the Form of Proxy in accordance with the instructions printed on it and return it as soon as possible and, in any event, so as to be received no later than 10.00 a.m. on 16 July 2024 by the Company's registrars, Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. The lodging of the Form of Proxy (or the electronic appointment of a proxy) will not preclude you from attending and voting at the Extraordinary General Meeting in person if you so wish. You may also submit your proxies electronically at www.signalshares.com and logging into your share portal account or registering for the share portal if you have not already done so. To register for the share portal you will need your investor code set out on the Form of Proxy. Once registered, you will be able to vote immediately. If you hold shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction to the issuer's agent, ID RA10, so that it is received no later than 10.00 a.m. on 16 July 2024. If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io.

The results of the votes cast at the Extraordinary General Meeting will be announced as soon as possible once known through a Regulatory Information Service and on the Company's website (www.regionalreit.com). It is expected that this will be on 19 July 2024.

19.3 ***Expenses***

No expenses will be charged directly to any investor by the Company in connection with the Capital Raising.

19.4 ***General***

If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other independent financial adviser authorised under FSMA if you are in the United Kingdom or, if you are not, from another appropriately authorised independent financial adviser.

20 Importance of vote

Your attention is drawn again to the fact that the Capital Raising is conditional and dependent upon, among other things, the Transaction Resolutions, each of which is inter-conditional, being passed at the Extraordinary General Meeting.

The issue of the New Ordinary Shares pursuant to the Capital Raising is conditional, among other things, on the Transaction Resolutions having been passed and the conditions to the Subscription Agreement having been satisfied or, where applicable, waived and each such agreement not having been terminated prior to Admission in accordance with its terms. If the Transaction Resolutions are not passed and the Capital Raising does not complete, on the basis of the Company's base case projections:

- the Group will be unable to fund the £50 million Retail Bond liability due for repayment on the 6 August 2024 resulting in an immediate working capital shortfall; consequently

- the Board will be required immediately to seek new sources of capital, including (but not limited to) seeking to enter into a subordinated borrowing facility (which may not be available, is likely to be expensive and is likely to significantly constrain the Group's activities; based on the Board's investigations to date, if available at all, such a facility is likely to be available on highly unattractive terms) and approaching current Retail Bond holders to request an extension to the redemption date of the Retail Bond (which is challenging from a timing perspective and, in the Board's view, unlikely to be successful based on informal consultations to date);

- the Board will likely need to take other mitigation actions, including ceasing all dividend distributions to Shareholders and expediting the Company's asset disposal programme;

- if the Group is unable to obtain appropriate new sources of capital, the Group may not be considered a 'going concern' and may not receive a clean viability statement from its auditors; and

- as a result of the Group being unable to obtain appropriate new sources of capital, the Company and other material companies in the Group could enter into administration or liquidation shortly thereafter, which could be as early as August 2024, due to the £50 million Retail Bond liability becoming due for repayment.

Shareholders (excluding the Placee and any person acting in concert with the Placee in relation to the Rule 9 Waiver Resolution) are therefore asked to vote in favour of the Transaction Resolutions at the Extraordinary General Meeting in order for the Capital Raising to proceed.

The Directors believe that completion of the Capital Raising will increase the strength of the Company's balance sheet and fund its ongoing value enhancing capital expenditure programme.

If the Capital Raising does not complete, the Company envisages that it would have a short-term liquidity shortfall and would not have sufficient working capital for its present requirements.

The Company anticipates that it would first be in breach of the terms and conditions applicable to the Retail Bond (under which, as at the Latest Practicable Date, the total amount drawn was £50 million) in August 2024, which would allow the bondholders thereunder to demand repayment of the outstanding loans thereunder. In turn, the non-repayment of the Retail Bond would constitute an event of default under the lending facilities provided to RR Range Limited and RR Star Limited (under which, as at the Latest Practicable Date, the amounts drawn were £147.5 million and £36.0 million respectively) as an event of default is triggered under such facility agreements if the Company is unable, or admits inability, to pay its debts as they fall due. At the lowest point in the working capital cycle in August 2024, the Company estimates that its liquidity shortfall would be approximately £24.3 million, due to the £50 million Retail Bond Liability becoming due for repayment. In the event of a liquidity shortfall, the Company would immediately put in place an action plan to mitigate the shortfall, which would involve some or all of the following:

- seeking to enter into a subordinated borrowing facility agreement of a two-to-three-year duration. In such a situation, there can be no guarantee as to the terms of such an arrangement, if available at all. Any such arrangement will likely be significantly more expensive and on significantly more onerous terms than those which currently apply under the Group's existing financing arrangements, with annual borrowing rates expected to match the current market rate of c. 15 per cent. (including all associated facility arrangement and exit fees);

- approaching the current bondholders and requesting an extension to the redemption date of 6 August 2024 under the Retail Bond (noting the timing challenges in connection with the same);

- approaching the lenders under the lending facilities provided to RR Range Limited and RR Star Limited to request new terms and conditions;

- ceasing all dividend distributions to Shareholders; and

- expediting the Company's asset disposal programme.

Notwithstanding the mitigating actions set out above, the Directors do not consider that significant asset sales (outside of the Group's existing asset disposal programme) would provide a viable solution to the working capital shortfall due to covenant constraints under the Group's existing bank facilities. Therefore, as a result of mitigating actions, the Group would likely experience:

- a significant increase in the cost of its borrowings;

- it becoming significantly more difficult for the Group to operate as a result of onerous covenants in a subordinated borrowing facility, risking worse financial performance and, ultimately, administration or liquidation;

- corporation tax on the Company's taxable earnings as a result of the Company failing to distribute property income distributions to shareholders within twelve months of the last accounting period in compliance with the REIT Regime;

- asset disposal prices significantly below book value, and on terms which the Company would not ordinarily accept, as a result of accelerated forced sales;

- reduced flexibility from other lenders; and

- suppliers withdrawing their services.

If the Group is not able to obtain appropriate new sources of capital as described above, the Company and other material companies in the Group may enter into administration or liquidation in the near term, which could be as early as August 2024, due to the £50 million Retail Bond liability becoming due for repayment, which could result in the loss by Shareholders of all or part of their investment in the Company.

21 Recommendation and voting intentions

The Directors, who have been so advised by the Banks, consider the terms of the Capital Raising, the associated Rule 9 Waiver and the Share Consolidation to be fair and reasonable and in the best interest of the Independent Shareholders and the Company as a whole. In providing advice to the Directors, the Banks have taken into account the commercial assessments of the Directors.

The Board believes that the Capital Raising, the associated Rule 9 Waiver, the Share Consolidation and the Resolutions are in the best interests of the Company and Shareholders, as a whole. Accordingly, the Board unanimously recommends that the Shareholders (excluding the Placee and any person acting in concert with the Placee in relation to the Rule 9 Waiver Resolution) vote in favour of the Resolutions, as the Directors intend to do in respect of their own beneficial holdings of 3,931,935 Ordinary Shares, representing, in aggregate, 0.76 per cent. of the Company's Existing Ordinary Share Capital as at the Latest Practicable Date.

The Banks are acting as independent financial advisers in connection with the Rule 9 Waiver under Rule 3 of the Takeover Code.

Yours faithfully

Kevin McGrath
Chairman

PART 6
QUESTIONS AND ANSWERS ABOUT THE CAPITAL RAISING

The questions and answers set out in this PART 6 are intended to be generic guidance only and, as such, you should read the whole of this document and, in particular, APPENDIX A *of this document for full details of what action you should take. The attention of Overseas Shareholders is drawn to paragraphs 6 to 9 of APPENDIX* A *to this document.*

This PART 6 deals with general questions relating to the Capital Raising, as well as more specific questions relating to Qualifying Non-CREST Shareholders. If you hold your Ordinary Shares in uncertificated form (that is, through CREST) your attention is drawn to APPENDIX A *of this document which contains full details of what action you should take. If you are a CREST sponsored member, you should consult your CREST sponsor.*

If you do not know whether your Ordinary Shares are held in certificated or uncertificated form, please contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

The contents of this document should not be construed as legal, business, accounting, tax, investment or other professional advice. Each prospective investor should consult his, her or its own appropriate professional advisers for advice. This document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action.

1 What is the Placing, Overseas Placing and Open Offer?

A placing and open offer are ways for companies to raise money. They usually do this by giving their existing shareholders a right to subscribe for further shares at a fixed price in proportion to their existing shareholdings (an open offer) and providing for certain existing and/or new investors to subscribe for new shares in the Company (a placing). The Overseas Placing allows certain existing shareholders in countries where the Open Offer cannot be made as a consequence of onerous regulatory requirements associated with offering securities into those jurisdictions ("**Restricted Jurisdictions**") to participate in the Capital Raising on substantially the same terms as they would have been able to participate in the Open Offer if the Open Offer could have been extended to them in the relevant Restricted Jurisdiction.

2 When will the Capital Raising take place?

The Capital Raising is subject to Admission becoming effective by not later than 8.00 a.m. on 19 July 2024 (or such later time and/or date as the Placee and the Company may agree, being not later than 8.00 a.m. on 13 August 2024).

3 What is the Open Offer?

The Open Offer is an invitation by the Company to Qualifying Shareholders to apply to subscribe for an aggregate of 1,105,149,821 Open Offer Shares at a price of 10 pence per Open Offer Share. If you hold Ordinary Shares at the Record Date or have a bona fide market claim and are not a Shareholder who is located in the United States or any other Restricted Jurisdiction (for further information on Overseas Shareholders, see paragraphs 6 to 9 of APPENDIX A to this document), you will be entitled to subscribe for Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of 15 New Ordinary Shares for every 7 Existing Ordinary Shares held by Qualifying Shareholders at the Record Date. Applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlements.

If your entitlement to New Ordinary Shares is not a whole number, your fractional entitlement will be rounded down to the nearest whole number in calculating your actual Open Offer Entitlement. If you hold fewer than 7 Existing Ordinary Shares, you will not receive an Open Offer Entitlement and will not be able to participate in the Open Offer. New Ordinary Shares are being offered to Qualifying Shareholders at a discount of 50.4 per cent. to the Closing Price of 20.2 pence.

Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should note that their Open Offer Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although Open Offer Entitlements will be admitted to CREST and enabled for settlement, they will not be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim. Open Offer Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their entitlements will have no rights nor receive any benefit under the Open Offer. Any Open Offer Shares which are not applied for under the Open Offer will be allocated to the Placee and the net proceeds will be retained, for the benefit of the Company.

Following the issue of New Ordinary Shares proposed to be allotted and issued pursuant to the Capital Raising, Qualifying Shareholders who take up their Open Offer Entitlements in full will not suffer a dilution to their interests in the Company.

Qualifying Shareholders who do not take up any of their Open Offer Entitlements will suffer a dilution of 68.2 per cent. to their interests in the Company.

Shareholders should note that the Capital Raising is conditional upon: (i) the Transaction Resolutions being passed by Shareholders (excluding the Placee and any person acting in concert with the Placee in relation to the Rule 9 Waiver Resolution) at the Extraordinary General Meeting (without material amendment); (ii) the Subscription Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms before Admission; and (iii) Admission becoming effective by not later than 8.00 a.m. on 19 July 2024 (or such later time and/or date as the parties to the Subscription Agreement may agree, being not later than 8.00 a.m. on 13 August 2024).

4 What is an Open Offer Application Form?

The Open Offer Application Form is a form sent to those Qualifying Shareholders who hold their Ordinary Shares in certificated form. It sets out your Open Offer Entitlement to subscribe for Open Offer Shares and is a form which you should complete if you want to participate in the Open Offer.

5 What if I have not received an Open Offer Application Form or I have lost my Open Offer Application Form?

If you have not received an Open Offer Application Form and you do not hold your Existing Ordinary Shares in CREST, this probably means that you are not eligible to participate in the Open Offer. Some Qualifying Shareholders, however, will not receive an Open Offer Application Form but may still be able to participate in the Open Offer, including:

- Qualifying CREST Shareholders;
- Qualifying Non-CREST Shareholders who acquired Ordinary Shares before the Ex-Entitlements Date but were not registered as the holders of those Ordinary Shares at the Record Date (see question 6 below); and

- certain Overseas Shareholders.

If you have not received an Open Offer Application Form but think that you should have received one or would like to receive one, or you have lost your Open Offer Application Form, please contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. - 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

6 **If I acquired my Existing Ordinary Shares before 8.00 a.m. on 27 June 2024 (the Ex-Entitlements Date) will I be eligible to participate in the Open Offer?**

If you acquired Ordinary Shares before the Ex-Entitlements Date but you were not registered as the holder of those Ordinary Shares at the Record Date, you may still be eligible to participate in the Open Offer. If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement. You will not be entitled to the New Ordinary Shares in respect of any Ordinary Shares acquired on or after the Ex-Entitlements Date.

7 **I hold my Existing Ordinary Shares in uncertificated form in CREST. What do I need to do in relation to the Open Offer?**

CREST members should follow the instructions set out in APPENDIX A to this document. Persons who hold Existing Ordinary Shares through a CREST member should be informed by the CREST member through which they hold their Existing Ordinary Shares of the New Ordinary Shares which they are entitled to take up under the Open Offer and should contact them if they do not receive this information.

8 **I hold my Existing Ordinary Shares in certificated form. How do I know I am eligible to participate in the Open Offer?**

If you receive an Open Offer Application Form, are not a Shareholder with a registered address in a Restricted Jurisdiction (subject to certain exemptions) and are not physically located in any Restricted Jurisdiction, then you should be eligible to participate in the Open Offer as long as you have not sold all of your Existing Ordinary Shares on or after the Ex-Entitlements Date.

Shareholders located in, or who are citizens of, or who have an address in, a jurisdiction other than the United Kingdom will be subject to the laws of that jurisdiction and their ability to participate in the Open Offer may be affected accordingly. Shareholders who are located in, or who are citizens of, or who have an address in a jurisdiction outside of, the United Kingdom should read paragraphs 6 to 9 of APPENDIX A to this document and should take professional advice as to whether they are eligible and/or need to observe any formalities to enable them to take up their Open Offer Entitlement.

9 **I hold my Existing Ordinary Shares in certificated form. How do I know how many New Ordinary Shares I am entitled to take up?**

If you hold your Existing Ordinary Shares in certificated form and, subject to certain limited exceptions, do not have a registered address in the United States or any other Restricted Jurisdiction, you will be sent an Open Offer Application Form that shows:

- in Box 4, how many Existing Ordinary Shares you held at the Record Date;

- in Box 5, how many Open Offer Shares are comprised in your Open Offer Entitlement; and

- in Box 6, how much you need to pay in Pounds Sterling if you want to take up your right to subscribe for all of your Open Offer Entitlement.

If you would like to apply for any or all of the Open Offer Shares comprised in your Open Offer Entitlement, you should complete the Open Offer Application Form in accordance with the instructions printed on it and the information provided in this document. Completed Open Offer Application Forms should be posted, along with a cheque or banker's draft drawn in the appropriate form, in the accompanying prepaid envelope to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received by no later than 11.00 a.m. on 17 July 2024, after which time Open Offer Application Forms will not be valid.

10 I hold my Existing Ordinary Shares in certificated form and am eligible to receive an Open Offer Application Form. What are my choices in relation to the Open Offer?

10.1 *If you do not want to take up your Open Offer Entitlement*

If you do not want to take up your Open Offer Entitlement, you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. You cannot sell your Open Offer Entitlement to anyone else. If you do not return your Open Offer Application Form subscribing for the Open Offer Shares to which you are entitled by 11.00 a.m. on 17 July 2024, we have made arrangements under which we have agreed to allocate the New Ordinary Shares comprising your Open Offer Entitlement to the Placee under the Placing. **Whether or not they participate in the Capital Raising, Shareholders are, however, encouraged to vote at the Extraordinary General Meeting by attending in person or completing and returning the Form of Proxy enclosed with this document.**

If you do not take up your Open Offer Entitlement, then, following the issue of the New Ordinary Shares pursuant to the Capital Raising, your interest in the Company will be diluted by approximately 68.2 per cent.

10.2 *If you want to take up some, but not all, of the Open Offer Shares under your Open Offer Entitlement*

If you want to take up some but not all of the Open Offer Shares under your Open Offer Entitlement, you should write the number of Open Offer Shares you want to take up in Box 2 of your Open Offer Application Form; for example, if you have an Open Offer Entitlement for **50** Open Offer Shares but you only want to apply for 25 Open Offer Shares, then you should write "**25**" in Box 2. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, "**25**") by 10 pence (the Issue Price), giving you an amount of £2.50 in this example.

You should write this total sum in Box 3, rounding up to the nearest whole penny, and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Open Offer Application Form, together with a cheque or banker's draft for that amount, in the accompanying pre-paid envelope by post to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received by no later than 11.00 a.m. on 17 July 2024, after which time Open Offer Application Forms will not be valid. If you post your Open Offer Application Form by first class post, it is recommended that you allow at least four Business Days for delivery.

All payments should be in Pounds Sterling and made by cheque or banker's draft made payable to "**Link Market Services Limited re Regional REIT Limited Open Offer 2024 A/C**" and crossed "**A/C payee only**". Cheques or banker's drafts must be drawn on an account at a bank or building society or a branch of a bank or building society which is in the UK, the

Channel Islands or the Isle of Man and which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided by either of those companies. Cheques and banker's drafts must bear the appropriate sorting code number in the top right-hand corner and must be for the full amount payable on application. Post-dated cheques will not be accepted.

Cheques not drawn on a bank referred to in the paragraph above will be rejected. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder and the number of an account held in the applicant's name and the building society cheque or banker's draft has been stamped on the back of the cheque or banker's draft with the building society or bank branch's stamp. The account name should be the same as that shown on the application. Cheques or banker's drafts will be presented for payment upon receipt. Payments via CHAPS, BACS or electronic transfer will not be accepted. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. No interest will be paid on payments. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender.

A definitive share certificate will not be issued for the New Ordinary Shares that you take up. Instead, a definitive share certificate will be sent to you for your Consolidated Shares following the Share Consolidation. Your definitive share certificate for Consolidated Shares is expected to be despatched to you in the week commencing 5 August 2024.

10.3 ***If you want to take up all of your Open Offer Entitlement***

If you want to take up all of the Open Offer Shares available to you through your Open Offer Entitlement, all you need to do is sign page 1 of the Open Offer Application Form (ensuring that all joint holders sign (if applicable)) and send the Open Offer Application Form, together with your cheque or banker's draft for the amount (as indicated in Box 6 of your Open Offer Application Form), payable to "**Link Market Services Limited re Regional REIT Open Offer 2024 A/C**" and crossed "**A/C payee only**", in the accompanying pre-paid envelope by post to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL so as to be received by no later than 11.00 a.m. on 17 July 2024, after which time Open Offer Application Forms will not be valid. If you post your Open Offer Application Form by first class post, it is recommended that you allow at least four Business Days for delivery.

10.4 ***If I acquire Existing Ordinary Shares after the Record Date, will I be eligible to participate in the Open Offer?***

If you acquired your Existing Ordinary Shares after the Record Date but before the Ex-Entitlements Date, you are likely to be able to participate in the Open Offer in respect of such Existing Ordinary Shares. If you are in any doubt, please consult your stockbroker, bank manager or other appropriate financial adviser, or whoever arranged your share purchase or acquisition. If you acquire Existing Ordinary Shares on or after the Ex-Entitlements Date, you will not be able to participate in the Open Offer in respect of such Existing Ordinary Shares.

11 I am a Qualifying Shareholder, do I have to apply for all the Open Offer Shares I am entitled to apply for under my Open Offer Entitlement?

You can take up any number of the Open Offer Shares allocated to you under your Open Offer Entitlement. Your maximum Open Offer Entitlement is shown on your Open Offer Application Form in Box 5.

Any applications by a Qualifying Shareholder for a number of Open Offer Shares which is equal to or less than that person's Open Offer Entitlement will be satisfied, subject to the Open Offer becoming unconditional.

If you decide not to take up all of the Open Offer Shares comprised in your Open Offer Entitlement, then your proportion of the ownership and voting interest in the Company will be reduced. If you had decided to take up your full entitlement your proportion of the ownership and voting interest in the Company will not be reduced. Please refer to the answers to questions 10.1, 10.2, 10.3 and 10.4 for further information.

12 **Will I have to pay any fees for taking up my Open Offer Entitlement?**

There will be no fee payable by you for taking up your Open Offer Entitlement (the only payment required is payment of an amount equal to the number of Open Offer Shares taken up by you, multiplied by the Issue Price).

13 **Will I be taxed if I take up my entitlements?**

If you are resident in the UK for UK tax purposes, you will not have to pay UK tax when you take up your right to receive New Ordinary Shares, although the Capital Raising may affect the amount of UK tax you pay when you sell your Ordinary Shares.

Further information for Qualifying Shareholders who are resident in the UK for UK tax purposes is contained in PART 13 of this document. Shareholders who are in any doubt as to their tax position or who are subject to tax in any jurisdiction other than the United Kingdom should consult their professional advisers immediately. Residents and taxpayers of other jurisdictions should consult their own tax advisers.

14 **What should I do if I live outside the United Kingdom?**

Your ability to apply to subscribe for New Ordinary Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Open Offer Entitlement. Your attention is drawn to the information in paragraph 5 of APPENDIX A to this document.

15 **Will the Capital Raising affect my dividends on the Existing Ordinary Shares?**

The New Ordinary Shares issued in connection with the Capital Raising will rank, from Admission, *pari passu* in all other respects with the Existing Ordinary Shares and will have the right to receive all dividends and distributions declared in respect of issued Ordinary Share capital of the Company after Admission. The next quarterly dividend to be announced is expected to be for the quarter ending 30 June 2024 and is expected to be declared in September 2024 and paid in October 2024.

As a REIT, the Company is required to distribute at least 90 per cent. of the income from its property rental business as dividends.

The level of future dividends will be determined by the Board having regard, inter alia, to the financial position and performance of the Group at the relevant time, UK REIT requirements and the interests of Shareholders, as a whole.

16 **What if I change my mind?**

If you are a Qualifying Non-CREST Shareholder, in relation to the Open Offer, once you have sent your Open Offer Application Form and payment to the Receiving Agent, you cannot withdraw your application or change the number of New Ordinary Shares for which you have

applied, except in very limited circumstances which are set out in paragraph 5 of APPENDIX A to this document.

17 What should I do if I need further assistance?

If you have any other questions, please contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am - 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. Link Group staff can explain the options available to you, which forms you need to fill in and how to fill them in correctly.

Your attention is drawn to the further terms and conditions of the Capital Raising set out in APPENDIX A to this document.

The contents of this document or any subsequent communication from the Company, either of the Banks or any of their respective affiliates, officers, directors, employees or agents are not to be construed as legal, financial or tax advice. Each prospective investor should consult his, her or its own solicitor, independent financial adviser or tax adviser for legal, financial or tax advice.

PART 7
DETAILS OF RULE 9 WAIVER

1 Rule 9 Waiver

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code, any person who acquires an interest (as defined in the Takeover Code) in shares which, taken together with shares in which that person or any person acting in concert with that person is interested, carries 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code is normally required to make a general offer to all of the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with that person, is interested in shares which, in the aggregate, carry not less than 30 per cent. of the voting rights of such a company, but does not hold shares carrying more than 50 per cent. of the voting rights of the company, such an offer will normally be required if such person or any person acting in concert with that person acquires a further interest in shares which increases the percentage of shares carrying voting rights in which that person is interested.

An offer under Rule 9 of the Takeover Code must be in cash (or provide a full cash alternative) at the highest price paid by the person required to make the offer, or any person acting in concert with such person, for any interest in shares of the company acquired during the 12 months prior to the announcement of the offer.

2 Maximum controlling position

Assuming that: (i) the Placee subscribes for 1,105,149,821 Placing Shares pursuant to the Placing (assuming that: (a) no Qualifying Shareholders take up their Open Offer Entitlements; and (b) no Overseas Shareholders subscribe for Overseas Placing Shares); (ii) no other person converts any convertible securities or exercises any options or any other right to subscribe for shares in the Company; (iii) the Subscription Agreement becomes unconditional in all respects and is not terminated in accordance with its terms prior to Admission; (iv) the Transaction Resolutions are passed by the Shareholders (excluding the Placee and any person acting in concert with the Placee in relation to the Rule 9 Waiver Resolution) at the Extraordinary General Meeting (without material amendment); and (v) there are no other changes to the Company's issued share capital, the Placee and any persons acting in concert with the Placee would, in aggregate, be interested in 1,105,149,821 New Ordinary Shares, representing approximately 68.2 per cent. of the voting rights of the Enlarged Issued Share Capital.

Accordingly, following completion of the Capital Raising, the Placee would be interested in more than 30 per cent. of the voting rights of the Company and the Placing would therefore normally trigger an obligation for an offer to be made under Rule 9 of the Takeover Code.

However, subject to the Independent Shareholders passing the Rule 9 Waiver Resolution, the Takeover Panel has agreed to waive these obligations, such that there will be no requirement for an offer to be made in these circumstances.

Accordingly, the Rule 9 Waiver Resolution is being proposed at the Extraordinary General Meeting and will be taken on a poll. The Placee is not eligible to vote on the Rule 9 Waiver Resolution to the extent that it acquires any Ordinary Shares other than through the Placing. The Placee has undertaken to procure (to the extent that it is legally able to do so) that any persons acting in concert with the Placee who hold Ordinary Shares will not vote on the Rule 9 Waiver Resolution.

3 Information on the Placee

The Placee is part of the Bridgemere group of companies, which was established by Steve Morgan CBE in 1996. The Bridgemere group of companies consists of a portfolio of individual businesses and strategic, long-term investments covering a range of sectors, which include housebuilding, land and property development and leisure.

The Bridgemere group of companies were cornerstone investors in Tosca Commercial II LP (launched July 2013) and TUKCP Jersey LP (launched July 2014). These funds, together with associated entities, were reorganised in November 2015 to create Regional REIT Ltd.

Steve Morgan CBE founded the housebuilder, Redrow Plc, in the 1970s, and brings experience and knowledge of the property sector. In 1992 Steve Morgan CBE received an OBE for Services to the construction industry and, in 2016, received a CBE for philanthropic services.

The Placee's registered address is Third Floor, Cambridge House, Le Truchot, St. Peter Port, GY1 3UW, Channel Islands, Guernsey.

4 Financial Information on the Placee

The Placee has sufficient available resources to participate in the Placing and the Placing will have no material impact on the financial position of the Placee.

The Placee's participation in the Placing will be funded by the Placee using its available cash resources.

5 Intentions of the Placee and view of the Directors

The Placee is keen to ensure the long-term viability of the Company and, accordingly, has agreed to participate in the Placing to ensure that the Company can address its liquidity issues and achieve its stated objectives.

The Placee confirms it proposes to support the Company in: (i) the repayment of the £50 million Retail Bond due for repayment on 6 August 2024, eliminating this short term liability and further reducing the constraints caused by the requirement to pay coupon distributions on the Retail Bond; (ii) £26.3 million of the Net Capital Raising Proceeds being used to reduce bank facilities, which will result in the Company having greater headroom under the covenants in such facilities; and (iii) the remaining £28.4 million of the Net Capital Raising Proceeds providing flexibility to fund selective capital expenditure on assets, which will enhance earnings in the near term and value in the mid to long-term, and underpinning quarterly dividends going forward. This will reduce LTV from 56.8 per cent. (based on the valuations as at 21 June 2024 as set out in the Valuation Report) to 40.6 per cent. upon completion of the Capital Raising, as more fully described in paragraph 2.2 of PART 5 of this document.

In furtherance of the foregoing, the Placee intends that:

- no changes will be made to any research and development functions of the Company;
- the Company will continue to have no employees and no changes will be made to the employees and management of the Company's subsidiaries;
- two of the non-executive directors of the Board will be replaced following completion of the Capital Raising;
- no changes will be made to the Company's place of business and the locations of the Company's headquarters and headquarter functions;

- the Company will continue to not have any pension schemes and no changes will be made to employer contributions;
- the Group continues with its asset disposal programme to target reducing LTV to the Group's long-term target of less than 40 per cent.; and
- no changes will be made to the maintenance of any existing trading facilities for the relevant securities of the Company.

No statements in this paragraph 5 constitute "post-offer undertakings" for the purposes of the Takeover Code.

The Directors approve of the above statements of intentions of the Placee with respect to the future operations of the business.

6 Persons acting in concert with the Placee

The persons who, for the purposes of the Takeover Code, are acting in concert with the Placee in respect of the Rule 9 Waiver and who are required to be disclosed are:

Name	Type of entity	Registered office	Relationship with the Placee
Steve Morgan CBE	N/A	N/A	Director of the Placee

7 Interests and dealings

Definitions

For the purposes of this paragraph 7:

"**acting in concert**"	has the meaning given to it in the Takeover Code;
"**connected adviser**"	has the meaning given to it in the Takeover Code;
"**connected person**"	has the meaning given to it in sections 252 to 255 of the Companies Act;
"**dealing**" or **"dealt**"	has the meaning given to it in the Takeover Code;
"**derivative**"	has the meaning given to it in the Takeover Code;
"**Disclosure Date**"	means the Latest Practicable Date;
"**Disclosure Period**"	means the period commencing on 27 June 2023, being the date 12 months prior to the publication of this document, and ending on the Disclosure Date;
"**interest**"	has the meaning given to it in the Takeover Code;
"**Note 11 arrangement**"	includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant Company securities which may be an inducement to deal or refrain from dealing;

"**relevant Company securities**"	means relevant securities (as that term is defined in the Takeover Code in relation to an offeree company) of the Company, including equity share capital of the Company (or derivatives reference thereto) and securities convertible into, rights to subscribe for and options (included traded options) in respect of any of the foregoing; and
"**short position**"	means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

7.1 ***Disclosure of interests – the Placee***

As at the Disclosure Date, the Placee did not hold any interest in or rights to subscribe for relevant Company securities.

7.2 ***Disclosure of interests – persons acting in concert with the Placee***

Steve Morgan CBE (a director of the Placee and a person acting in concert with the Placee) placed the following spread bets on the price of the Ordinary Shares increasing above the "Opening Level Price":

Date Purchased	Last Dealing Date*	Deposit	Points**	Opening Level Price
25 April 2024	6 April 2029	£60,346.07	8,950	21.8831
26 April 2024	6 April 2029	£680.93	100	21.978
3 May 2024	6 April 2029	£5,106.99	750	23.9725
14 May 2024	6 April 2029	£6,809.32	1,000	24.9511
15 May 2024	6 April 2029	£40,855.91	6,000	24.812
16 May 2024	6 April 2029	£80,486.15	11,820	24.8892
17 May 2024	6 April 2029	£5,890.06	865	24.9428
21 May 2024	6 April 2029	£19,212.77	2,821.54	24.9608
Total	**-**	**£219,388.20**	**32,306.54**	-

*The date on which the spread bet expires if not closed out earlier.

**One "Point" is equivalent to a spread bet over 100 Ordinary Shares.

As at the Disclosure Date, except as disclosed in this paragraph 7.2 of PART 7, there were no persons acting in concert with the Placee that held any interest in or rights to subscribe for relevant Company securities.

7.3 ***Disclosure of interests – directors of the Placee***

As at the Disclosure Date, except as disclosed in paragraph 7.2 of this PART 7, there was no director of the Placee that held any interest in or rights to subscribe for relevant Company securities.

7.4 ***Disclosure dealings – the Placee, persons acting in concert with the Placee and directors of the Placee***

Except as disclosed in paragraph 7.2 of this PART 7, there have been no dealings in any relevant Company securities by the Placee, persons acting in concert with the Placee and the directors of the Placee during the Disclosure Period.

Except as disclosed in paragraph 7.2 of this PART 7, no dealings are currently contemplated by the Placee, persons acting in concert with the Placee and the directors of the Placee after the completion of the Capital Raising.

8 General

Save as disclosed in this document (in particular paragraph 8.5 of PART 15 of this document), as at the Disclosure Date:

(i) neither the Placee nor any person acting in concert with the Placee had any interest in, right to subscribe in respect of or any short position in relation to any relevant Company securities, nor had the Placee dealt in any relevant Company securities during the Disclosure Period;

(ii) neither the Placee nor any person acting in concert with the Placee had any Note 11 arrangements with any other person;

(iii) neither the Placee nor any person acting in concert with the Placee had borrowed or lent any relevant Company securities (including for these purposes any financial or collateral arrangements) during the Disclosure Period, save for any borrowed shares which have been either on-lent or sold;

(iv) the Company did not have any interest in, right to subscribe in respect of or any short position in relation to any relevant Company securities;

(v) none of the Directors, nor any of their connected persons, had any interest in, right to subscribe in respect of or any short position in relation to any relevant Company securities;

(vi) no other person acting in concert with the Company had any interest in, right to subscribe in respect of or any short position in relation to any relevant Company securities;

(vii) neither the Company nor any person acting in concert with it had any arrangements with any other person;

(viii) neither the Company nor any person acting in concert with it had borrowed or lent any relevant Company securities (including for these purposes any financial or collateral arrangements);

(ix) the Banks have no interests in any relevant Company securities;

(x) neither the Company nor the Directors had any interest in, right to subscribe in respect of or any short position in relation to any relevant Placee securities; and

(xi) neither the company, nor the Directors, nor any person acting in concert with the Company have had any Note 11 arrangements with any other person.

9 Material contracts of the Placee

Other than the Subscription Agreement, the Placee has not entered into any material contract otherwise than in the ordinary course of business in the two years immediately preceding the date of this document. Please refer to paragraph 11.1 of PART 15 of this document for a summary of the Subscription Agreement.

10 Offer-related arrangements

Subscription Agreement

Please refer to paragraph 11.1 of PART 15 of this document for a summary of the Subscription Agreement.

11 Middle market quotations for Ordinary Shares

The following table sets out the closing middle market quotations for an Ordinary Share (as derived from the Daily Official List of the London Stock Exchange) for the first Business Day of each of the six months immediately preceding the date of this document and for the Latest Practicable Date:

Date	***Price per Ordinary Share***
2 January 2024	34.95p
1 February 2024	28.30p
1 March 2024	20.90p
2 April 2024	18.50p
1 May 2024	23.00p
3 June 2024	22.70p
25 June 2024	21.60p

12 Ratings information

The Company does not have any current ratings or outlooks publicly accorded to it by credit rating agencies.

The Placee does not have any current ratings or outlooks publicly accorded to it by credit rating agencies.

13 Other Takeover Code disclosures

13.1 If the Transaction Resolutions are approved, the Placee will not be restricted from making an offer for the Company.

13.2 As at the Latest Practicable Date:

(i) there is no agreement, arrangement or understanding (including any compensation arrangement) between on the one hand, the Placee and any person acting in concert with the Placee and, on the other hand, the Directors, the recent directors of the Company, the Shareholders or recent shareholders of the Company or any person

interested or recently interested in Ordinary Shares, having any connection with or dependence upon the outcome of the Rule 9 Waiver;

(ii) no incentivisation arrangements have been entered into and no proposals as to any incentivisation arrangements have reached an advanced stage between the Placee and members of the Company's management who are interested in shares in the Company;

(iii) there are no personal, financial or commercial relationships, arrangements or understandings between the Placee and: (i) any Shareholder or any person who is, or is presumed to be, acting in concert with any Shareholder; (ii) the Banks or any person who is, or is presumed to be, acting in concert with the Banks; or (iii) any other Director or any person acting in concert with any other Director (including any of their connected persons or related trusts);

(iv) there is no agreement, arrangement or understanding between the Placee and any other person pursuant to which the beneficial ownership of any Ordinary Shares which the Placee will acquire pursuant to the Placing are to be transferred; and

(v) in addition to the Directors (together with their close relatives and related trusts) and the members of the Group, the persons who, for the purposes of the Takeover Code, are acting in concert with the Company in respect of the Rule 9 Waiver and who are required to be disclosed are:

Name	**Type of entity**	**Registered office**	**Relationship with the Company**
Peel Hunt	Limited liability partnership	7th Floor, 100 Liverpool Street, London, EC2M 2AT	Connected adviser
Panmure Gordon	Private limited company	Ropemaker Place, 25 Ropemaker St, London, United Kingdom, EC2Y 9LY	Connected adviser

PART 8
TERMS AND CONDITIONS OF THE SHARE CONSOLIDATION

1 Fractional Entitlements

As a result of the Share Consolidation, any shareholding of Ordinary Shares that is not exactly divisible by 10 will be rounded down to the nearest whole number of Consolidated Shares. Any fractional entitlements to Consolidated Shares will be disregarded and will not be aggregated. Accordingly, no Consolidated Shares will result from such fractional entitlements. Any Shareholder holding fewer than 10 Ordinary Shares on the Share Consolidation Record Date will therefore not be entitled to any Consolidated Shares and will no longer be a member of the Company as a result.

2 Effects of the Share Consolidation

As all the Ordinary Shares will be consolidated, each Shareholder's percentage holdings in the total issued share capital of the Company immediately before and after the implementation of the Share Consolidation will remain unchanged (save in respect of fractional entitlements). As a direct result of the Share Consolidation:

- the number of Ordinary Shares listed on the Official List and admitted to trading on the London Stock Exchange's main market for listed securities will change;
- the number of Ordinary Shares held by each Shareholder will reduce by a factor of approximately 10;
- the market value of an Ordinary Share should increase by a factor of approximately 10 (although the price of Ordinary Shares will continue to fluctuate);
- the overall value of each Shareholder's existing holding of Ordinary Shares should remain approximately the same (although the value of an investment in Consolidated Shares will continue to fluctuate);
- the Group's or the Company's net assets will not be affected; and
- the Consolidated Shares held by Shareholders will have the same rights, including voting and dividend rights, as the Ordinary Shares in issue immediately prior to the Share Consolidation.

Following the Share Consolidation, and assuming no further Ordinary Shares (other than pursuant to the Capital Raising) were to be issued or repurchased between the Latest Practicable Date and the date on which the Share Consolidation becomes effective, the Company's total issued share capital (excluding treasury shares) will comprise approximately 162,088,640 Consolidated Shares.

Application will be made for the Consolidated Shares to be admitted to trading on the London Stock Exchange in place of the Ordinary Shares in issue immediately prior to the Share Consolidation. Subject to approval of the Share Consolidation by Shareholders, it is expected that Admission of the Consolidated Shares will become effective and that dealings in Consolidated Shares will commence on 29 July 2024.

3 Consolidated Shares

The rights attaching to each Consolidated Share (including the rights in respect of voting, the entitlement to receive dividends and rights on a return of capital) will be identical in all respects to those of the Ordinary Shares in issue immediately prior to the Share Consolidation.

4 **Share Consolidation Record Date**

The Share Consolidation Record Date is proposed to be 6.00 p.m. on 26 July 2024.

5 **Treatment of certificated and uncertificated holdings**

Shareholders who hold Ordinary Shares in uncertificated form will have such shares disabled in their CREST accounts after 6.00 p.m. on 26 July 2024, and their CREST accounts will be credited with the Consolidated Shares under the ISIN number GG00BSY2LD72 and SEDOL number BSY2LD7 on, or soon after 8:00 a.m. on 29 July 2024 following Admission of the Consolidated Shares.

Shareholders who hold share certificates in respect of their Ordinary Shares will no longer have valid certificates from the time that the proposed Share Consolidation becomes effective. Such Shareholders will be sent a new share certificate evidencing the Consolidated Shares to which they are entitled pursuant to the Share Consolidation. Such certificates are expected to be dispatched by first-class post at the risk of the Shareholder. Upon receipt of the new certificate, such Shareholders should destroy any old certificates. Pending dispatch of the new certificates, transfers of certificated Consolidated Shares will be certified against the Company's share register.

Following the Share Consolidation, all mandates and other instructions, including communication preferences given to the Company by Shareholders and in force at the Share Consolidation Record Date shall, unless and until revoked, be deemed to be valid and effective mandates or instructions in relation to the Consolidated Shares.

6 **United Kingdom Taxation**

The following statements are intended only as a general guide and relate only to certain limited aspects of the UK taxation treatment of the Share Consolidation. They are based on current UK law and what is understood to be the current practice of HMRC as at the date of this document, both of which may change, possibly with retroactive effect. They apply only to Shareholders who are resident and, in the case of individuals, domiciled for tax purposes in (and only in) the UK (except insofar as express reference is made to the treatment of non-UK residents), who hold their Ordinary Shares as an investment (other than where a tax exemption applies, for example where the Ordinary Shares are held in an individual savings account or pension arrangement) and who are the absolute beneficial owner of both the Ordinary Shares and any dividends paid on them. The tax position of certain categories of Shareholders who are subject to special rules is not considered and it should be noted that they may incur liabilities to UK tax on a different basis to that described below. This includes persons who have (or are deemed to have) acquired their Ordinary Shares in connection with employment, dealers in securities, insurance companies, collective investment schemes, charities, exempt pension funds, temporary non-residents and non-residents carrying on a trade, profession or vocation in the UK.

The statements summarise the current position and are intended as a general guide only. Shareholders who are in doubt as to their tax position or who may be subject to tax in a jurisdiction other than the UK are strongly recommended to consult their own professional advisers.

It is expected that, for the purposes of UK taxation on chargeable gains, the Share Consolidation will be treated as follows:

a) the Consolidated Shares arising from the Share Consolidation will result from a reorganisation of the share capital of the Company. Accordingly, to the extent that a Shareholder receives Consolidated Shares, the Shareholder should not be treated as making a disposal of all or part of the Shareholder's holding of Ordinary Shares immediately prior to the Share Consolidation, by reason of the Share Consolidation being

implemented. Instead, the Consolidated Shares which replace a Shareholder's holding of Ordinary Shares as a result of the Share Consolidation will be treated as the same asset acquired at the same time as the Shareholder's holding of Ordinary Shares was acquired;

b) on a subsequent disposal of all or any part of the Consolidated Shares, a Shareholder may, depending on his or her circumstances, be subject to tax on the amount of any chargeable gain realised. For the purposes of calculating any chargeable gain or allowable loss on a subsequent disposal of all or any part of the Consolidated Shares, the base cost should be calculated by reference to the market value of the Consolidated Shares on the first day of dealings of the Consolidated Shares; and

c) non-UK resident Shareholders who do not have a branch or agency (or, in the case of a non-resident company, a permanent establishment) in the UK will generally not be subject to UK tax on disposal of their Consolidated Shares.

7 Guernsey Taxation

The information below, which relates only to Guernsey taxation, is for general information purposes only and is a summary of the advice received by the Company from its advisers so far as applicable to the Company and to shareholders who hold their interests in the Company as an investment in relation to the Share Consolidation. It is not intended to be a comprehensive summary of all technical aspects of the structure, or tax law and practice in Guernsey. It is not intended to constitute legal or tax advice to shareholders. The information below is based on current Guernsey tax law and published practice which is, in principle, subject to any change (potentially with retrospective effect). Certain investors, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their interests in the Company in connection with their employment may be taxed differently and are not considered. The tax consequences for each investor of the Share Consolidation may depend on the investor's own tax position and upon the relevant laws of any jurisdiction to which the investor is subject.

Guernsey currently does not levy taxes upon capital, inheritances, capital gains, gifts, sales or turnover. No stamp duty or similar is chargeable in Guernsey on the issue, transfer or redemption of shares in the Company. For those shareholders who hold ordinary shares as an investment, the Share Consolidation should not result in any liability to Guernsey income tax.

If you are in any doubt as to your tax position, you should consult your own professional adviser without delay.

PART 9
BUSINESS OVERVIEW

1 Introduction

The Company is an established UK real estate investor, asset manager and developer which is listed on the premium listing segment of the Official List of the FCA, has its Ordinary Shares admitted to trading on the Main Market of the London Stock Exchange and is a constituent member of the FTSE All-Share and FTSE EPRA NAREIT Developed Europe Indices. The Company's commercial property portfolio is wholly in the UK and comprises, predominantly, quality offices located in the regional centres of the UK outside of the M25 motorway. The Company is an active real estate investor and asset manager, producing a tailored business and asset development/management plan for each of the assets it acquires in order to be able to maximise returns.

The Company owns a portfolio of commercial property interests in the principal regional locations of the UK outside of the M25 motorway, which were originally acquired from the Funds. These interests are comprised primarily of offices. As at the date of this document, the Group's investment portfolio is spread across 132 properties consisting of 1,305 individual units with a total of 827 tenants, which were valued at 21 June 2024 at £647.8 million in aggregate, with an annualised gross rental income of £63.2 million per annum reflecting a net yield of 6.2 per cent. on a weighted average unexpired lease term of 4.7 years (2.9 years to first break). Further information on the Property Portfolio is set out in PART 11 of this document.

The Company is managed and advised by the Managers and has an investment objective to deliver an attractive total return to Shareholders, with a strong focus on income, from investing in UK commercial property, predominantly in the office sector in major regional centres and urban areas outside of the M25 motorway. It intends to pursue this investment objective by following an investment strategy involving active property management and prudent use of debt finance, as detailed below. The Company is a limited company incorporated in Guernsey and tax resident in the United Kingdom.

2 Background

2.1 *History*

The Company acquired the Initial Property Portfolio from the Funds on 3 November 2015 and agreed to issue a total of 274,217,260 Ordinary Shares to the general partners of the Funds in consideration, which, along with the four subscriber shares, were admitted to trading on the London Stock Exchange's main market for listed securities at the 2015 Admission.

On 7 November 2015, the Company converted to REIT status bringing it into line with the structure of many of the more mainstream listed UK property businesses. As described in PART 13 of this document, REITs are required to distribute at least 90 per cent. of the profits from their property rental businesses as dividends and this is a structure which sits well alongside the Company's focus on income-producing assets and the importance of income returns as a key component of total returns.

2.2 *Debt financing*

Debt financing has been sourced from a number of providers and is constituted and hedged in a variety of ways to suit each circumstance. Further details of the Group's debt financing structure are set out at paragraph 11.12 of PART 15 of this document.

2.3 ***Performance of the Company***

The Ordinary Shares were admitted to trading on the London Stock Exchange's main market for listed securities on 6 November 2015 with an EPRA NTA per Share of £1.00 before transaction costs of the 2015 Admission (98.1p after such transaction costs). From listing on 6 November 2015 to 31 December 2023, the Company's EPRA Total Return was 12.7 per cent. and the annualised EPRA Total Return was 1.5 per cent. Total Shareholder Return was -30.7 per cent., compared with the FTSE EPRA NAREIT UK Total Return Index, which has generated a return of -8.1 per cent. over the same period.

3 The real estate market

An overview of the market, including investment activity in UK commercial property market and occupational demand and rental growth in the UK regional and office market can be found on pages 35 to 38 of the 2023 Annual Report, which are incorporated by reference in this document pursuant to Section A of PART 12.

4 Business strengths

4.1 Management of the Group

The Company has a highly experienced Board with Kevin McGrath as chairman and Stephen Inglis as a non-executive director, together with three independent non-executive directors, being Daniel Taylor, Frances Daley and Massy Larizadeh. Board members have extensive experience in the property or finance industries. For more information on the Directors, see paragraph 1 of PART 10 of this document.

The Company has appointed London & Scottish Property Investment Management Limited as asset manager and the Company's property manager. The Asset Manager's relationships have enabled it to access both off-market and more widely marketed real estate transactions. The Directors believe that the Asset Manager's relationships and experience will continue to provide the Company with access to and the ability to cultivate appropriate investment opportunities to meet the Company's investment criteria. Furthermore, the Directors believe that the Asset Manager's knowledge of, and competence within, the UK commercial property market will ensure the Company is well positioned to capitalise on the opportunities presented by current and expected market conditions. For more information on the Asset Manager and the track record of its management team, see paragraph 3 of PART 9 of this document.

The Directors believe that the Asset Manager's close relationships with existing and future tenants and its detailed due diligence and depth of knowledge in its chosen markets will continue to be relied on for the acquisition of properties where the market has mispriced the strength of the covenant or which offer value-enhancing property management opportunities relating to lease re-gearing or upcoming rent reviews.

The Company has appointed Toscafund Asset Management LLP as the Company's AIFM. For more information on the AIFM, see paragraph 5 of PART 10 of this document.

The Company and the AIFM have appointed ESR Europe Private Markets Limited as investment adviser to the Company. ARA Europe is part of the ESR Group, Asia-Pacific's largest real asset manager with approximately US$150 billion assets under management, and the largest sponsor and manager of REITs in the region with a total assets under management of approximately US$45 billion. The development and investment management platform has more than 2,000 people, extending across 28 countries; and thereof, ARA Europe manages over one million sq. m. of predominantly office and logistics assets across the UK, Germany, France, Spain and Ireland with a team of over 140 people providing in house acquisition, development, finance and asset management functions.

The Directors believe the appointment of ARA Europe enhances the overall strength and capabilities of the asset manager to the benefit of the Company's long-term strategy. For more information on the Investment Adviser, see paragraph 4 of PART 10 of this document.

There are no fees or amounts payable to the Asset Manager, the Investment Adviser or the AIFM by the Company other than the fees described in paragraphs 11.2 and 11.4 of PART 15 of this document.

4.2 Quality of the Property Portfolio

The Asset Manager has developed strong relationships with a number of key property agencies throughout the UK, together with close relationships with banks, insolvency practitioners and the major funds who are acquirers of distressed debt and property. This has led to opportunities to identify and seek to acquire property against a generally more limited group of competitors.

The Property Portfolio has therefore been assembled through the various industry contacts developed by the Asset Manager, targeting the required returns and ensuring that the appropriate target sectors are covered both in property type and in geographic spread. In a number of instances, the acquisition cost has been significantly lower than the pricing sought by the vendors due to the Group’s ability to acquire for cash and apply gearing at a later date, leading both to increased certainty for vendors and speed of completion.

When evaluating potential acquisitions, the Asset Manager has developed modelling to ensure that no increase in rental values is assumed, an improvement in void rates is assumed only where appropriate, no macro-economic improvement is assumed and that properties are sold into the same market conditions as that in which they were acquired, thus taking no account of improvement in yields. This conservative modelling ensures that each property has the maximum potential upside if any, or all, of the above-mentioned excluded criteria arises. Each potential property acquisition must meet these modelling criteria, irrespective of any other considerations as to its suitability.

5 Investment objective

The investment objective of the Company is to deliver an attractive total return to Shareholders, with a strong focus on income, from investing in UK commercial property, predominantly in the office sector in major regional centres and urban areas outside of the M25 motorway.

6 Investment Policy

The Group will continue to pursue its investment objective by investing in, managing and disposing of a diversified portfolio of predominantly office properties, which are located predominantly in the regional centres of the UK outside of the M25 motorway, in accordance with its investment strategy and financing strategy, as detailed below. The Company may, and will typically, make investments in property via a number of methods, which include (but are not limited to): (i) direct investment in, or acquisition of, the real estate asset or portfolio of assets; (ii) direct investment in, or acquisition of, the holding company of the real estate asset or portfolio of assets; and (iii) direct investment in, or acquisition of, a joint venture vehicle, which has a direct investment in or holds the real estate assets or the holding company of the real estate asset or portfolio of assets. In addition, the Company may, from time to time, acquire, manage and dispose of debt portfolios whose receivables are secured principally against real property that conform to the investment policy criteria and where each secured property complies with the investment restrictions below. For the avoidance of doubt, the Company may make an investment through any type of entity it considers appropriate, taking into account the requirement to have an appropriately diversified portfolio of assets, including, without limitation, any member of the Group, and references in this Investment

Policy to the Company making investments, acquiring or holding assets should be construed accordingly.

The intention of the Directors is that the Company will continue to invest predominantly in income-producing investments, capable of delivering an attractive total return to Shareholders, with a strong focus on income. Investment decisions will continue to be based on analysis of, among other things, prospects for future income and capital growth, sector and geographic prospects, tenant covenant strength, lease length, initial and equivalent yields and the potential for active asset management of the property.

The Directors intend to continue to conduct the affairs of the Company at all times so as to enable the Company to qualify as a REIT.

6.1 ***Profile of typical investor***

Typical investors in the Company are and are expected to be institutional investors, professional investors, high net worth investors, professionally-advised private investors and retail investors who are seeking to allocate part of their investment portfolio to the UK regional commercial real estate market.

An investment in the Company is suitable only for investors:

- who are capable of evaluating the risks and merits of such investment;
- who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company and in the Ordinary Shares;
- for whom an investment in the Ordinary Shares constitutes part of a diversified investment portfolio;
- who fully understand and are willing to assume the risks involved in investing in the Company; and
- who have sufficient resources to bear any loss (which may be equal to the whole amount invested) which might result from such investment.

Investors may wish to consult their stockbroker, bank manager, solicitor, accountant or other independent financial advisor before making an investment in the Company.

6.2 ***Investment strategy***

The Group invests in and actively manages, a portfolio of mainly office properties or debt portfolios secured on such properties located predominantly in the regional centres of the UK outside the M25 motorway. The Group aims to build a portfolio of interests that, together, offer Shareholders a diversification of investment risk by investing in a range of geographical areas and across a number of high-quality assets and tenants, and through letting properties, where possible, to low-risk tenants.

The Company supplements this core strategy with property management initiatives to be undertaken by the Asset Manager with a view to enhancing the quality and quantity of income streams. Such property management initiatives include:

- increasing rental income across the Property Portfolio by aggressive marketing of vacant spaces;
- increasing the level of lease renewals by tenants and managing rent review policies so as to increase rental income across the Property Portfolio;

- minimising void costs;
- selling assets where premium prices can be achieved and subsequently re-investing the proceeds of sale in new real estate acquisition opportunities;
- enhancing the tenant mix and improving overall covenant strength across the Property Portfolio;
- re-gearing leases and lengthening the weighted average unexpired lease term across the Property Portfolio;
- making physical improvements to the fabric of buildings by way of refurbishment, increasing the size of the properties and exploiting development potential as appropriate, and procuring changes of use in respect of the properties; and
- making judicious use of gearing.

The Company intends to make investments with a view to continuing to hold the Portfolio Interests for the long term. However, the Asset Manager will keep opportunities for disposals of Portfolio Interests under review and, subject to oversight by the Board, may make recommendations to the special purpose vehicles in respect of any disposals.

6.3 ***Investment restrictions***

The Group will continue to acquire Portfolio Interests that, together, offer Shareholders diversification of investment risk by investing in a range of geographical areas and sectors across a number of assets and tenants, and through letting properties, where possible, to low-risk tenants. The Group will only invest in office properties that are situated in the United Kingdom and outside of the M25 motorway. However, the Group may invest in property portfolios in which up to 50 per cent. of the properties (by market value) are situated inside the boundaries of the M25 motorway.

No single property, in the ordinary course, is expected to exceed 10 per cent. of Gross Investment Properties Value at the time of investment; however, the Board may, in exceptional circumstances, consider a property having a value of up to 20 per cent. of Gross Investment Properties Value at the time of investment. The minimum market value of any single asset at the time of acquisition shall be £5 million, except where such asset is acquired within a portfolio of properties, in which case there shall be no such minimum.

No more than 20 per cent. of the Gross Investment Properties Value shall be exposed to any single tenant or Group Undertaking of that tenant.

Speculative development (i.e. properties under construction, but excluding any refurbishment works, which have not been pre-let) is prohibited. Development, other than such speculative development, is restricted to an aggregate maximum of 15 per cent. of Gross Investment Properties Value at the time of investment or commencement of the development. The Company will invest in commercial properties or portfolios of commercial property assets in the office sectors but which, in addition, may include ancillary or secondary utilisations such as retail, leisure and residential elements.

The Company does not expect to acquire Portfolio Interests by way of joint ventures, nor does it expect to acquire less than 100 per cent. ownership in any single property. However, the Company is permitted to make investments through these types of investment structures provided: (i) that the Company is able to exert a level of control over the underlying investment that the Board and the Investment Adviser consider reasonable in the circumstances; and (ii) no more than 25 per cent. of Gross Investment Properties Value at the time of acquisition is attributable to investments where the Company (or its wholly-owned subsidiaries) does not have 100 per cent. ownership.

These investment restrictions do not require the Group to dispose of Portfolio Interests and/or to rebalance its Property Portfolio as a result of a change in the respective valuations of the Portfolio Interests, except to the extent required by the Listing Rules or for the Group to continue to qualify as a REIT.

6.4 ***Financing strategy***

The Group will continue to use gearing and make use of borrowed funds and other forms of leverage to execute its investment strategy and enhance equity returns, provided that the Board considers it to be in the best interests of Shareholders to do so. Such leverage will vary significantly depending on prevailing market conditions. The Board expects that the Group will continue predominantly to access traditional lending sources, such as banks, for gearing, but is permitted to utilise leverage from other commercial providers and market counterparties. Based on current market conditions, the Board targets Group net borrowings of less than 40 per cent. of Gross Investment Properties Value at any time. However, the Board may modify the Company's gearing policy (including the level of gearing) from time to time in light of then current economic conditions, relative costs of debt and equity capital, fair values of the Company's assets, growth and acquisition opportunities or other factors the Board deems appropriate. The level of gearing is monitored carefully by the Board in light of the cost of borrowing and the Company seeks to use hedging, where considered appropriate, to mitigate interest rate risk. The Group's net borrowings may not exceed 50 per cent. of the Gross Investment Properties Value at any time. The Group is under no obligation to reduce borrowings to the extent that this target is exceeded for reasons outside of its control, for instance as a result in changes in property values. The Group's borrowings are expected to be secured on one or more Portfolio Interests.

The Group may borrow for any purpose, including, but not limited to, increasing investment capacity, paying operating expenses, paying repurchase or distribution proceeds or for clearance of transactions. Other than described above, no restrictions have been imposed on the circumstances in which the Company may employ leverage. The Company does not, and has no intention to, make use of collateral and asset reuse arrangements in connection with any leverage.

6.5 ***Amendments to, and compliance with, the Investment Policy and investment objective***

No material change will be made to the Investment Policy or the investment objective without the approval of Shareholders by Ordinary Resolution and in accordance with the Listing Rules, which will also be notified to the market through an RIS. Minor changes to the Investment Policy or the investment objective must be approved by the Board and will be notified to the market through an RIS.

In the event of a breach of the Investment Policy (which, for the avoidance of doubt, excludes any restrictions which are described above as target limits only), the Asset Manager and the Investment Adviser must jointly inform the Directors upon becoming aware of the same and, if the Directors consider the breach to be material, notification will be made to an RIS of details of the breach and of actions it may, or may not, have taken.

7 Treasury policy

The Company is permitted to invest cash held for working capital purposes and awaiting investment in accordance with the following provisions.

The Company intends that cash not yet invested will be managed by the Investment Adviser.

The Company has appointed the Investment Adviser as discretionary investment manager of cash not yet invested by the Company in property assets or otherwise applied in respect of the Company's operating expenses entrusted from time to time by the Company for management by the Investment Adviser pursuant to the terms and conditions of the

Investment Management Agreement with the aim of preserving the capital value of such assets. Subject to the Company providing the Investment Adviser with reasonable notice when it requires the liquidation and/or transfer of a part of the entrusted assets in order to pursue the Investment Policy, the Company has given the Investment Adviser full discretionary authority to invest in various types of financial instruments in Pounds Sterling, including cash deposits, term deposits, depositary bonds, fixed rate depositary bonds, commercial paper, treasuries, bonds with short term to maturity and government securities as well as floating rate notes and other money market instruments. See paragraph 11.4 of PART 15 for a summary of the Investment Management Agreement.

The Company hedges its interest rate exposure through the use of forward contracts, options, swaps or other forms of derivative instruments.

The hedging policy of the Company is reviewed by the Board and the Investment Adviser on a regular basis to ensure that the risks associated with the Group's investments are being appropriately managed. Any transactions carried out will only be undertaken for the purpose of efficient portfolio management and will not be carried out for speculative reasons.

8 Valuation policy

The Net Tangible Assets (and Net Tangible Assets per Share) are, and will continue to be, calculated half yearly by the Administrator on behalf of the Company. Calculations will be at fair value as determined by the Administrator on the basis of market value in accordance with the internationally accepted RICS Appraisal and Valuation Standards. Consistent with other listed European real estate investment companies, the Directors follow the guidance published by EPRA and disclose adjusted measures of Net Tangible Assets (and Net Tangible Assets per Share) which are designed by EPRA to reflect better the core long term operations of the business. Details of each semi-annual valuation, and of any suspension in the making of such valuations, will be announced by the Company through an RIS as soon as practicable after the end of the relevant six month period. The semi-annual valuations of the Net Tangible Assets (and Net Tangible Assets per Share) will be calculated on the basis of the most recent annual independent valuation of the Group's properties and any other assets or most recent semi-annual desktop valuations. In addition, such valuations and calculations may also be carried out in the event of an increase or decrease of the capital by the Company.

The calculation of the Net Tangible Assets (and Net Tangible Assets per Share) are, and will continue to be, only be suspended in circumstances where the underlying data necessary to value the investments of the Group cannot readily, or without undue expenditure, be obtained or in other circumstances (such as a systems failure of the Administrator) which prevents the Company from making such calculations. Details of any suspension in making such calculations will be announced through an RIS as soon as practicable after any such suspension occurs.

The last Net Tangible Assets valuation was conducted as at 31 December 2023.

9 Current trading and prospects

On 26 March 2024, the Company released its 2023 Annual Report for the year ended 31 December 2023. On 22 May 2024, the Company released its Q1 Trading Update, Dividend Declaration and EPC Update for the period from 1 January 2024 to 31 March 2024 (the "**Q1 Trading Update**").

A summary of the key financial and operational highlights from the 2023 Annual Report and the Q1 Trading Update is set out below:

9.1 ***Summary of key financial and operational highlights***

9.1.1 ***Financial highlights***

In the period from 1 January 2024 to 31 March 2024, the value of the gross investment property portfolio was £688.2 million, which was down from: (i) £700.7 million in the financial year to 31 December 2023; and (ii) £789.5 million in the financial year to 31 December 2022.

Gross bank borrowings fell from £390.8 million for the year ended 31 December 2022 to £370.8 million for the year ended 31 December 2023. In addition to bank borrowings, the Group has a £50 million 4.5 per cent. retail eligible bond, which is due for repayment in August 2024.

In aggregate, the total debt available for the period from 1 January 2024 to 31 March 2024 amounted to £413.2 million, which was down from: (i) £420.8 million for the year ended 31 December 2023; and (ii) £444.9 million for the year ended 31 December 2023. The Group weighted average cost of debt, including hedging, as at 31 March 2024, was 3.4 per cent., down from 3.5 per cent. as at 31 December 2023 and 31 December 2022.

The audited fully diluted EPRA NTA per Share for the year ended 31 December 2023 was 56.4 pence, down from 73.5 pence for the year ended 31 December 2022. Dividends declared for the financial year ended 31 December 2023 amounted to 5.25 pence per Ordinary Share, down from 6.6 pence per Ordinary Share for the year ended 31 December 2022.

9.1.2 ***Operational highlights***

In the period from 1 January 2024 to 31 March 2024, EPRA occupancy was 79.9 per cent., which was: (i) down from 80.0 per cent. for the financial year to 31 December 2023; and (ii) down from 83.4 per cent. for the financial year ended 31 December 2022.

92.8 per cent. (by value) of the Property Portfolio was represented by offices for the period between 1 January 2024 to 31 March 2024, which was up from 92.1 per cent. for the financial year ended 31 December 2023. Retail, Industrial and other real estate sectors remain non-core to the Group, amounting to 7.2 per cent. of the Property Portfolio, which was down from 7.9 per cent. for the financial year ended 31 December 2023.

As at 31 December 2023, the largest single tenant represented 2.5 per cent. of gross rental income, while the largest property represented 2.8 per cent. of the Property Portfolio.

Since 2015 Admission, the Company has achieved an EPRA Total Return of 12.7 per cent. and an annualised EPRA Total Return of 1.5 per cent. per annum.

9.2 ***The following events have occurred since 31 December 2023***

- Since 31 December 2023, the Company has completed 13 disposals and 3 part sales for an aggregate total of £21.9 million (before costs);

- Since 31 December 2023, the Group has exchanged on 40 leases to new tenants totalling 98,495 sq. ft. amounting to £1.7 million per annum ("**pa**") of rental income when fully occupied, achieving a rental uplift of 5.3 per cent. against December 2023 ERVs. In addition, the Group has completed a number of lease renewals for leases that had renewal dates in 2024, amounting to 81,292 sq. ft. and £1.3 million of rental income,

delivering a rental uplift of 4.1 per cent. against December 2023 ERVs; and

- The Property Portfolio was valued at £647.8 million as at 21 June 2024.

9.3 ***Future prospects***

Although the economic activity in the UK regions continues to improve, the Board expects the macroeconomic challenges to remain in the near term, particularly around the availability of funding, given the prolonged monetary policy tightening. Operationally, the Company continues to perform well, delivering against the factors which are within its control, as demonstrated by the robust rent collections.

The Board's focus remains to continue to offer vibrant spaces to give the Group's current and future tenants the ability to grow and thrive, leading to increased occupancy and in-turn a reduction in the carrying costs associated with the vacant spaces. The Board looks forward to growing the portfolio's rent roll which underpins the quarterly dividend distributions and the execution of the Company's asset management plans to drive property values over the long term.

10 Dividend policy and entitlement

The Directors maintain a dividend policy which has due regard to sustainable levels of dividend cover and reflects the Directors' view on the outlook for sustainable recurring earnings, subject to compliance with REIT status requirements.

Currently, the Company pays dividends on a quarterly basis with dividends declared in February, May, August and November in each year and paid as soon as practicable thereafter.

The Company has declared the following dividends since 2015 Admission:

- in respect of the period from incorporation to 31 December 2015, aggregate interim dividends of 1.00 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2016, aggregate interim dividends of 7.65 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2017, aggregate interim dividends of 7.85 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2018, aggregate interim dividends of 8.05 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2019, aggregate interim dividends of 8.25 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2020, aggregate interim dividends of 6.40 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2021, aggregate interim dividends of 6.50 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2022, aggregate interim dividends of 6.60 pence per Ordinary Share;
- in respect of the financial year ended 31 December 2023, aggregate interim dividends of 5.25 pence per Ordinary Share; and

- in respect of the period 1 January 2024 to 31 March 2024, aggregate interim dividends of 1.20 pence per Ordinary Share.

The next dividend is expected to be declared in September 2024 and paid in October 2024 (the "**2024 Q2 Dividend**"). The Board's current intention is to pay an amount of approximately 2.2 pence per Ordinary Share (assuming the Share Consolidation becomes effective) in relation to the 2024 Q2 Dividend.

The New Ordinary Shares issued in connection with the Capital Raising will rank, from Admission, *pari passu* in all respects with the Existing Ordinary Shares and will have the right to receive all dividends and distributions declared in respect of issued Ordinary Share capital of the Company after Admission, including the 2024 Q2 Dividend.

Assuming that Admission and Admission of the Consolidated Shares occur, then immediately following Admission of the Consolidated Shares there are 162,088,640 Ordinary Shares in issue, the dividend target for 1 April 2024 to 31 December 2024 is 6.6 pence per Ordinary Share.*

For the purposes of determining the profits available for a dividend distribution, the Company will choose to treat all of its net income from the Property Business as qualifying property income, notwithstanding that the Company accounts for both property income and interest income.

The payment and level of future dividends will be determined by the Board having regard to, among other things, the financial position and performance of the Group at the relevant time, the business outlook, market conditions, distributing a minimum of 90 per cent. of property income in accordance with the UK REIT requirements UK REIT requirements and the interests of Shareholders, as a whole.

It is the Company's intention to continue to declare and pay dividends on a quarterly basis. The dividends for the first, second and third quarters of any specific financial year are expected to be declared at or near the same level on a pence per share basis (if necessary, as adjusted for any capital raising, consolidation or split). The fourth-quarter dividend in relation to that same financial year will be expected to be declared to at least manage compliance with the REIT distribution.

The Company has the ability, by Ordinary Resolution, to offer Shareholders the right to elect to receive further Ordinary Shares, credited as fully paid, instead of cash in respect of all or any part of any dividend (a scrip dividend).

The Directors believe that the ability for Shareholders to elect to receive future dividends from the Company wholly or partly in the form of new Ordinary Shares rather than cash benefits both the Company and certain Shareholders. The Company benefits from the ability to retain cash which would otherwise be paid as dividends. To the extent that a scrip dividend alternative is offered in respect of any future dividend, Shareholders will be able to increase their Shareholdings without incurring dealing costs. The decision whether to offer such a scrip dividend alternative in respect of any dividend will be made by the Directors at the time the relevant dividend is declared and must be authorised by an Ordinary Resolution of the Company.

In order to maintain REIT status, the Company will be required to meet a minimum distribution test for each accounting period that it is a REIT. This minimum distribution test requires the Company to distribute at least 90 per cent. of the income profits of the Property Business for each accounting period, as adjusted for tax purposes. Further details of the tax treatment of an investment in the Company are set out in PARTS 12 and 13 of this document.

***Investors should note that the figures in relation to dividends and yields set out above and elsewhere in this document are for illustrative purposes only, are based on current**

market conditions and are not intended to be, and should not be taken as, a profit forecast or estimate. Actual returns cannot be predicted and may differ materially from these illustrative figures. There can be no assurance that they will be met or that any dividend or yield will be achieved.

11 Structure as a United Kingdom Real Estate Investment Trust

As a REIT, the Group has a tax efficient corporate structure with the consequences for Shareholders described in PART 13 of this document. Provided certain conditions and tests are satisfied, as a REIT, the Group will not pay United Kingdom corporation taxes on its profits or gains derived from its property rental business. These conditions and tests are discussed in PART 13 of this document. Please see paragraph 20 of PART 5 of this document, which explains the potential consequences for the Group's compliance with the REIT Regime if the Capital Raising does not proceed.

12 Market Abuse Regulation Disclosures

A summary of the information disclosed under MAR over the last 12 months which is relevant as at the date of this document is set out below:

12.1 *Acquisitions and disposals*

- On 9 November 2023, the Company announced that it had exchanged and completed on the sale of its Venlaw and Elmbank Gardens offices at Charing Cross, Glasgow for £6.25 million.

12.2 *Financing*

- On 12 March 2024, the Company announced that it was actively exploring a range of refinancing options, including debt and/or equity, in respect of the Retail Bond given its maturity date in August 2024 and that in the event that the Company proceeded with an equity issue, the Company expected that it would be at a material discount to the Company's then current share price and would be subject to, amongst other things, shareholder approval.

12.3 *Lettings*

- On 31 October 2023, the Company announced that Norfolk House, Birmingham (118,550 sq. ft.) office accommodation had been fully let.
- On 16 April 2024, the Company announced that Lightyear, a Grade A office near Glasgow Airport, is over 90 per cent. let.
- On 1 May 2024, the Company announced that the Bennett House, Stoke-on-Trent (46,183 sq. ft.) and Delta 1200, Delta Business Park, Swindon (20,178 sq. ft.) office properties had been fully let.

12.4 *Management*

- On 11 October 2023, the Company announced that the Investment Adviser had been appointed as the Company's investment adviser.

12.5 *Dividends*

- On 23 February 2023, the Company announced a dividend of 1.65 pence per Ordinary Share for the period 1 October 2022 to 31 December 2022, to be paid to shareholders on the register as at 3 March 2023.

- On 24 May 2023, the Company announced a dividend of 1.65 pence per Ordinary Share for the period 1 January 2023 to 31 March 2023, to be paid to shareholders on the register as at 2 June 2023.

- On 12 September 2023, the Company announced a dividend of 1.20 pence per Ordinary Share for the period 1 April to 30 June 2023, to be paid to shareholders on the register as at 2 June 2023.

- On 9 November 2023, the Company announced a dividend of 1.20 pence per Ordinary Share for the period 1 July 2023 to 30 September 2023, to be paid to shareholders on the register as at 17 November 2023.

- On 22 February 2024, the Company announced a dividend of 1.20 pence per Ordinary Share for the period 1 October 2023 to 31 December 2023, to be paid to shareholders on the register as at 1 March 2024.

- On 22 May 2024, the Company announced a dividend of 1.20 pence per Ordinary Share for the period 1 January 2024 to 31 March 2024, to be paid to shareholders on the register as at 31 May 2024.

12.6 *Portfolio valuations*

- On 2 February 2024, the Company announced a portfolio valuation of £700.7 million as at 31 December 2023.

12.7 *Financial results and trading updates*

- On 25 May 2023, the Company announced a trading update for the first quarter of 2023.

- On 12 September 2023, the Company announced its half year results for the six months ended 30 June 2023.

- On 9 November 2023, the Company announced a trading update for the third quarter of 2023.

- On 26 March 2024, the Company announced its full year results for the year ended 31 December 2023.

- On 22 May 2024, the Company announced its trading update for the first quarter of 2024.

12.8 *Holdings*

- On 22 April 2024, the Company announced that Majik Property Holdings Limited held 4.71 per cent. of the voting rights of the Company.

12.9 *Other*

- On 9 November 2023, the Group announced an update on its positive ESG progress, with a notable strengthening of its EPC and GRESB rating.

- On 22 May 2024, the Company announced an update on its EPC ratings.

PART 10
DIRECTORS, MANAGERS AND CORPORATE GOVERNANCE

1 Directors

The Board currently comprises five non-executive Directors. The Directors are as follows:

Name	*Position*	*Date appointed to the Board*
Kevin McGrath	Chairman	16 October 2015
Stephen Inglis	Non-executive Director	16 October 2015
Daniel Taylor	Independent Non-executive Director	16 October 2015
Frances Daley	Independent Non-executive Director	1 February 2018
Massy Larizadeh	Independent Non-executive Director	1 June 2022

The business address of the Directors is 10 Cork Street, London W1S 3LW. The management expertise and experience of each of the Directors is set out below.

Kevin McGrath MRICS DL OBE
Kevin McGrath is Chairman of M&M Portfolio Ltd having previously been Managing Director and Senior Adviser of F&C REIT Asset Management. Prior to F&C REIT, Kevin was a founding equity partner in REIT Asset Management, a property investment, finance and asset management partnership, which managed a global commercial property portfolio and had offices in London, Munich, Tel Aviv, Stockholm and Mumbai.

Prior to REIT Asset Management, Kevin was a Senior Investment Surveyor with Hermes Investment Management, the fund manager for British Telecommunications and Post Office Pension Schemes. Before that he worked for various local authorities in a variety of property-related positions and prior to that he worked in manufacturing and banking.

Kevin graduated from the Polytechnic of the South Bank with a BSc (Distinction) in Estate Management. He also obtained a post-graduate diploma in Property Investment (Award Winner) from the College of Estate Management.

He was the High Sheriff for Greater London in 2014/15 and is the Representative Deputy Lieutenant for the London Borough of Hammersmith and Fulham.

Kevin is a chartered surveyor who has worked in the property industry for over 40 years, is a member of the Royal Institute of Chartered Surveyors, and the Worshipful Company of Chartered Surveyors and is a Freeman of the City of London. He is a Trustee of several charities including Moorfields Eye Charity and The Clink Prison Restaurant Charity.

Kevin was appointed an Officer of the Most Excellent Order of the British Empire in the Queen's 2016 Birthday Honours List for Services to Charities. He: (i) was The High Sheriff of the County of Greater London for 2014/15; (ii) is the Representative Deputy Lieutenant for the London Borough of Hammersmith and Fulham; and (iii) became a Freeman of the City of London in 2008.

Stephen Inglis
Please refer to Stephen Inglis' biography in paragraph 3.2 of this PART 10.

Daniel Taylor
Daniel Taylor is the Chairman of Westchester Capital Limited, an investment and advisory firm specialising in real estate. Dan currently holds the role of Managing Partner of Bourne Office Space Limited, a privately held serviced office business based in London, in which Westchester Capital is a principal investor. From 2011 to 2015, Dan was Chairman and a principal shareholder of AIM-quoted Avanta Serviced Office Group plc, then the UK's second largest serviced office provider. Prior to this, he was Managing Director of financier, Grosvenor Park Media, Inc., for whom he managed a US$400m investment joint venture with Fortress Investment Group LLC, providing finance to the media industry. From 1989 to 1999, Dan was President and founder of Victoria Asset Management Inc., an investment company in Houston, Texas, specialising in distressed real estate assets. Dan started his professional career as a financial analyst with Bank of America in San Francisco and then as Vice President at First Boston Inc., in charge of the institutional equity division based in London.

Dan has held directorships of various private and listed companies involving investment management, corporate finance and corporate governance roles. He has been registered with the FCA as an investment manager (CF30) and CF1-Director and has over the last 20 years held the following controlled functions at FCA (or predecessor)-authorised firms: CF10-Compliance Oversight; CF11-Money Laundering Reporting; CF21-Investment Adviser; and CF27-Investment Management. Dan graduated from Stanford University in 1980.

Frances Daley
Frances Daley is a Chartered Accountant who qualified with a predecessor firm to Ernst & Young LLP. She subsequently spent nine years in corporate finance with Royal Bank of Canada and Ernst & Young, followed by 18 years in various chief financial officer roles, principally in the licensed retail sector (10 years) and in healthcare. From 2007 to 2012, she was group finance director of the private equity-backed Lifeways Group, the UK's largest provider of specialist support to adults with learning disabilities and mental health needs.

Frances is a non-executive director of Henderson Opportunities Trust PLC and chair of Baring Emerging Europe PLC. She is also former chair of two charities, Haven House Children's Hospice and James Allen's Girls' School.

Frances graduated from Cambridge University in 1980 with a degree in Land Economy.

Massy Larizadeh
Massy Larizadeh has over 30 years' experience in the financial services sector, 20 of which were within commercial real estate, working for companies such as GE Real Estate, Cushman & Wakefield Investors and Deloitte Financial Advisory.

Massy has until recently been a non-executive director of Orbit Group, a large national housing association and London & Partners Limited, a company responsible for accessing and promoting international trade, investment and tourism into the London economy, funded by the Mayor's office. She is also a Trustee of UP Projects, a charity focused on bringing art into the public domain, which is part-funded by the Arts Council.

Massy graduated with a BSc in Economics from the Wharton School of the University of Pennsylvania in 1990 and an MBA from INSEAD in 1996.

Each of Kevin McGrath and Dan Taylor, having each served nine years, and in full accordance with the Company's corporate governance policy and AIC guidelines, intend to resign as directors of the Company as soon as reasonably practicable following the Company's next annual general meeting after the Capital Raising, subject to replacement directors being appointed in their place.

Appointee Director
Pursuant to the Subscription Agreement, for such time as the Placee Parties holds 10 per cent. or more of the Ordinary Shares, the Placee shall have the right to appoint an Appointee Director.

The Company has agreed with the Placee in the Subscription Agreement that:

- it is intended that Dan Taylor be replaced by an Appointee Director (to be identified); and
- the Company shall appoint a new non-executive chair to replace Kevin McGrath as soon as reasonably practicable following the Company's next annual general meeting after the Capital Raising, subject to the prior approval of the identity of that director by the Placee (such consent not to be unreasonably withheld or delayed).

Please refer to paragraph 11.1 of PART 15 of this document for a summary of the Subscription Agreement.

2 Directors' interests

Conflicts

The Directors may be involved in other financial, investment or professional activities that may, on occasion, give rise to conflicts of interest with the Company. In particular, the Directors may provide advice or other services to, or be otherwise involved in, a number of funds or companies that may have similar investment policies to that of the Company. It is, therefore, possible that a Director may have potential conflicts of interest with the Company.

In cases where an actual or potential conflict does arise, the Director concerned must ensure that they disclose the interest in the existing or proposed transaction to the Company at the first possible board meeting and subsequently receive the approval of the Company.

The Directors shall at all times have regard in such event to their obligations to the Company (under their NED Appointment Letter as a director or otherwise) to act in the best interests of the Company, having regard to their obligations to other clients, when undertaking any activity where conflicts of interest may arise and the Director concerned will endeavour to resolve such conflicts fairly.

3 Asset Manager

3.1 *Overview*

The Asset Management Agreement was assigned to the Asset Manager on 3 May 2019. The Asset Manager was incorporated on 20 September 2018 and, as at the end of February 2024, employs 76 people. It is managed by a multi-disciplinary team of executive directors, with the management team detailed below having over 100 years' combined experience in the real estate sector. Its executive directors have day-to-day involvement in all current and future projects of the Asset Manager and have a proven track record of adding value to property portfolios through intensive property management, focusing on income generation.

The Asset Manager is part of the ESR Group, Asia-Pacific's largest real asset manager with approximately US$150 billion of assets under management, and the largest sponsor and manager of REITs in the region with total assets under management of approximately US$45 billion. Its development and investment management platform has more than 2,000 people, extending across 28 countries.

3.2 ***The management team***

The key personnel of the Asset Manager who are responsible for managing the Property Portfolio are:

Stephen Inglis is the chief executive officer of the Asset Manager. He has over 30 years' experience in the commercial property market, the majority of which has been working in the investment and development sector. His career to date has been split between London and Scotland giving him extensive knowledge of the UK property market. He is a chartered surveyor and became a member of RICS in 2001 and is also a member of the Investment Property Forum.

He has, since June 2013, acquired or sold approximately 250 assets in deals totalling in excess of approximately £1.2 billion. He is a non-executive director of the Company.

Derek McDonald is the Chief Operating Officer of the Asset Manager. Derek spent 27 years at Bank of Scotland/Lloyds Banking Group in a variety of senior roles in corporate banking, including time in the bank's corporate banking business in the US, the UK real estate joint ventures business, the European real estate business, the UK business support unit and the Irish business support unit, dealing with high value real estate lending. He has led a significant number of high value transactions at both REVCAP and Lloyds Banking Group and has also had line responsibility for large teams of professionals. He has significant experience in building and leading multi-jurisdictional businesses. Derek has been a Member of the Chartered Institute of Bankers in Scotland since 1990.

Andrew MacGilp (MRICS) is the Director of Commercial Property at the Asset Manager. He has been involved in the field of commercial property and asset management since the early 1990s, having worked for British Rail, Glasgow City Council and McNeil Properties. These roles provided experience in property markets throughout the UK. Andrew joined Credential Group in 2003. Prior to that, he had worked at CBRE since 1994, where he was responsible for the management of a large number of clients, including Credential Group. He is responsible for the pro-active management of the Property Portfolio, overseeing an in-house team undertaking all property, financial and asset management roles in connection with the Property Portfolio.

Simon Marriott is investment director of the Asset Manager. Simon has over 30 years' experience in the property industry sourcing, transacting and asset managing, most recently at Cromwell Property Group where he was Head of Investments and UK Real Estate. Prior to Cromwell, Simon held a number of senior roles including, Director, Real Estate Transactions, at PwC, Senior Vice President Managing Director, Investments, at Oxford Properties and Head of Separate Accounts at Invista REIM, managing funds with assets under management of over £2.5 billion. He holds a BSc in Estate Management and is a chartered surveyor (elected a member of RICS in 1992) and is also a member of the Investment Property Forum.

3.3 ***Track Record***

The management team of the Asset Manager has undertaken approximately 131 deals comprising the purchase of approximately 276 properties. All management and property management is undertaken in-house by the Asset Manager, together with all financial management relating to the operation of the properties and portfolios.

3.4 ***Asset Management Agreement***

Pursuant to the terms of the Asset Management Agreement, the Asset Manager is responsible for the property management of the Property Portfolio, undertaking tasks such as identifying and evaluating investment opportunities in property for the Group, the collection of rent, negotiating longer leases and the removal of tenant break options, instructing agents to re-let the premises at lease expiry and, where appropriate, managing refurbishments to

increase rental income or capital values, in each case, subject to the overall control and supervision of the Board or the boards of directors of Midco or any SPV (as relevant). The Asset Manager also advises the Company, Midco and the SPVs on the acquisition, management and disposal of the real estate assets in the Property Portfolio.

Further details of the Asset Management Agreement are set out in paragraph 11.3 of PART 15.

3.5 ***Conflicts of interest – Asset Manager and its management team***

The Asset Manager may from time to time act as distributor, promoter, manager, asset manager, registrar, transfer agent, administrator, external valuer, trustee or director, or be otherwise involved in, other collective investment schemes which have similar investment objectives to that of the Company or may otherwise provide property management or ancillary administration or property advisory services to investors with similar investment objectives to those of the Company. It is, therefore, possible that it may, in the course of its business, have potential conflicts of interests with the Company.

The following arrangements are in place to address such potential conflicts:

The Asset Manager will at all times have regard in such event to its obligations to act in the best interests of Shareholders so far as practicable, having regard to its obligations to other clients, when undertaking any investments where conflicts of interests may arise and it will endeavour to resolve such conflicts fairly.

The Asset Manager is required to offer all opportunities available to it to acquire property assets which, in the Asset Manager's good faith judgment (having consulted with the AIFM), fall within the Investment Policy, first to the Company. If any such opportunity is refused by the Board, the Asset Manager may allocate such opportunities as it deems appropriate.

The Asset Manager may recommend the purchase and sale of Portfolio Interests by or from the Asset Manager or any of its associates from or to one or more SPVs provided that the transaction is carried out on normal commercial terms, negotiated at arms' length, and is consistent with the best interests of the Company and the relevant SPV and provided the Asset Manager has disclosed to the AIFM, the Board and the relevant SPV the nature of its or its associates' interest(s) and such recommendation has been approved in advance by the AIFM.

The Directors believe that the fees, commissions and compensation payable to the Asset Manager are consistent with normal market rates for investment funds of a similar type to the Company.

The Directors will seek to ensure that any conflict of interest is resolved fairly and in the interests of the Company.

3.6 ***Other directorships and partnerships***

Stephen Inglis, Derek McDonald and Andrew MacGilp act as directors of other funds or entities managed by the Asset Manager.

4 The Investment Adviser

4.1 ***Overview***

The Investment Adviser became the investment adviser to the Company and the AIFM on 10 October 2023 when Toscafund Asset Management's rights and obligations in its capacity as

investment adviser under the Investment Management Agreement were novated to the Investment Adviser.

The Investment Adviser manages over one million square metres of predominantly office and logistics assets across the UK, Germany, France, Spain and Ireland with a team of over 140 people providing in-house acquisition, development, finance and asset management functions. The Investment Adviser is part of the ESR Group, which is described in further detail in paragraph 3.1 above.

The Investment Adviser is responsible for providing the following services to the Company, Midco and any SPV: (i) provision of treasury services relating to hedging, borrowings and cash management, (ii) ensuring FCA compliance; (iii) providing assistance with the oversight of the acquisition and disposal of investments in accordance with the Investment Policy; and (iv) providing assistance with engaging, on behalf of Midco and/or any SPV, external accountants, appraisers, legal advisers and other experts.

4.2 ***The Management Team***

Roun Barry is the Chief Executive Officer of ARA Europe, an ESR Company. He founded Dunedin Property in 1996 and is the Chief Executive Officer of ARA Europe, taking primary responsibility for corporate finance, deal structuring and managing commercial relationships, in addition to managing acquisitions and investment strategy.

Roun has over 30 years of direct real estate experience; before founding Dunedin, Roun spent 4 years with ING Real Estate where he was responsible for managing the UK portfolio. Prior to ING Real Estate, he was a Partner at Jones Lang LaSalle where he was responsible for West End investment and development for more than 5 years.

Roun trained as a lawyer but has spent his entire career in real estate investment and asset management.

Adam Dickinson is an associate director in fund management at the Investment Adviser. He joined the Investment Adviser in October 2023 when the Investment Adviser became the investment adviser to the Company and the AIFM. He had previously worked for Toscafund Asset Management LLP since September 2008 as an executive in the Operations Team. Prior to that he held a number of senior finance positions at two leading European investment banks and was the finance manager at Christie's Auction House, London, where he qualified as an accountant in 1998.

4.3 ***Investment Management Agreement***

Pursuant to the terms of the Investment Management Agreement, the Investment Adviser provides certain services to the Company, Midco and the SPVs (subject to the overall supervision of the boards of the entity to which the particular services are provided).

Further details of the Investment Management Agreement are set out in paragraph 11.4 of PART 15 of this document.

4.4 ***Conflicts of Interests***

The Investment Adviser may from time to time act as distributor, promoter, manager, investment manager, investment adviser to, or be otherwise involved in, other collective investment schemes which have a similar investment objective to that of the Company or may otherwise provide discretionary fund management or ancillary administration or advisory services to investors with a similar investment objective to that of the Company. It is, therefore, possible that it may, in the course of its business, have potential conflicts of interests with the Company.

The following arrangements are in place to address such potential conflicts.

The Investment Adviser will at all times have regard in such event to its obligations to act in the best interests of Shareholders so far as practicable, having regard to its obligations to other clients, when undertaking any investments where conflicts of interests may arise and it will endeavour to resolve such conflicts fairly.

The Investment Adviser is required to offer all opportunities available to it to acquire property assets, which in the Investment Adviser's good faith judgment fall within the Investment Policy, first to the Company. If any such opportunity is refused by the Board, the Investment Adviser may allocate such opportunities as it deems appropriate.

The Company has been established and promoted by the Directors and the Investment Adviser. However, the Directors believe that the fees, commissions and compensation payable to the Investment Adviser are consistent with normal market rates for investment funds of a similar type to the Company.

The Directors seek to ensure that any conflict of interest is resolved fairly and in the interests of the Company.

5 The AIFM

5.1 *Overview*

The AIFM is currently authorised by the FCA for the purposes of the UK AIFM Laws as a "full-scope" UK AIFM with a Part 4A permission to manage AIFs, such as the Company. The AIFM is also registered as an investment adviser with the US Securities and Exchange Commission (the "**SEC**") under the US Advisers Act.

The AIFM was incorporated under the name of Toscafund Asset Management LLP, with registered number OC320318 as a limited liability partnership under the Limited Liability Partnerships Act 2000. The principal legislation under which the AIFM operates is the Limited Liability Partnerships Act 2000 and the regulations made thereunder. The AIFM's registered office and its principal place of business is at 5th Floor, 15 Marylebone Road, London NW1 5JD (telephone number: +44 (0) 20 7845 6100). The AIFM is domiciled in the United Kingdom.

The AIFM is responsible for the provision of certain AIFM services to the Company, The AIFM is responsible for discretionary portfolio management (including taking investment decisions on behalf of the Company, identifying and evaluating and negotiating investment opportunities and realisations and, where applicable, participating in the management and control of the businesses or assets acquired), risk management (as required to identify, manage, measure and monitor, as appropriate, all risks to the Company's investment strategy and to which the Company may be exposed) and valuation services relating to the Company's Property Portfolio, in each case pursuant to the UK AIFM Laws.

The AIFM will continue to act as the alternative investment fund manager and provide the relevant regulatory services to the Company until an affiliate of the Investment Adviser has acquired its own regulatory permissions and a short handover period has completed, which is expected to be in August 2024.

5.2 *Investment Management Agreement*

Pursuant to the terms of the Investment Management Agreement, the AIFM provides such services to the Company as are required to be carried out by an AIFM under the UK AIFM Laws (subject to the investment objective of the Company, the Investment Policy and the overall supervision of the Board).

Further details of the Investment Management Agreement are set out in paragraph 11.4 of PART 15 of this document.

5.3 ***Professional liability***

The AIFM maintains an adequate level of capital to enable it to cover potential professional liability risks arising out of or resulting from the activities it may undertake in complying with its obligations as AIFM under the UK AIFM Laws.

5.4 ***Conflicts of interest***

The AIFM may from time to time act as distributor, promoter, manager, investment manager, investment adviser to, or be otherwise involved in, other collective investment schemes which have a similar investment objective to that of the Company or may otherwise provide discretionary fund management or ancillary administration or advisory services to investors with a similar investment objective to that of the Company. It is, therefore, possible that it may, in the course of its business, have potential conflicts of interests with the Company.

The following arrangements are in place to address such potential conflicts.

The AIFM will at all times have regard in such event to its obligations to act in the best interests of Shareholders so far as practicable, having regard to its obligations to other clients, when undertaking any investments where conflicts of interests may arise and it will endeavour to resolve such conflicts fairly.

The AIFM is required to offer all opportunities available to it to acquire property assets, which in the AIFM's good faith judgment fall within the Investment Policy, first to the Company. If any such opportunity is refused by the Board, the AIFM may allocate such opportunities as it deems appropriate.

The Directors seek to ensure that any conflict of interest is resolved fairly and in the interests of the Company.

6 Administrator

The Administrator has been appointed as administrator to the Company pursuant to the terms of the Administration Agreement (further details of which are set out in paragraph 11.7 of PART 15 of this document). In such capacity, the Administrator is responsible for the day-to - day administration of the Company. For the purposes of the RCIS Rules, the Administrator will be the designated administrator of the Company. The Administrator is licensed by the GFSC under the POI Law to provide administration services. Chris de Putron, David McNay, Simon Savident and Stephen Le Ray are the ultimate persons holding significant beneficial ownership in the Designated Administrator.

The Administrator has delegated certain of its services under the Administration Agreement to Link Alternative Fund Administrators.

7 Secretary

The Company Secretary has been appointed as company secretary to the Company pursuant to the terms of the Company Secretary Agreement (further details of which are set out in paragraph 11.8 of PART 15 of this document) to provide general company secretarial services to the Company (including, but not limited to, maintenance of the Company's statutory records).

8 Registrar

The Registrar has been appointed to provide registrar services to the Company pursuant to the terms of the Registrar Agreement (further details of which are set out in paragraph 11.9 of PART 15 of this document). Under the Registrar Agreement the Registrar has responsibility for maintaining the register of members, receiving transfers of Ordinary Shares for certification and registration and receiving and registering Shareholders' dividend payments together with related services.

The register of members of the Company is kept at Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey, GY2 4LH.

9 Depositary

The Depositary has been appointed as depositary to the Company pursuant to the terms of the Depositary Agreement (further details of which are set out in paragraph 11.11 of PART 15 of this document).

10 Corporate governance

10.1 *General*

The Listing Rules require that the Directors must "comply or explain" against the UK Corporate Governance Code. In addition the Disclosure Guidance and Transparency Rules require the Company to: (i) make a corporate governance statement in its annual report and accounts based on the corporate governance code to which it is subject or with which it voluntarily complies; and (ii) describe its internal control and risk management arrangements. The Board has agreed to comply with the AIC Code produced by the AIC, except as set out below. The FRC has confirmed that compliance with the AIC Code would satisfy an investment company's obligations to comply with the UK Corporate Governance Code.

The GFSC's "Finance Sector Code of Corporate Governance" (the "**GFSC Code**") applies to all companies that hold a licence from the GFSC under the regulatory laws or which are registered or authorised as collective investment schemes, which includes the Company. Companies which report against the AIC Code are deemed to meet the requirements of the GFSC Code.

The Directors recognise the value of the AIC Code and have taken appropriate measures to ensure that the Company complies, so far as is possible given the Company's size and nature of business, with the AIC Code. Save as set out below, the Company currently complies, and will continue to comply, with the AIC Code and associated disclosure requirements of the Listing Rules.

The UK Corporate Governance Code includes provisions relating to: (i) the role of the chief executive; (ii) executive directors' remuneration; and (iii) the need for an internal audit function.

For the reasons set out in the AIC Code, and as explained in the UK Corporate Governance Code, the Board considers that these provisions are not relevant to the Company, as an externally managed investment company. In particular, all of the Company's day-to-day functions are outsourced to third party service providers. As a result, the Company has no chief executive, executive directors, employees or internal operations. The Company has, therefore, not reported on these provisions. There are no other instances of non-compliance with the AIC Code by the Company as at the date of this document.

10.2 ***The Board***

The Board consists of five non-executive Directors. A majority, comprising Kevin McGrath, Daniel Taylor, Frances Daley and Massy Larizadeh, are considered by the Board to be independent of the Asset Manager and the Investment Adviser. The Board's policy on tenure is that continuity and experience are considered to add significantly to the strength of the Board and, as such, no limit on the overall length of service of any of the Directors, including the Chairman, has been imposed. New Directors are provided with an induction from the Company Secretary on joining the Board. Directors receive other relevant information on ongoing obligations as necessary.

No individual or group of individuals dominates the Board's decision-making process.

11 Committees

The Board has established the following committees:

11.1 ***The Audit Committee***

The Audit Committee comprises the independent non-executive directors and is chaired by Frances Daley. The Audit Committee has responsibility for, amongst other things, the planning and review of the Group's annual report and accounts and half-yearly reports and the involvement of the Group's auditors in the process. The committee focuses in particular on compliance with legal requirements, accounting standards and the Listing Rules and on ensuring that an effective system of internal financial control is maintained. The Audit Committee also reviews the objectivity of the Group's auditors and the terms under which the Group's auditors are appointed to perform non-audit services.

The terms of reference of the Audit Committee cover such issues as committee membership, frequency of meetings (as mentioned below), quorum requirements and the right to attend meetings. The responsibilities of the Audit Committee covered in the terms of reference relate to the following: external audit, internal audit, financial reporting, internal controls and risk management. The terms of reference also set out reporting responsibilities and the authority of the committee to carry out its responsibilities.

All members of the Audit Committee are considered to have relevant experience in the industry in which the Company operates. The Board is also satisfied that at least one member of the Audit Committee has relevant and recent financial experience and the Chair is a chartered accountant with experience in corporate finance.

The Audit Committee normally meets not less than twice a year and at the appropriate times in the reporting and audit cycle and at such other times as the Chair shall require.

11.2 ***The Management Engagement and Remuneration Committee***

The Management Engagement and Remuneration Committee comprises the independent non-executive directors. The Management Engagement and Remuneration Committee is chaired by Massy Larizadeh who is responsible for reviewing the appropriateness of the continuing appointment of the Asset Manager and the Investment Adviser and the AIFM together with the terms and conditions of the Asset Manager's, the Investment Adviser's and the AIFM's continuing appointment on a regular basis. The Management Engagement and Remuneration Committee meets as necessary and otherwise at least once a year.

The terms of reference of the Management Engagement and Remuneration Committee cover such issues as committee membership, frequency of meetings (as mentioned above), quorum requirements and the right to attend meetings. The responsibilities of the Management Engagement and Remuneration Committee covered in its terms of reference relate to the following: monitoring the relationship with the Managers, determining and monitoring policy

on and setting levels of remuneration, early termination, performance-related pay, authorising claims for expenses, reporting and disclosure and remuneration consultants. The terms of reference also set out reporting responsibilities and the authority of the committee to carry out its responsibilities.

11.3 ***The Nomination Committee***

The Nomination Committee comprises the independent non-executive directors and is chaired by Massy Larizadeh.

The Nomination Committee's principal duties are: to keep under review the structure, size and composition of the Board (including a review of the scope to further promote skills, knowledge, experience and diversity) and the membership of its committees; to consider and formulate succession planning for the Board; identify candidates for the role of Senior Independent Director; and lead and manage the process for the appointment of new Directors, including the Chair of the Board.

The terms of reference of the Nomination Committee cover such issues as committee membership, frequency of meetings (as mentioned below), quorum requirements and the right to attend meetings. The terms of reference also set out reporting responsibilities and the authority of the committee to carry out its responsibilities.

The Nomination Committee normally meets at least once a year, or more often if required.

PART 11
THE PROPERTY PORTFOLIO

1 Summary of the Property Portfolio

The Company acquired the Initial Property Portfolio on 6 November 2015. The Initial Portfolio was valued at £386 million and was comprised of 128 properties, 517 tenants and 713 units. Since that date, the Company has acquired a number of properties, principally by way of portfolio purchases, and has also disposed of several of them.

As at the date of this document, the Property Portfolio is spread across 132 properties consisting of 1,305 individual units with a total of 827 tenants, which were valued at 21 June 2024 at £647.8 million in aggregate, with an annualised gross rental income of £63.2 million per annum reflecting an initial yield of 6.2 per cent. on a weighted average unexpired lease term of 4.7 years (2.9 years to first break).

2 Details of the Property Portfolio (*Tables in this section may not sum due to rounding*)

2.1 *Property portfolio by business segment (as at the date of this document)*

Business segment	*Properties (no.)*	*Market values (£m)**	*EPRA Occupancy (%)*	*Lettable area (million sq. ft.)*	*Annualised gross rental income (£m)*
Office	113	593.2	77.0	5.2	57.4
Retail	13	20.4	94.0	0.3	2.7
Industrial	4	21.8	85.3	0.4	1.9
Other	2	12.5	97.2	0.1	1.1
Total	**132**	**647.8**	**77.9**	**6.0**	**63.2**

*as at 21 June 2024

2.2 *Property portfolio by geography (as at the date of this document)*

Regional segment	*Properties (no.)*	*Market values (£m)**	*EPRA Occupancy (%)*	*Lettable area (million sq. ft.)*	*Annualised gross rental income (£m)*
Scotland	29	108.3	72.7	1.1	10.3
South East	26	118.7	78.9	0.9	11.7
North East	19	99.4	76.8	0.8	9.0
Midlands	23	132.7	81.5	1.3	13.7
North West	17	89.6	71.7	0.9	9.0
South West	12	61.7	84.7	0.4	5.8
Wales	6	37.5	87.6	0.4	3.7
Total	**132**	**647.8**	**77.9**	**6.0**	**63.2**

*as at 21 June 2024

2.3 *Gross rental income by business segment (as at the date of this document)*

Business segment	*%*
Office	90.9
Retail	4.3
Industrial	3.0
Other	1.8
Total	**100.0**

2.4 *Gross rental income by geography (as at the date of this document)*

Regional segment	*%*
Midlands	21.7
South East	18.5
Scotland	16.3
North East	14.3
North West	14.2
South West	9.2
Wales	5.8
Total	**100.0**

*"WAULT" means weighted average unexpired lease term.

2.5 *Top 15 investments by market value (as at the date of this document)*

Property	*Anchor tenants*	*Market value (£ million)**	*% of Property Portfolio (approx.)*	*Lettable area (sq. ft.)*	*Annualised gross rental income (£ million)*	*WAULT (to first break) (years)*
Eagle Court, Coventry Road, Birmingham	Virgin Media Ltd, Rexel UK Ltd, Goldbeck Construction Ltd	18.3	2.8	132,690	1.3	3.1
Hampshire Corporate Park, Eastleigh	Aviva Central Services UK Ltd, Lloyd's Register EMEA, Complete Fertility Ltd, Silverstream Technologies (UK) Ltd	17.8	2.7	84,043	1.8	3.1
300 Bath Street, Glasgow	University of Glasgow, Glasgow Tay House Centre Ltd, Fairhurst Group LLP, London & Scottish Property Investment Management	17.5	2.7	156,853	1.2	1.4
Norfolk House, Smallbrook Queensway, Birmingham	Global Banking School Ltd, Accenture (UK) Ltd	17.2	2.7	118,530	1.9	6.6
800 Aztec West, Bristol	NNB Generation Company (HPC) Ltd, EDF EPR Engineering UK Ltd	16.2	2.5	73,292	1.5	2.3
Manchester Green, Manchester	Chiesi Ltd, Ingredion UK Ltd, Assetz SME Capital Ltd, Contemporary Travel Solutions Ltd	15.2	2.3	107,760	1.5	2.2
Beeston Business Park, Nottingham	Metropolitan Housing Trust Ltd, SMS Electronics Ltd, SMS Product Services Ltd	15.2	2.3	215,330	1.1	5.5
Orbis 1, 2 & 3, Pride Park, Derby	First Source Solutions UK Ltd, DHU Health Care C.I.C., Tentamus Pharma (UK) Ltd	13.7	2.1	121,883	1.8	3.0

Property	*Anchor tenants*	*Market value (£ million)**	*% of Property Portfolio (approx.)*	*Lettable area (sq. ft.)*	*Annualised gross rental income (£ million)*	*WAULT (to first break) (years)*
Oakland House, Manchester	Please Hold (UK) Ltd, A.M.London Fashion Ltd, CVS (Commercial Valuers & Surveyors) Ltd	12.9	2.0	161,502	1.1	1.6
Lightyear - Glasgow Airport, Glasgow	Loganair Ltd, Rolls-Royce Submarines Ltd, Cefetra Ltd, Taylor Wimpey UK Ltd	12.1	1.9	73,499	1.4	5.0
Linford Wood Business Park, Milton Keynes	IMServ Europe Ltd, Senceive Ltd, Aztech IT Solutions Ltd, Autotech Recruit Ltd	12.1	1.9	107,352	1.4	2.1
Ashby Park, Ashby De La Zouch	Ceva Logistics Ltd, Brush Electrical Machines Ltd, Ashfield Healthcare Ltd	11.7	1.8	91,034	0.9	2.8
Portland Street, Manchester	Evolution Money Group Ltd, Mott MacDonald Ltd, NCG (Manchester) Ltd, Simard Ltd	11.5	1.8	55,787	1.1	1.5
Capitol Park, Leeds	Hermes Parcelnet Ltd, BDW Trading Ltd	10.9	1.7	86,758	0.7	3.4
1-4 Llansamlet Retail Park, Nantyffin Rd, Swansea	Wren Kitchens Ltd, NCF Furnishings Ltd, A Share & Sons Ltd, Carpetright Ltd	10.5	1.6	74,425	1.2	2.4
Total		**212.5**	**32.8**	**1,660,738**	**20.0**	**3.2**

*as at 21 June 2024

2.6 *Top 15 tenants by share of rental income (as at the date of this document)*

Tenant	*Property*	*Sector*	*WAULT (to first break) (years)*	*Lettable area (sq. ft.)*	*Annualised gross rental income (£ million)*	*% of gross rental income)*
EDF Energy Ltd	800 Aztec West, Bristol, Endeavour House, Sunderland	Electricity, gas, steam and air conditioning supply	5.0	109,114	1.7	2.7
Global Banking School Ltd	Norfolk House, Smallbrook Queensway, Birmingham	Education	8.5	73,628	1.4	2.2
Virgin Media Ltd	Eagle Court, Coventry Road, Birmingham, Southgate Park, Peterborough	Information and communication	3.3	75,309	1.3	2.1
Secretary of State for Communities & Local Government	1 Burgage Square, Merchant Square, Wakefield, Albert Edward House, Preston, Bennett	Public sector	4.5	116,238	1.2	2.0

Tenant	*Property*	*Sector*	*WAULT (to first break) (years)*	*Lettable area (sq. ft.)*	*Annualised gross rental income (£ million)*	*% of gross rental income)*
	House, Stoke On Trent, Oakland House, Manchester, Origin (Office), Bracknell, Waterside Business Park, Swansea					
Firstsource Solutions UK Ltd	Orbis 1, 2 & 3, Pride Park, Derby	Administrative and support service activities	2.8	62,433	1.0	1.6
E.ON UK Plc	Two Newstead Court, Nottingham	Electricity, gas, steam and air conditioning supply	0.9	99,142	0.9	1.5
Shell Energy Retail Ltd	Columbus House, Coventry	Electricity, gas, steam and air conditioning supply	0.6	53,253	0.9	1.4
NNB Generation Company (HPC) Ltd	800 Aztec West, Bristol	Electricity, gas, steam and air conditioning supply	1.7	41,743	0.9	1.4
SPD Development Company Ltd	Clearblue Innovation Centre, Bedford	Professional, scientific and technical activities	9.5	58,167	0.8	1.3
Aviva Central Services UK Ltd	Hampshire Corporate Park, Eastleigh	Other service activities	1.4	42,612	0.8	1.2
Odeon Cinemas Ltd	Kingscourt Leisure Complex, Dundee	Information and communication	11.3	41,542	0.8	1.2
Care Inspectorate	Compass House, Dundee, Quadrant House, Dundee	Public sector	3.8	51,852	0.7	1.1
Please Hold (UK) Ltd	Oakland House, Manchester	Professional, scientific and technical activities	1.2	60,362	0.6	1.0
SpaMedica Ltd	1175 Century Way, Thorpe Park, Leeds, Albert Edward House, Preston, Fairfax House, Wolverampton, Southgate Park, Peterborough, The Foundation Chester Business Park, Chester	Human health and social work activities	2.6	40,529	0.6	1.0
University of Glasgow	300 Bath Street, Glasgow	Education	0.2	29,885	0.6	0.9
Total			**4.1**	**955,809**	**14.3**	**22.6**

2.7 ***Rental income security***

As at the date of this document:

- the WAULT on the Property Portfolio is 4.7 years (31 December 2023: 4.7 years; 31 December 2022: 4.7 years; 31 December 2021: 4.8 years);

- WAULT to first break is 2.9 years (31 December 2023: 2.8 years; 31 December 2022: 3.0 years; 31 December 2021: 3.0 years);

- 13.5 per cent. (31 December 2023: 15.9 per cent.; 31 December 2022: 14.5 per cent.; 31 December 2021: 11.5 per cent.) of income was from leases which will expire within 1 year;

- 12.8 per cent. (31 December 2023: 10.7 per cent.; 31 December 2022: 14.0 per cent.; 31 December 2021: 13.8 per cent.) between 1 and 2 years;

- 35.3. per cent. (31 December 2023: 33.3 per cent.; 31 December 2022: 29.5 per cent.; 31 December 2021: 31.9 per cent.) between 2 and 5 years; and

- 38.4 per cent. (31 December 2023: 40.1 per cent.; 31 December 2022: 42.0 per cent.; 31 December 2021: 42.8 per cent.) after 5 years.

2.8 ***Loan receivables from CIHL Group***

On 28 November 2013, RR Glasgow Limited (formerly named Toscafund Glasgow Limited) acquired the CIHL Receivables from Deutsche Bank AG (London Branch) and KW Real Estate I Limited in consideration for a payment of approximately £88 million. The CIHL Receivables are due to RR Glasgow Limited from certain members of the CIHL Group pursuant to a number of loan facilities and secured against a portfolio of real estate assets belonging to the CIHL Group.

The amount due (including interest) to RR Glasgow Limited from certain members of the CIHL Group pursuant to the CIHL Receivables as at 31 December 2023 was £25 million principal, together with £37.7 million interest.

The gross rental income received from the 7 properties (2 of which were sold in November 2023) within the CIHL Group in the year to 31 December 2023 was £2.5 million, which lead to cash contributions (after deducting voids and other non-recoverable costs, administrative expenses and an allowance for capital expenditure, VAT and service charge) of £1.26 million.

RR Glasgow Limited also has the benefit of a call option pursuant to an agreement dated 9 November 2018, pursuant to which it has the option to acquire properties of the CIHL Group at a price of £1.00 per property by giving one month's notice in writing. The properties within the CIHL Group that are included within the Property Portfolio and the Valuation Report are fully consolidated within the Group, for accounting purposes, whilst remaining within the CIHL Group.

3 The Valuation Report

Appendix B of this document contains a valuation report on the Property Portfolio prepared for the Company by the Valuer. All of the details on the Property Portfolio in this PART 11 are as at 21 June 2024.

Rule 29.6 of the Takeover Code requires that this document contains an estimate by the directors of the Company of the amount of any potential tax liability which would arise if the assets were to be sold at the amount of the Valuation and a comment as to the likelihood of any such liability crystallising. The Board confirms that in the event that the Property Portfolio were sold at an amount represented by the Valuation, any gains arising from the disposal of investment properties used for the purposes of the Group's property rental business would not be chargeable under UK REIT legislation. Any disposal gains on assets not connected with the Group's property rental business would be chargeable to corporation tax but, for the purposes of Rule 29.6 of the Code, the Board would not expect a tax liability to arise on the sale of such interest based on the valuation of the investments in the Valuation Report.

No material changes have occurred since the date of valuation as set out in the Valuation Report. For the purposes of Rule 29.5 of the Takeover Code, the Board confirms that the Valuer has confirmed to them that an updated valuation dated the date of this document would not be materially different from that presented in the Valuation Report.

The Valuer is Colliers International Property Consultants Limited (a private limited company incorporated in England and Wales under the Companies Act 2006 with registered number 07996509 on 19 March 2012). The Valuer's registered offices and principal places of business are set out in PART 4 of this document. The Valuer has 560 qualified surveyors (plus graduates and support staff) in 8 offices across the UK (London West End, London City, Birmingham, Bristol, Leeds, Manchester, Glasgow and Edinburgh). The Valuer offers services in full compliance with the RICS Valuation Standards or equivalent local standards where required. The Valuer is regulated by RICS.

The Valuation Report set out in Appendix B of this document was produced at the Company's request by the Valuer. The Valuer has given and not withdrawn its consent to the inclusion of the Valuation Report in this document and has authorised the contents of the Valuation Report for the purposes of this prospectus and the inclusion of its name and references to it in the form and context in which they appear.

PART 12
HISTORICAL FINANCIAL INFORMATION, OPERATING AND FINANCIAL REVIEW AND CAPITALISATION AND INDEBTEDNESS

SECTION A: HISTORICAL FINANCIAL INFORMATION

1 Incorporation by reference

The following is incorporated by reference into this document:

(a) the Company's annual report and accounts for the financial year ended 31 December 2021 (the "**2021 Annual Report**");

(b) the Company's annual report and accounts for the financial year ended 31 December 2022 (the "**2022 Annual Report**"); and

(c) the Company's annual report and accounts for the financial period ended 31 December 2023 (the "**2023 Annual Report**"), together with the 2021 Annual Report and the 2022 Annual Report, the "**Annual Reports**").

Copies of the Annual Reports have been filed with the FCA and may be obtained from the Company's website (www.regionalreit.com) or free of charge, during normal business hours, at the offices of ESR Europe Private Markets Limited, 10 Cork Street, London, United Kingdom, W1S 3LW.

2 Cross-reference list

The following list is intended to enable investors to identify easily specific items of information which have been incorporated by reference in this document. Where only parts of a document have been incorporated by reference, those parts of the document which are not incorporated by references are not relevant for an investor or, if they are, have been covered elsewhere in this document.

2021 Annual Report

The 2021 Annual Report, which has been incorporated by reference in full in this document included, among other things, the following information (on the pages specified in the table below):

Information	*Page reference of the 2021 Annual Report*
Chairman's Statement	13-17
Asset and Investment Managers' Report	25-37
Board of Directors	85-86
Report of the Directors	87-92
Audit Committee Report	105-108
Nomination Committee Report	109
Management Engagement and Remuneration Committee Report	110
Independent Auditor's Report	113-118
Consolidated Statement of Comprehensive Income	121

Information	*Page reference of the 2021 Annual Report*
Consolidated Statement of Financial Position	122
Consolidated Statement of Changes in Equity	123
Consolidated Statement of Cash Flows	124
Notes to the Consolidated Financial Statements	125-158
Additional information	159-172

2022 Annual Report

The 2022 Annual Report, which has been incorporated by reference in full in this document included, among other things, the following information (on the pages specified in the table below):

Information	*Page reference of the 2022 Annual Report*
Chairman's Statement	12-15
Asset and Investment Managers' Report	24-35
Board of Directors	87-88
Report of the Directors	89-94
Audit Committee Report	107-110
Nomination Committee Report	111-112
Management Engagement and Remuneration Committee Report	113-114
Independent Auditor's Report	117-122
Consolidated Statement of Comprehensive Income	125
Consolidated Statement of Financial Position	126
Consolidated Statement of Changes in Equity	127
Consolidated Statement of Cash Flows	128
Notes to the Consolidated Financial Statements	129-162
Additional Information	163-176

2023 Annual Report

The 2023 Annual Report, which has been incorporated by reference in full in this document included, among other things, the following information (on the pages specified in the table below):

Information	*Page reference of the 2023 Annual Report*
Chairman's Statement	20-25
Asset and Investment Advisers' Report	32-45

Information	*Page reference of the 2023 Annual Report*
Board of Directors	104-107
Report of the Directors	108-115
Audit Committee Report	134-139
Nomination Committee Report	140-143
Management Engagement and Remuneration Committee Report	144-147
Independent Auditor’s Report	151-159
Consolidated Statement of Comprehensive Income	164
Consolidated Statement of Financial Position	165
Consolidated Statement of Changes in Equity	166
Consolidated Statement of Cash Flows	167
Notes to the Consolidated Financial Statements	168-205
Additional Information	206-225

SECTION B: OPERATING AND FINANCIAL REVIEW

The following operating and financial review should be read in conjunction with the historical financial information incorporated by reference in Section A of this PART 12 of this document and the other financial information relating to the Group included elsewhere in this document. This review contains forward-looking statements based on the current expectations and assumptions about the Group's future business. Forward looking statements are not guarantees of future performance and no assurance can be or is given that such future results will be achieved. The Group's actual results of operations, financial condition, dividend policy and the development of its financing strategies may differ materially from the impression created by the forward looking statements contained in this document. In addition, even if the results of operations, financial condition and dividend policy of the Group, and the development of its financing strategies, are consistent with the forward looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause these differences include, but are not limited to, those factors set out in PART 1 of this document.

1 Operating and financial review for the financial year ended 31 December 2021

Please refer to the Chairman's statement on pages 13-17 of the 2021 Annual Report and the Asset and Investment Managers' Report on pages 25-37 of the 2021 Annual Report.

2 Operating and financial review for the financial year ended 31 December 2022

Please refer to the Chairman's statement on pages 12-15 of the 2022 Annual Report and the Asset and Investment Managers' Report on pages 24-35 of the 2022 Annual Report.

3 Operating and financial review for the financial year ended 31 December 2023

Please refer to the Chairman's statement on pages 20-25 of the 2023 Annual Report and the Asset Manager and Investment Advisers' Report on pages 32-45 of the Annual Report.

4 Other announcements incorporated by reference

Announcement	*RIS announcement date*
Q4 Valuation and Portfolio Update	2 February 2024
Dividend Declaration	22 February 2024
Response to Press Speculation	12 March 2024
2023 Full Year Results	26 March 2024
Q1 Trading Update, Dividend and EPC Update	22 May 2024

SECTION C: CAPITALISATION AND INDEBTEDNESS

Statement of capitalisation

The table below shows the capitalisation of the REIT Group as at 31 March 2024.

	At 31 March 2024 Unaudited £'000
Total current debt	(49,946)
Guaranteed	-
Secured	-
Unguaranteed/unsecured	(49,946)
	(49,946)
Total non-current debt (excluding current portion of long term debt)	
Guaranteed	-
Secured	(358,116)
Unguaranteed/unsecured	-
Total indebtedness	**(408,062)**
Shareholders' equity	
Share capital	513,762
Share premium reserve	-
Cash flow hedge reserve	-
Total capitalisation	**513,762**

Statement of indebtedness

The table below sets out the net financial indebtedness of the REIT Group as at 31 March 2024:

	At 31 March 2024 Unaudited £'000
Cash	33,505
Cash equivalent	-

Other current financial assets	-
Liquidity	**33,505**
Current financial debt	(49,946)
Current portion of non-current debt	-
Current financial indebtedness	**(49,946)**
Net current financial liquidity	**(16,441)**
Non-current financial debt	(358,116)
Debt instruments	-
Non-current trade and other payables	-
Non-current financial indebtedness	**(358,116)**
Total financial indebtedness	**(374,557)**

Note to the capitalisation and net indebtedness statement

(i) The figures have been extracted from the Group's accounting records.

(ii) Capitalisation does not include the profit and loss reserve in accordance with Primary Market Technical Note 619.1: Guidelines on disclosure requirements under the Prospectus Regulation and Guidance on specialist issuers.

(iii) The Group has derivative financial instruments that hedge its exposure to floating rate borrowings. As at 31 March 2024, the market valuation of this was an asset of £17.1 million. This sum is not reflected in the statement of indebtedness.

(iv) Cash includes amounts retained in deposit and other restricted accounts which are not readily available to the Group for day to day commercial purposes of £10.1 million.

(v) Current and non-current debt is shown excluding the lease liabilities of the Group.

PART 13
UK TAXATION

1 General

1.1 The statements below are intended to be a general summary of certain UK tax considerations relevant to prospective investors in the New Ordinary Shares. This is not a comprehensive summary of all aspects of the taxation of the Group and Shareholders and is not intended to constitute legal or tax advice.

1.2 The statements below are based on current UK tax law and what is understood to be the current practice (which may not be binding) of HMRC as at the date of this document, both of which are subject to change, possibly with retrospective effect. Prospective investors should familiarise themselves with, and where appropriate should consult their own professional advisers on, the overall tax consequences of investing in the Company. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will apply or will endure indefinitely. The tax consequences for each investor investing in the Company may depend on the investor's own tax position and upon relevant laws of any jurisdiction to which the investor is subject.

1.3 If you are in any doubt as to your tax position or if you are subject to tax in a jurisdiction outside the UK, you should consult an appropriate professional adviser without delay.

2 UK Tax treatment of the Group and the REIT regime

2.1 The Company is the principal company of a group REIT comprising the Company and its direct and indirect subsidiaries. The Company is Guernsey incorporated but it is UK tax resident.

2.2 As a group UK REIT, the Group is not charged UK corporation tax on its profits and gains derived from its qualifying property rental business ("**Property Business**") provided that certain conditions are satisfied. Instead, distributions by the principal company of the REIT (being the Company in this case) in respect of the Property Business of the REIT are treated for UK tax purposes as UK property income in its shareholders' hands so far as the distribution is a distribution of profits which have benefited from the REIT exemption. Such a distribution paid by the Company is referred to in this section as a property income distribution ("**PID**").

2.3 Any company which is a member of a REIT is also (partially or potentially fully) exempt from corporation tax on chargeable gains on disposal of shares or rights or interests in certain types of fund, where the company or fund disposed of is UK property rich. "UK property rich" broadly means that the company or fund in question derives 75 per cent. or more of its value from interests in UK land. This exemption applies on a proportionate basis, by reference to the proportion which the value of the UK property rental business assets of the company of fund disposed of bears to that company or fund's total assets. As such, a gain on a disposal of shares in a subsidiary whose sole activity is the carrying on of a UK property rental business, with all of its assets held for the purpose of that UK Property Business, should generally be treated as a gain arising from the UK Property Business and benefit in full from the exemption. Any such gains would be treated as a PID when distributed to shareholders.

2.4 Any company which is a member of a REIT will be subject to UK tax in respect of profits and gains from business other than Property Business (the "**Residual Business**"), where the UK has primary taxing rights over such profits. Such UK tax could be UK income tax charged at the basic rate of 20 per cent. or UK corporation tax charged at 25 per cent. Dividends by the Company relating to the Residual Business of the Group are treated as normal dividends in the hands of the Shareholders. Any such dividend is referred to in this section as a non-property income distribution ("**Non-PID Dividend**").

2.5 Whilst the REIT regime applies to the Group, the Property Business will be treated as a separate business for corporation tax purposes from the Residual Business and a loss incurred by one business cannot be set off against profits of the other.

3 Qualification as a REIT

3.1 In order to continue to qualify as a REIT, the Company and other members of the Group must continue to satisfy certain conditions set out in Part 12 CTA 2010 (although a breach of certain conditions could lead to a tax charge rather than termination of the Group's REIT status). A non-exhaustive summary of the material conditions is set out below.

Company conditions

3.2 There are several conditions that the Company, as the principal company of the Group, must satisfy in order for the Group to maintain its REIT status. These are summarised below.

3.3 The Company must be a solely UK tax resident company.

3.4 Throughout each accounting period, the Company's ordinary shares must either (i) be at least 70 per cent. directly or indirectly owned by institutional investors or (ii) be admitted to trading on a recognised stock exchange (which includes the main market of the London Stock Exchange). In addition, in respect of each accounting period where the Company relies on its ordinary share capital being admitted to trading on a recognised stock exchange to meet this condition, the Company's ordinary share capital must also either be listed on a recognised stock exchange throughout the period, or traded on a recognised stock exchange during the period.

3.5 An institutional investor includes the trustee or manager of a pension scheme, a charity, a registered social landlord, a person with sovereign immunity, a UK REIT or the non-UK equivalent of a UK REIT.

3.6 An institutional investor also includes the trustee or manager of an authorised unit trust scheme (or overseas equivalent), a person acting on behalf of an authorised contractual scheme which is a co-ownership scheme, an open-ended investment company (or overseas equivalent), an insurance company or a limited partnership which is a collective investment scheme, provided that in each case the relevant investor is either not close (under a modified version of the close company condition described above), or meets the genuine diversity of ownership condition (this is not applicable to an insurance company, which must meet the close company conditions), subject to certain transitional provisions that relate to investors who were participators in the Company prior to 22 February 2024.

3.7 In broad terms, for the genuine diversity of ownership condition to be satisfied, the documentation of the fund or arrangement must state its target investors, state that it will be widely available and that it will be marketed in an appropriate manner to reach its target investors. Further, the terms and conditions of the fund or arrangement should not be a deterrent to such investors, its manager must act in accordance with the statements in the documentation mentioned above, and any potential investor within one of the intended categories must be able to approach the manager to obtain information about the fund or arrangement and invest in it.

3.8 The Company must not be an open-ended investment company.

3.9 The Company must not be a close company as defined by section 439 CTA 2010 and as applied by section 528(5) CTA 2010, other than by virtue of having a direct or indirect participator who is an institutional investor (as defined above). Broadly, the close company condition requires that the Company is not under the control of five or fewer participators or of participators who are directors (participators for these purposes is defined by section 454 CTA 2010).

Share capital restrictions

3.10 The Company must have only one class of ordinary shares in issue and the only other shares it may issue are particular types of non-voting restricted preference shares.

Borrowing restrictions

3.11 The Company must not be party to any loan in respect of which the lender is entitled to interest which exceeds a reasonable commercial return on the consideration lent or where the interest depends to any extent on the results of any of its business or on the value of any of its assets. A loan is not treated as carrying results-dependent interest by reason only that the terms of the loan provide for interest to reduce if the results improve or to increase if the results deteriorate. In addition, the amount repayable must either not exceed the amount lent or must be reasonably comparable with the amount generally repayable (in respect of an equal amount lent) under the terms of issue of securities listed on a recognised stock exchange.

Financial Statements

3.12 The Company must prepare financial statements in accordance with the statutory requirements set out in sections 532 and 533 CTA 2010 (the "Financial Statements") and submit these to HMRC. In particular, the Financial Statements must contain information about the Property Business and the Residual Business separately.

Conditions for the Property Business

3.13 The Property Business must satisfy the conditions summarised below in respect of each accounting period during which the Group is to be treated as a REIT. Owner-occupied property (as interpreted by generally accepted accounting practice) is excluded from the tax exempt Property Business.

3.14 The Property Business must, throughout the accounting period, involve either (i) at least three properties or (ii) a single property that has or had at certain prescribed times a value equal to or in excess of £20 million and is designed, fitted or equipped for the purpose of being rented, and is rented or available for rent as a commercial unit. Where the Group relies on the first of these conditions no one property may represent more than 40 per cent. of the total value of all properties involved in the Property Business throughout the accounting period.

3.15 The income profits arising from the Property Business must represent at least 75 per cent. of the Group's total income profits for the accounting period (the "**75 Per Cent Profits Condition**"). Profits for this purpose means profits calculated in accordance with international accounting standards but excluding, broadly, gains and losses on the disposal of property and gains and losses on the revaluation of properties, and certain exceptional items.

3.16 At the beginning of the accounting period the value of the assets in the Property Business must represent at least 75 per cent. of the total value of assets of the Group (the "**75 Per Cent Assets Condition**"). Cash held on deposit and gilts are included in the value of the assets relating to the Property Business for the purpose of meeting this condition. Non-cash assets must be valued in accordance with IFRS and at fair value where IFRS offers a choice of valuation between fair value and a costs basis. In applying the test, no account is to be taken of liabilities secured against or otherwise relating to assets.

Distribution condition

3.17 The Company must (to the extent permitted by law) distribute to shareholders, on or before the filing date for the Company's tax return for the accounting period in question, at least 90 per cent. of the income profits (calculated, broadly, using UK tax rules) of the Group to the extent they are derived from the UK Property Business of the Group. This requirement is referred to as the "90 Per Cent Distribution Condition". Failure to meet the 90 Per Cent

Distribution Condition will result in a tax charge calculated by reference to the extent of the failure, although in certain circumstances where the failure to meet this condition is due to an increase in profits from the amounts originally shown in the Financial Statements, this charge can be mitigated by an additional dividend paid within a specified period which brings the profits distributed up to the required level. For the purpose of satisfying the 90 Per Cent Distribution Condition, any dividend withheld in order to comply with the 10 Per Cent Rule described below will be treated as having been paid.

Investment in other REITs

3.18 In general, a distribution received by a UK REIT from another REIT is (so far as the distribution is a distribution of profits which have benefitted from the REIT exemption in the distributing REIT) treated as tax exempt profits of the UK Property Business of the investing REIT. The investing REIT must distribute 100 per cent. of such distributions to its shareholders (the "**100 Per Cent Distribution Condition**"). For the purposes of the 75 Per Cent Assets Condition, the investment by a REIT in the shares of another REIT is included as an asset of the investing REIT's Property Business.

4 Other consequences of the REIT regime

Holders of excessive rights

4.1 A REIT will become subject to an additional tax charge if it pays a dividend to, or in respect of, a holder of excessive rights (the "**10 Per Cent Rule**"), unless that person is an excluded holder.

4.2 A holder of excessive rights is broadly any shareholder with a 10 per cent. or greater holding which is a body corporate (or is deemed to be a body corporate in accordance with the law in an overseas jurisdiction with which the UK has a double taxation agreement or in accordance with that double taxation agreement).

4.3 Investors to whom the Company is not required to withhold income tax at source from a PID are excluded holders for the purposes of the 10 Per Cent Rule. Investors who benefit from a lower rate of UK tax or an exemption or relief from UK tax under a double taxation arrangement are also excluded holders unless that entitlement to a lower rate of tax, exemption or relief from tax is solely because of the size of the investor's interest in the Company.

4.4 The additional tax charge incurred following the payment of a dividend to a holder of excessive rights that is not an excluded holder will be calculated by reference to the whole dividend paid to a holder of excessive rights, and not just by reference to the proportion which exceeds the 10 per cent. threshold. The tax charge will not be incurred if the REIT has taken reasonable steps to avoid paying dividends to such a shareholder. HMRC guidance describes certain actions that a REIT may take to demonstrate that it has taken "reasonable steps". One of these actions is to include restrictive provisions in the articles of association or incorporation of the principal company of the REIT to address this condition. Such provisions are included in the Articles.

Interest Cover

4.5 If the ratio of the Group's income profits (before capital allowances) in respect of its Property Business to the financing costs incurred in respect of the Property Business is less than 1.25:1 for an accounting period then a tax charge will arise.

4.6 The ratio is based on the cost of debt finance taking into account interest, amortisation of discounts or premiums and the financing expense implicit in payments made under finance leases. The amount chargeable to corporation tax is capped at a maximum of 25 per cent. of the profits of the Property Business for the accounting period in question.

Certain Tax Avoidance Arrangements

4.7 If HMRC believes that a member of a REIT has been involved in certain tax avoidance arrangements, it may cancel the tax advantage obtained and, in addition, impose a tax charge equal to the amount of the tax advantage. These rules apply to both the Residual Business and the Property Business.

Movement of Assets in and out of the Property Business

4.8 Where an asset owned by a REIT and used for the Property Business begins to be used for the Residual Business, there is a tax-free step up in the base cost of the property. Where an asset used for the Residual Business begins to be used for the Property Business, this will generally constitute a taxable market value disposal of the asset, except for capital allowances purposes. Special rules apply to disposals by way of a trade and of property developed in the three years prior to the disposal.

Joint ventures

4.9 Where a REIT is beneficially entitled to at least 40 per cent. of the profits available for distribution to equity holders in a joint venture company and at least 40 per cent. of the assets of the joint venture company available to equity holders in the event of a winding up, and that joint venture company (the "**JV Company**") is carrying on a qualifying property rental business which satisfies the 75 Per Cent Profits Condition and the 75 Per Cent Assets Condition, if certain other conditions are satisfied, the REIT may, by giving notice to HMRC, elect for the relevant proportion of the assets and income of the JV Company to be included in the Property Business for tax purposes. In such circumstances, the income and assets of the JV Company will generally count towards the 90 Per Cent Distribution Condition, the 75 Per Cent Profits Condition and the 75 Per Cent Assets Condition. These rules also apply to joint venture groups.

Acquisitions and Takeovers

4.10 If a REIT is taken over by another REIT, the acquired REIT does not necessarily cease to be a REIT and will, provided certain conditions are met, continue to enjoy tax exemptions in respect of the profits of its Property Business and chargeable gains on disposals of properties in the Property Business.

4.11 The position is different where a REIT is taken over by a purchaser which is not a REIT. In these circumstances, the acquired REIT is likely in most cases to fail to meet the requirements for being a REIT and will therefore be treated as leaving the REIT regime at the end of its accounting period preceding the takeover (and so ceasing from the end of this accounting period to benefit from tax exemptions on the profits of its Property Business and chargeable gains on disposal of property forming part of its Property Business). In these circumstances the properties in the Property Business are treated as having been sold and reacquired at market value for the purposes of UK corporation tax on chargeable gains immediately before the end of the preceding accounting period. These disposals should be tax-free as they are deemed to have been made at a time when the acquired REIT was still in the REIT regime and future chargeable gains on the relevant assets will, therefore, be calculated by reference to a base cost equivalent to this market value. If the acquired REIT ends its accounting period immediately prior to the takeover becoming unconditional in all respects, dividends paid as PIDs before that date should not be recharacterised retrospectively as normal dividends.

5 Exit from the REIT regime

5.1 The Company can give notice to HMRC at any time that it wants the Group to leave the REIT regime.

5.2 If the Company voluntarily leaves the REIT regime within ten years of joining and disposes of any asset that was used in the Property Business within two years of leaving the REIT regime then any uplift in base cost of any property held by the Group as a result of the deemed disposal on entry into the REIT regime, movement into the corporation tax ring fence around the Property Business or exit from the REIT regime would be disregarded in calculating the gain or loss on the disposal.

5.3 It cannot be guaranteed that the Group will be in continuing compliance with the REIT conditions at all times. HMRC may require the Group to exit the REIT regime if:

5.3.1 it regards a breach of the conditions relating to the REIT regime (including in relation to the Property Business), or an attempt to obtain a tax advantage, as sufficiently serious;

5.3.2 the Group or the Company has committed a certain number of breaches in a specified period; or

5.3.3 HMRC has given members of the Group two or more notices in relation to the obtaining of a tax advantage within a ten-year period.

5.4 REIT status is also lost automatically and HMRC must be informed as soon as reasonably practicable if:

5.4.1 the conditions for REIT status relating to the share capital of the Company and the prohibition on entering into loans with abnormal returns are breached;

5.4.2 the Company ceases to be UK resident for tax purposes;

5.4.3 the Company becomes dual-resident;

5.4.4 the Company becomes an open-ended investment company; or

5.4.5 in certain circumstances, the Company ceases to fulfil the close company condition.

5.5 Where the Group automatically loses REIT status or is required by HMRC to leave the REIT regime within 10 years of joining, HMRC has wide powers to direct how the Group should be taxed, including in relation to the date on which the Group is treated as exiting the REIT regime.

5.6 It should be noted that it is possible for the Group to lose its REIT status as a result of actions by third parties (for example, in the event of a successful takeover by a company that is not a REIT) or in other circumstances outside the Company's control.

6 The UK tax treatment of shareholders in a REIT

6.1 The following statements do not purport to be a complete analysis of all potential UK tax consequences of acquiring, holding or disposing of New Ordinary Shares.

6.2 They relate only to Shareholders who are resident and domiciled for tax purposes in (and only in) the UK (except insofar as express reference is made to the treatment of non-UK residents), who hold their New Ordinary Shares as an investment (other than under an individual savings account, except insofar as express reference is made to the contrary) and who are the absolute beneficial owners of both the New Ordinary Shares and any dividends paid on them.

6.3 The tax position of certain categories of Shareholder who are subject to special rules, such as persons who acquire (or are deemed to acquire) their New Ordinary Shares in connection with an office or their (or another person's) employment, traders, brokers, dealers in

securities, insurance companies, banks, financial institutions, investment companies, tax-exempt organisations, persons connected with the Company or the Group, persons holding New Ordinary Shares as part of hedging or conversion transactions, Shareholders who are not domiciled or resident in the UK, collective investment schemes and those who hold ten per cent. or more of the New Ordinary Shares, is not considered. Nor do the following statements consider the tax position of any person holding investments in any HMRC-approved arrangements or schemes, including the enterprise investment scheme, venture capital scheme or business expansion scheme, or any person able to claim any inheritance tax relief or holding New Ordinary Shares in connection with a trade, profession or vocation carried on in the UK (whether through a branch or agency or, in the case of a corporate Shareholder, a permanent establishment or otherwise).

6.4 The tax consequences for each investor of investing in the Company may depend upon the investor's own tax position and upon the relevant laws of any jurisdiction to which the investor is subject.

Dividends

6.5 When a REIT pays a dividend (including a stock dividend), that dividend will be a PID to the extent necessary to satisfy the 90 Per Cent Distribution Condition or the 100 Per Cent Distribution Condition. If the dividend exceeds the amount required to satisfy that condition, the REIT may determine that all or part of the balance is a Non-PID Dividend paid out of the profits of the activities of the Residual Business.

6.6 Any remaining balance of the dividend (or other distribution) will be a PID to the extent it is paid out of any remaining profits of the Property Business or gains which are exempt from tax by virtue of the REIT regime. Any further remaining balance will be a Non-PID Dividend.

Non-PID Dividends

6.7 Non-PID Dividends are treated in the same way as dividends received from UK companies that are not REITs. The Company is not required to withhold tax when paying a Non-PID Dividend.

Shareholders who are individuals

6.8 An individual shareholder who is tax resident in the UK and who receives a Non-PID Dividend from the Company is entitled to an annual tax-free allowance of dividend income. This allowance is £500 of dividend income for the 2024/25 tax year and for subsequent tax years.

6.9 To the extent that an individual shareholder's total dividend income exceeds the tax-free allowance, tax will be imposed at the rates of 8.75 per cent. for basic rate taxpayers, 33.75 per cent. for higher rate taxpayers, and 39.35 per cent. for additional rate taxpayers.

Shareholders who are within the charge to corporation tax

6.10 A Shareholder who is charged UK corporation tax and which is a "small company" for the purposes of UK taxation of dividends will generally not be subject to tax on Non-PID Dividends provided certain conditions are satisfied.

6.11 A Shareholder within the charge to UK corporation tax and which is not treated as a "small company" for the purposes of UK taxation of dividends will similarly not be subject to tax on Non-PID Dividends provided that the dividends fall within an exempt class and do not fall within certain anti-avoidance provisions. Exempt classes include dividends in respect of portfolio holdings (where the recipient owns less than 10 per cent. of the share capital of the payer) and dividends paid on "non-redeemable ordinary shares" for UK tax purposes.

PIDs

Shareholders who are individuals

6.12 A PID will generally be treated in the hands of individuals as the profit of a single UK property business (as defined in Part 3 of the Income Tax (Trading and Other Income) Act 2005), subject to certain exceptions. A PID is, together with any PID from any other UK REIT, treated as a separate UK property business carried on by the relevant Shareholder. This means that any surplus expenses from any other property business of a Shareholder cannot be offset against a PID.

6.13 A Shareholder who is subject to income tax at the basic rate will be liable to pay income tax at a rate of 20 per cent., higher rate taxpayers will be liable to pay income tax at a rate of 40 per cent. and additional rate taxpayers will be liable to pay income tax at 45 per cent. (although there are different rates for Shareholders subject to Scottish income tax).

6.14 The £1,000 property income allowance at Part 6A of the Income Tax (Trading and Other Income) Act 2005 does not apply to PIDs.

6.15 Please also see paragraph 7 (withholding tax) below.

Shareholders who are within the charge to corporation tax

6.16 A PID will generally be treated in the hands of its Shareholders who are within the charge to UK corporation tax as the profit of a property business (as defined in Part 4 CTA 2009). A PID is, together with any PID from another UK REIT, treated as a separate property business carried on by the relevant Shareholder and must be accounted for separately. This means that any surplus expenses from any other property business of a Shareholder cannot be offset against a PID.

6.17 Please also see paragraph 7 (withholding tax) below.

Shareholders who are not resident for tax purposes in the UK

6.18 Where a Shareholder who is resident for tax purposes outside of the UK receives a PID, the PID will generally be chargeable to UK income tax as profit of a UK property business and this tax will generally be collected by way of a withholding tax. Under section 548(7) CTA 2010, this income is expressly not non-resident landlord income for the purposes of regulation under section 971 Income Tax Act 2007.

6.19 Please also see paragraph 7 (withholding tax) below.

7 Withholding Tax

General

7.1 Subject to certain exceptions summarised below, the Company is required to withhold income tax at the basic rate from its PIDs. The Company will provide Shareholders with a certificate setting out the gross amount of the PID, the amount of tax withheld, and the net amount of the PID.

Shareholders solely resident in the UK

7.2 Where UK income tax has been withheld at source, individual Shareholders may, depending on their circumstances, either be liable to further tax on the PID at the applicable marginal rate or be entitled to claim repayment of some or all of the tax withheld on the PID.

7.3 Corporate Shareholders may, depending on their circumstances, be liable to pay UK corporation tax on their PID. However, it should be noted that where (exceptionally) income tax is withheld at source, the tax withheld can be set against their liability to corporation tax, or income tax which they are required to withhold, in the accounting period in which the PID is received.

Shareholders who are not resident for tax purposes in the UK

7.4 It is not possible for a Shareholder to make a claim under a relevant double taxation treaty with the UK for a PID to be paid by the Company gross or subject to withholding at a reduced rate. However, the Shareholder may be able to claim repayment of any part of the tax withheld from a PID, depending on the existence and terms of any such double taxation treaty between the UK and the country in which the Shareholder is resident for tax purposes.

Exceptions to requirement to withhold income tax

7.5 In certain circumstances, the Company is not required to withhold income tax at source from a PID. These circumstances include where the Company reasonably believes that the person beneficially entitled to the PID is a company resident for tax purposes in the UK, a charity or a body mentioned in section 468 CTA 2010 which is allowed the same exemption from tax as a charity. They also include where the Company reasonably believes that the PID is paid to the scheme administrator of a registered pension scheme, or the sub-scheme administrator of certain sub-schemes or the account manager of an ISA, provided the Company reasonably believes that the PID will be applied for the purposes of the relevant scheme or account.

7.6 The Company will also not be required to withhold income tax at source from a PID where the Company reasonably believes that the body beneficially entitled to the PID is a partnership each member of which is a body described in the paragraph above. Where only some of the partners in a partnership are bodies as described in the paragraph above, the Company will, subject to certain conditions, not be required to withhold income tax at source from a PID to the extent of such bodies' share of the profits of that partnership.

7.7 In order to pay a PID without withholding tax, the Company will need to be satisfied that the Shareholder concerned is entitled to receive the PID gross before paying any PID to such Shareholder. For that purpose, the Company will require such Shareholders to submit a valid claim form. Shareholders should note that the Company may seek recovery from Shareholders if the statements made in their claim form are incorrect and the Company suffers tax as a result. The Company will, in some circumstances, suffer tax if its reasonable belief as to the status of the Shareholder turns out to have been mistaken.

8 Disposal of Ordinary Shares

Shareholders who are individuals

8.1 Individual Shareholders who are resident in the UK for tax purposes will generally be subject to UK capital gains tax in respect of any gain arising on the disposal of their shares. Subject to the availability of any exemptions, relief and/or allowable losses, a gain on the disposal of shares will be liable to tax at the current rates of 10 per cent. for basic rate tax payers and 20 per cent. for higher and additional rate taxpayers. Shareholders who are temporarily non-resident in the UK may still be liable to UK tax on any capital gains realised (subject to any available exemption or relief).

UK resident corporate Shareholders

8.2 Corporate Shareholders who are resident in the UK for tax purposes will generally be subject to UK corporation tax (currently at 25 per cent.) on chargeable gains arising on a disposal of shares, subject to the availability of any exemptions, reliefs and/or allowable losses.

Shareholders who are not resident for tax purposes in the UK

8.3 Non-UK residents are chargeable to UK tax on capital gains made on the disposal of all types of UK real property (both directly and indirectly). The rules for indirect disposals apply to the sale of shares in 'property rich' entities (i.e. those where 75 per cent. or more of the gross asset value derives from UK land).

8.4 Accordingly, a disposal of New Ordinary Shares by a non-UK resident will generally be within the scope of UK tax, subject to any available exemptions and reliefs (including any relief under an applicable double tax treaty). The exclusion which can apply to disposals of shares in UK property-rich vehicles by non-UK residents who hold less than a 25 per cent. interest does not apply to UK-property rich REITs and so is not expected to apply to disposals of New Ordinary Shares.

9 Transfer of assets abroad

9.1 The attention of individual Shareholders is drawn to the provisions contained in Chapter 2, Part 13 ITA 2007. These provisions are aimed at preventing the avoidance of income tax by individuals through the transfer of assets or income to persons (including companies) resident or domiciled outside the UK. These provisions may apply where a UK resident person makes a relevant transfer to a non-resident person and, as a result, income from which the individual may benefit becomes payable to that non-resident person.

9.2 There are, however, provisions which provide exemption from a charge to income tax in the above circumstances provided that the individual satisfies the board of HMRC that either: (i) it would not be reasonable to draw the conclusion, from all the circumstances of the case, that the purpose of avoiding liability to taxation was the purpose, or one of the purposes, for which the relevant transactions or any of them were effected; or (ii) all the relevant transactions were genuine commercial transactions and it would not be reasonable to draw the conclusion, from all the circumstances of the case, that any one or more of those transactions was more than incidentally designed for the purpose of avoiding liability to taxation.

10 Stamp duty and stamp duty reserve tax ("SDRT")

10.1 The comments in this paragraph 10 apply regardless of whether Shareholders are UK tax resident. No UK stamp duty or SDRT will be payable on the issue of Ordinary Shares.

10.2 In practice, UK stamp duty should generally not need to be paid on an instrument transferring the Ordinary Shares, provided that such instrument is executed and retained outside the UK.

10.3 As the Company is incorporated in Guernsey no UK SDRT will be payable in respect of any agreement to transfer Ordinary Shares provided that the Ordinary Shares are not registered in any register of the Company kept in the UK.

11 ISA, SSAS and SIPP

11.1 Ordinary Shares acquired by a UK resident individual under the Open Offer are not expected to be eligible to be held in an Individual Savings Account ("**ISA**").

11.2 Subject to the rules of the trustees of the relevant scheme, the Ordinary Shares should generally be eligible for inclusion in a small self-administered scheme ("**SSAS**") or self-invested personal pension ("**SIPP**") provided: (a) no member of the SSAS or SIPP (or person connected with such a member) occupies or uses any residential property held by the Group; and (b) the SSAS or SIPP, alone or together with one or more associated persons, does not directly or indirectly hold 10 per cent. or more of any of the Ordinary Shares, voting rights in the Company, rights to income of the Company, rights to amounts on a distribution of the Company or rights to assets on a winding up of the Company.

PART 14
GUERNSEY TAXATION

The following summary of the anticipated tax treatment in Guernsey applies to persons holdings Ordinary Shares as an investment and the potential tax treatment, depending on the individual status of Shareholders, on investors resident in Guernsey. The summary does not constitute legal or tax advice and is based on taxation law and published practice in Guernsey at the date of this document, which is subject to change, possibly with retroactive effect. Prospective investors should be aware that the level and bases of taxation may change from those described and should consult their own professional advisers on the implications of making an investment in, holding or disposing of shares under the laws of the countries in which they are liable to taxation.

1 The Company

As the Company is resident in the United Kingdom for tax purposes, it applied to the Director of the Revenue Service in Guernsey to be treated as not being tax resident in Guernsey. The Company was granted non-tax resident status for Guernsey income tax purposes on 26 January 2021. This status may be reviewed periodically by the Guernsey Revenue Service and the Company is obliged to inform the Guernsey Revenue Service of any changes which would mean it is no longer eligible for non-resident tax status. As the Company has non-tax resident status it will not be subject to tax in Guernsey on any of its income.

Guernsey currently does not levy taxes upon capital, inheritances, capital gains, gifts, sales or turnover. No stamp duty or similar is chargeable in Guernsey on the issue, transfer or redemption of shares in the Company.

2 Shareholders

Provided that the Company maintains its non-resident tax status in Guernsey, then payments of dividends to Shareholders will not be subject to the deduction of Guernsey income tax by the Company. A Shareholder who is resident in Guernsey (which includes Alderney and Herm) for Guernsey tax purposes, or who is not so resident but carries on business in Guernsey through a permanent establishment to which the holding of Shares is attributable, will incur Guernsey income tax at the applicable rate on dividends paid to that Shareholder by the Company.

As already referred to above, Guernsey currently does not levy taxes upon capital, inheritances, capital gains, gifts, sales or turnover, nor are there any estate duties (save for registration fees and ad valorem duty for a Guernsey Grant of Representation where the deceased dies leaving assets in Guernsey which require presentation of such a Grant).

No stamp duty or similar tax is chargeable in Guernsey on the issue, transfer or redemption of shares in the Company.

3 FATCA - the US-Guernsey IGA

On 13 December 2013 the Chief Minister of Guernsey signed an intergovernmental agreement with the United States ("**US-Guernsey IGA**") regarding the implementation of FATCA. Under FATCA and legislation enacted in Guernsey to implement the US-Guernsey IGA, certain disclosure requirements will be imposed in respect of certain Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents or citizens of the United States, unless a relevant exemption applies. Certain due diligence obligations will also be imposed. Where applicable, information that will need to be disclosed will include certain information about Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Company. As the Company is tax resident in the UK and it does not conduct business through a permanent establishment in Guernsey, the Company is not an FFI for the purposes of the US-Guernsey IGA.

4 Common Reporting Standard

On 13 February 2014, the Organisation for Economic Co-operation and Development released the "Common Reporting Standard" ("**CRS**") designed to create a global standard for the automatic exchange of financial account information, similar to the information to be reported under FATCA. On 29 October 2014, fifty-one jurisdictions signed the multilateral competent authority agreement ("**Multilateral Agreement**") that activates this automatic exchange of FATCA-like information in line with the CRS. Since then further jurisdictions have signed the Multilateral Agreement and in total approximately 115 jurisdictions have committed to adopting the CRS. Many of these jurisdictions have now adopted the CRS. Guernsey adopted the CRS with effect from 1 January 2016. As the Company is tax resident in the UK, it is not treated as a "financial institution" in Guernsey for the purposes of the CRS.

All prospective investors should consult with their own tax advisers regarding the possible implications of FATCA, the CRS and any other similar legislation and/or regulations on their investment in the Company.

5 Request for Information

The Company has the right under the Articles to request from any Shareholder or potential investor such information as the Company deems necessary to comply with FATCA and the CRS, or any obligation arising under the implementation of any intergovernmental agreement, treaty or other agreement entered into in order to comply with, facilitate, supplement or implement any legislation, regulations or guidance that seeks to implement a similar tax reporting or withholding regime, including the US-Guernsey IGA and the Multilateral Agreement.

PART 15
ADDITIONAL INFORMATION

1 Responsibility

1.1 Each of the Company and the Directors, whose names are set out under the heading "Directors, Registered Office, Secretary and Advisers" in PART 4 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of each of the Company and the Directors, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

1.2 Each of the Placee and its directors accept responsibility for the information contained in this document concerning the Placee and its directors. To the best of the knowledge of each of the Placee and its directors, the information contained in this document concerning the Placee and its directors is in accordance with the facts and this document makes no omission likely to affect its import.

1.3 The Valuer accepts responsibility for the information contained in the Valuation Report and confirms that, to the best of its knowledge, the Valuation Report is in accordance with the facts and the Valuation Report makes no omissions likely to affect its import.

2 Incorporation and general

2.1 The Company was incorporated in Guernsey on 22 June 2015 under the name of Regional Commercial REIT Limited, and changed its name to UK Regional REIT Limited on 24 July 2015 and to Regional REIT Limited on 17 September 2015, with registered number 60527 and legal entity identifier 549300D8G4NKLRIKBX73 as a non-cellular company limited by shares under the Companies Law.

2.2 On 6 November 2015 the then entire issued share capital of the Company was admitted to trading on the London Stock Exchange's main market for listed securities on 2015 Admission.

2.3 The principal legislation under which the Company operates is the Companies Law and the regulations made thereunder. The Ordinary Shares have been and will be duly authorised according to the requirements of the Company's constitution and have and will have all necessary statutory and other consents. The liability of the members is limited.

2.4 The Company's registered office is at Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey, GY2 4LH (telephone number: +44 (0) 871 664 0300) and its principal place of business is at 10 Cork Street, London, United Kingdom, W1S 3LW (telephone number+44 (0) 203 831 9776).

2.5 The Company commenced operations on 6 November 2015 and has produced the financial information which is incorporated by reference into this document.

2.6 The Company is tax resident and domiciled in the United Kingdom and, as at the date of this document, does not have any employees and does not own any premises.

2.7 The auditors of the Company, from the date of its incorporation to the date of this document, have been RSM UK Audit LLP as auditors of the Company. RSM UK Audit LLP is regulated for audit services by the Institute of Chartered Accountants in Scotland.

2.8 The accounting date of the Company is 31 December. The annual report of the Company relating to each accounting period is expected to be available within four months of the accounting date of the Company. The first financial year of the Company ended on 31 December 2015.

3 Share and loan capital

3.1 The share capital of the Company consists of an unlimited number of shares of no par value which the Directors may classify into such classes as they may determine.

3.2 The Company was incorporated with one Ordinary Share issued fully paid at a price of £1.00 which was issued to the sole subscriber to the memorandum of incorporation of the Company. On 16 October 2015 the Company issued a further three Ordinary Shares.

3.3 The Company's issued and fully paid share capital as at the date of this document is as follows:

Class	*Number of issued shares*
Ordinary Shares	515,736,583

3.4 Save as disclosed in this document:

3.4.1 no share or loan capital of the Company has, since its incorporation, been issued or agreed to be issued, or is now proposed to be issued (other than pursuant to the issue of the New Ordinary Shares), fully or partly paid, either for cash or for a consideration other than cash, to any person;

3.4.2 there has been no change in the amount of the issued share or loan capital of the Company since its incorporation;

3.4.3 no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital of any such company; and

3.4.4 no share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

3.5 The Company will be subject to the continuing obligations of the FCA with regard to the issue of shares for cash.

4 Subsidiary undertakings

4.1 As at the Latest Practicable Date the Company has the following subsidiary undertakings that are significant in terms of the Company's assets and liabilities, financial position or profits and losses:

Name	*Business Activity*	*Ownership interest Percentage of share capital and voting rights held (%)*	*Country of Incorporation*
Regional Commercial MIDCO Ltd	Finance Company & Intermediate Parent Company	100	Jersey, Channel Islands
RR Aspect Court Ltd	Property Investment	100	Jersey, Channel Islands
RR Bennett House Ltd	Property Investment	100	Jersey, Channel Islands
RR Bishopgate Street Ltd	Property Investment	100	Jersey, Channel Islands
RR Brand Street Ltd	Property Investment	100	Jersey, Channel Islands
RR Bristol Ltd	Property Investment	100	Jersey, Channel Islands

Name	*Business Activity*	*Ownership interest Percentage of share capital and voting rights held (%)*	*Country of Incorporation*
RR Chancellor Court Ltd	Property Investment	100	Jersey, Channel Islands
RR Crompton Way Ltd	Property Investment	100	Jersey, Channel Islands
RR Falcon Ltd	Property Investment	100	Jersey, Channel Islands
RR Glasgow Ltd	Finance Company & Intermediate Parent Company	100	Jersey, Channel Islands
RR Harvest Ltd	Property Investment	100	Jersey, Channel Islands
RR Hounds Gate Ltd	Property Investment	100	Jersey, Channel Islands
RR Milburn House Ltd	Property Investment	100	Jersey, Channel Islands
RR Minton Place Ltd	Property Investment	100	Jersey, Channel Islands
RR Newstead Court Ltd	Property Investment	100	Jersey, Channel Islands
RR Portland Street Ltd	Property Investment	100	Jersey, Channel Islands
RR Rainbow (Aylesbury) Ltd	Property Investment	100	Jersey, Channel Islands
RR Rainbow (North) Ltd	Property Investment	100	Jersey, Channel Islands
RR Rainbow (South) Ltd	Property Investment	100	Jersey, Channel Islands
RR Range Ltd	Finance Company & Intermediate Parent Company	100	Jersey, Channel Islands
RR Sea Dundee Ltd	Property Investment	100	United Kingdom
RR Sea Hanover Street Ltd	Property Investment	100	United Kingdom
RR Sea Lamont I Ltd	Property Investment	100	Jersey, Channel Islands
RR Sea Lamont II Ltd	Property Investment	100	Jersey, Channel Islands
RR Sea Lamont III Ltd	Property Investment	100	Jersey, Channel Islands
RR Sea St. Helens Ltd	Property Investment	100	United Kingdom
RR Sea Stafford Ltd	Property Investment	100	United Kingdom
RR Sea Strand Ltd	Property Investment	100	United Kingdom
RR Sea TAPP Ltd	Property Investment	100	Guernsey, Channel Islands
RR Sea TOPP Bletchley Ltd	Property Investment	100	Guernsey, Channel Islands
RR Sea TOPP I Ltd	Property Investment	100	Guernsey, Channel Islands
RR Sheldon Court Ltd	Property Investment	100	Jersey, Channel Islands
RR Star Ltd	Property Investment	100	Jersey, Channel Islands
RR St Georges House Ltd	Property Investment	100	Jersey, Channel Islands
RR St James Court Ltd	Property Investment	100	Jersey, Channel Islands
RR Strathclyde BP Ltd	Property Investment	100	Jersey, Channel Islands
RR UK (Central) Ltd	Property Investment	100	Jersey, Channel Islands
RR UK (Cheshunt) Ltd	Property Investment	100	Jersey, Channel Islands
RR UK (Port Solent) Ltd	Property Investment	100	Jersey, Channel Islands
RR UK (South) Ltd	Property Investment	100	Jersey, Channel Islands
RR Wallington Ltd	Property Investment	100	Jersey, Channel Islands
RR Westminster House Ltd	Property Investment	100	Jersey, Channel Islands

Name	*Business Activity*	*Ownership interest Percentage of share capital and voting rights held (%)*	*Country of Incorporation*
RR Wing Portfolio Ltd	Property Investment	100	Jersey, Channel Islands
Tay Properties Ltd	Property Investment	100	Jersey, Channel Islands
TCP Arbos Ltd	Property Investment	100	Jersey, Channel Islands
TCP Channel Ltd	Property Investment	100	Jersey, Channel Islands
RR Glasgow II Ltd	Finance Company & Intermediate Parent Company	100	Jersey, Channel Islands
Beaufort Office Park Management Company Limited	Property Investment	50	United Kingdom
Glasgow Airport Business Park Management Company Limited	Property Investment	50	United Kingdom
Quay West Estate Company Limited	Property Investment	75	United Kingdom
Credential (Wardpark North) Ltd	Property Investment	100	United Kingdom
Credential Estates Ltd	Property Investment	100	United Kingdom
Rocket Unit Trust	Property Investment	100	Jersey, Channel Islands
Squeeze Newco 2 Ltd	Property Investment	100	United Kingdom
View Castle Ltd	Intermediate Parent Company	100	United Kingdom
View Castle (Milton Keynes) Ltd	Property Investment	100	United Kingdom
View Castle (Properties) Ltd	Property Investment	100	United Kingdom

5 Mandatory bids

5.1 The Takeover Code applies to the Company. The Takeover Code is issued and administered by the Panel on Takeovers and Mergers.

5.2 Under Rule 9 of the Takeover Code, (i) where a person acquires an interest in shares which (taken together with the shares in which he and persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of the Company or (ii) where a person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of the Company, but does not hold shares carrying more than 50 per cent. of the voting rights of the Company, and such person, or any persons acting in concert with him, acquires an interest in any other shares which increases the percentage of the shares carrying voting rights in the Company in which he is interested, then in either case that person, together with the persons acting in concert with him, is normally required (except with the consent of the Takeover Panel) to extend offers in cash, at the highest price paid by him (or any persons acting in concert with him) for shares in the Company within the preceding 12 months, to the holders of any class of equity share capital of the Company, whether voting or not, and also to the holders of any other transferable securities carrying voting rights.

6 Squeeze-out and sell-out rules

6.1 Ordinary Shares may be subject to compulsory acquisition in the event of a takeover offer which satisfies the requirements of Part XVIII of the Companies Law, or in the event of a scheme of arrangement under Part VIII of the Companies Law.

6.2 In order for a takeover offer to satisfy the requirements of Part XVIII of the Companies Law, the prospective purchaser must prepare a scheme or contract (in this paragraph, the "**Offer**") relating to the acquisition of the Ordinary Shares and make the Offer to some or all of the Shareholders. If, within a period of four months following the making of the Offer, the Offer has been approved or accepted by Shareholders holding not less than 90 per cent. in value of the Ordinary Shares affected by the Offer, the purchaser may, within a period of two months immediately after the threshold is reached, give notice (in this paragraph, a "**Notice to Acquire**") to any Shareholder to whom the Offer was made but who has not accepted the Offer (in this paragraph, the "**Dissenting Shareholders**") explaining the purchaser's intention to acquire their Ordinary Shares on the same terms and, where the terms of the Offer provided a choice of consideration giving particulars of the period and manner in which the Dissenting Shareholders must notify the purchaser of their choice and which consideration will apply, in default of notification. The Dissenting Shareholders have a period of one month from the Notice to Acquire in which to apply to the Court for the cancellation of the Notice to Acquire. Unless, prior to the end of that one month period the Court has cancelled the Notice to Acquire or granted an order preventing the purchaser from enforcing the Notice to Acquire, the purchaser may acquire the Ordinary Shares belonging to the Dissenting Shareholders by paying the consideration chosen by the relevant Dissenting Shareholders, which it will hold on trust for the Dissenting Shareholders.

6.3 A scheme of arrangement is a proposal made to the Court by the Company in order to effect an "**arrangement**" or reconstruction, which may include a corporate takeover in which the Ordinary Shares are acquired in consideration for cash or shares in another company. A scheme of arrangement is subject to the approval of a majority in number representing at least 75 per cent. (in value) of the members (or any class of them) present and voting in person or by proxy at a meeting convened by the Court and subject to the approval of the Court. If approved, the scheme of arrangement is binding on all Shareholders.

6.4 In addition, the Companies Law permits the Company to effect an amalgamation, in which the Company amalgamates with another company to form one combined entity. The Ordinary Shares would then be shares in the capital of the combined entity.

7 Summary of the Memorandum and the Articles of Incorporation of the Company

A summary of certain provisions of the Articles is set out below and a copy is available for inspection at the address specified in paragraph 2.4 of this PART 15.

7.1 *Objects*

The memorandum of incorporation of the Company provides that the objects and purposes of the Company are unrestricted.

7.2 *Limited liability*

The liability of the Company's members is limited to any unpaid amount on the shares in the Company held by them.

7.3 *Rights attaching to Ordinary Shares*

7.3.1 *As to voting*

Subject to the rights of any Ordinary Shares which may be issued with special rights or privileges, holders of Ordinary Shares shall have the right to receive notice of and to attend and vote at general meetings of the Company.

Each Shareholder being present in person or by proxy or by a duly authorised representative (if a corporation) at a meeting shall upon a show of hands have one vote and upon a poll each such holder present in person or by proxy or by

a duly authorised representative (if a corporation) shall, in the case of a separate class meeting, have one vote in respect of each share held by him and, in the case of a general meeting of all Shareholders, have one vote in respect of each Ordinary Share held by him.

7.3.2 *As to return of capital*

As to a winding-up of the Company or other return of capital (other than by way of a repurchase of Ordinary Shares in accordance with the provisions of the Articles and the Companies Law), the surplus assets of the Company attributable to the Ordinary Shares remaining after payment of all creditors shall be divided amongst the holders of Ordinary Shares pari passu among the holders of Ordinary Shares in proportion to the number of Ordinary Shares held by them.

The manner in which distributions of capital proceeds realised from investments (net of fees and expenses) and attributable to the Ordinary Shares ("**Capital Proceeds**") shall be effected shall, subject to compliance with the Companies Law, be determined by the Directors in their absolute discretion and, once determined, shall be notified to Shareholders by way of an RIS announcement.

Without restricting the discretion of the Directors described above, the Directors may effect distributions of Capital Proceeds by (i) compulsorily redeeming a proportion of each Shareholder's holding of Ordinary Shares and paying the redemption proceeds to Shareholders on such terms and in such manner as the Directors may determine; or (ii) in such other manner as may be lawful.

7.3.3 *As to dividends and distributions*

Subject to the rights of any Ordinary Shares which may be issued with special rights or privileges, the Ordinary Shares carry the right to receive all income of the Company attributable to the Ordinary Shares, and to participate in any distribution of such income made by the Company, such income shall be divided pari passu among the holders of Ordinary Shares in proportion to the number of Ordinary Shares held by them.

The Directors may from time to time authorise dividends and distributions to be paid to Shareholders in accordance with the procedure set out in the Companies Law and subject to any Shareholder's rights attaching to their shares.

All unclaimed dividends and distributions may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. All dividends unclaimed on the earlier of (i) a period of six years after the date when it first became due for payment and (ii) the date on which the Company is wound-up, shall be forfeited and shall revert to the Company without the necessity for any declaration or other action on the part of the Company.

7.4 ***Scrip Dividends***

7.4.1 The Directors may, if authorised by an Ordinary Resolution, offer any holders of any particular class of shares (excluding treasury shares) the right to elect to receive further shares (whether or not of that class), credited as fully paid, instead of cash in respect of all or part of any dividend. The value of the further shares will be calculated by reference to the average of the middle market quotations for a share listed on the London Stock Exchange, for the day on which such shares are first quoted "ex" the relevant dividend and the four subsequent dealing days or in such other manner as the Directors may decide.

7.4.2 The Directors will give notice to the Shareholders of their rights of election in respect of the scrip dividend and will specify the procedure to be followed in order to make an election.

7.4.3 The further shares so allotted and issued will rank pari passu in all respects with the fully paid shares of the same class then in issue except as regards participation in the relevant dividend.

7.4.4 The Board may from time to time establish or vary a procedure for election mandates, under which a holder of shares may, in respect of any future dividends for which a right of election is offered, elect to receive shares in lieu of such dividend on the terms of such mandate.

7.5 ***Variation of share rights***

Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class of shares may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated:

- with the consent in writing of the holders of more than 75 per cent. in number of the issued shares of that class; or

- with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of that class.

The necessary quorum at any separate class meeting shall be two persons present holding or representing by proxy at least one-third of the voting rights of the issued shares of that class (provided that if any such meeting is adjourned for lack of a quorum, the quorum at the reconvened meeting shall be one person present holding shares of that class or his proxy) provided always that where the class has only one member, that member shall constitute the necessary quorum and any holder of shares of the class in question may demand a poll.

The special rights conferred upon the holders of any shares or class of shares issued with preferred, deferred or other rights shall (unless otherwise expressly provided by the conditions of issue of such shares) be deemed not to be varied by (a) the creation or issue of further shares ranking *pari passu* therewith or (b) the purchase or redemption by the Company of any of its shares (or the holding of such shares as treasury shares).

7.6 ***Pre-emption rights***

There are no provisions of Guernsey law which confer rights of pre-emption in respect of the allotment and issuance of the Ordinary Shares. However, the Articles provide that the Company is not permitted to allot and issue (for cash) equity securities (being Ordinary Shares or rights to subscribe for, or convert securities into, Ordinary Shares) or sell (for cash) any Ordinary Shares held in treasury, unless it shall first have offered to allot and issue to each existing holder of Ordinary Shares on the same or more favourable terms a proportion of those Ordinary Shares the aggregate value of which (at the proposed issue price) is as nearly as practicable equal to the proportion of the total Net Tangible Assets of the Company represented by the Ordinary Shares held by such Shareholder. These pre-emption rights may be excluded and disapplied or modified by extraordinary resolution of the Shareholders.

7.7 ***Transfer of shares***

Subject to the Articles and the restrictions contained therein, as well as applicable foreign securities laws, a Shareholder may transfer all or any of his Ordinary Shares in any manner which is permitted by the Companies Law or in any other manner which is from time to time approved by the Board.

A transfer of a certificated share shall be in the usual common form or in any other form approved by the Board. An instrument of transfer of a certificated share shall be signed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.

The Articles provide that the Board has power to implement such arrangements as it may, in its absolute discretion, think fit in order for the Ordinary Shares to be admitted to settlement by means of an uncertificated system. If the Board implements any such arrangements, provision of the Articles will apply or have effect to the extent that it is in any respect inconsistent with:

- the holding of shares of the relevant class in uncertificated form;
- the transfer of title to shares of the relevant class by means of an uncertificated system; or
- the Regulations or the RCIS Rules.

Where the Ordinary Shares are, for the time being, admitted to settlement by means of an uncertificated system such securities may be issued in uncertificated form in accordance with and subject to the Regulations and the RCIS Rules. Unless the Board otherwise determines, shares held by the same holder or joint holders in certificated form and uncertificated form will be treated as separate holdings. Ordinary Shares may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject to the Regulations and the RCIS Rules. Title to such of the shares as are recorded on the register as being held in uncertificated form may be transferred only by means of an uncertificated system and as provided in the Regulations and RCIS Rules.

The Board may, in its absolute discretion and without giving a reason, refuse to register a transfer of any share (to the extent permitted by the Regulations and RCIS Rules) in certificated or uncertificated form subject to the Articles which is not fully paid or on which the Company has a lien or (provided that this would not prevent dealings in the shares from taking place on an open and proper basis on the London Stock Exchange: (a) if it is in respect of more than one class of shares; (b) if it is in favour of more than four joint transferees; (c) if applicable, if it is delivered for registration to the registered office of the Company or such other place as the Board may decide, not accompanied by the certificate for the shares to which it relates and such other evidence of title as the Board may reasonably require; (d) the transfer is in favour of any Non-Qualified Holder; or (e) in the transfer would make the Company a close company.

If any shares are owned directly, indirectly or beneficially by a person believed by the Board to be a Non-Qualified Holder, the Board may give notice to such person requiring him either: (i) to provide the Board within 30 days of receipt of such notice with sufficient satisfactory documentary evidence to satisfy the Board that such person is not a Non-Qualified Holder, or (ii) to sell or transfer his Ordinary Shares to a person who is not a Non-Qualified Holder within 30 days and within such 30 days to provide the Board with satisfactory evidence of such sale or transfer and pending such sale or transfer, the Board may suspend the exercise of any voting or consent rights and rights to receive notice of or attend any meeting of the Company and any rights to receive dividends or other distributions with respect to such shares. Where condition (i) or (ii) is not satisfied within 30 days after the serving of the notice, the person will be deemed, upon the expiration of such 30 days, to have forfeited his shares. If the Board in its absolute discretion so determines, the Company may dispose of the shares at the best price reasonably obtainable and pay the net proceeds of such disposal to the former holder.

The Board of Directors may decline to register a transfer of an uncertificated share which is traded through the CREST system in accordance with the CREST Regulations where, in the case of a transfer to joint holders, the number of joint holders to whom uncertificated shares is to be transferred exceeds four.

7.8 ***Disclosure of interests in shares***

The Directors shall have power by notice in writing (a "**Disclosure Notice**") to require a Shareholder to disclose to the Company the identity of any person other than the Shareholder (an "**interested party**") who has any interest (whether direct or indirect) in the Ordinary Shares held by the Shareholder and the nature of such interest or has been so interested at any time during the three years immediately preceding the date on which the Disclosure Notice is issued. Any such Disclosure Notice shall require any information in response to such Disclosure Notice to be given in writing to the Company within 28 days of the date of service (or 14 days if the Ordinary Shares concerned represent 0.25 per cent. or more of the number of Ordinary Shares in issue).

If any member is in default in supplying to the Company the information required by the Company within the prescribed period (which is 28 days after service of the notice or 14 days if the Ordinary Shares concerned represent 0.25 per cent. or more in number of the issued Ordinary Shares of the relevant class), or such other reasonable period as the Directors may determine, the Directors in their absolute discretion may serve a direction notice on the member (a "**Direction Notice**"). The Direction Notice may direct that in respect of the Ordinary Shares in respect of which the default has occurred (the "**Default Shares**") and any other Ordinary Shares held by the member shall not be entitled to vote in general meetings or class meetings. Where the Default Shares represent at least 0.25 per cent. in number of the Ordinary Shares in issue, the Direction Notice may additionally direct that dividends on such Default Shares will be retained by the Company (without interest) and that no transfer of the Default Shares (other than a transfer authorised under the Articles) shall be registered until the default is rectified.

The Directors may be required to exercise their power to require disclosure of interested parties on a requisition of Shareholders holding not less than 10 per cent. of the total voting rights attaching to the Ordinary Shares in issue at the relevant time.

In addition to the rights referred to above, the Board may serve notice on any Shareholder requiring that Shareholder to promptly provide the Company with any information, representations, certificates or forms relating to such Shareholder (or its direct or indirect owners or account holders) that the Board determines from time to time are necessary or appropriate for the Company to:

- satisfy any account or payee identification, documentation or other diligence requirements and any reporting requirements imposed under: (i) FATCA and any agreement relating thereto (including, any amendments, modification, consolidation, re-enactment or replacement thereof made from time to time); (ii) the UK-Guernsey IGA; (iii) the multilateral competent authority agreement signed on 29 October 2014 by fifty-one jurisdictions (including Guernsey) which provides for the automatic exchange of FATCA-like information in line with the Common Reporting Standard issued by the Organisation for Economic Co-operation and Development; and/or the requirements of any similar laws or regulations to which the Company may be subject enacted from time to time by any other jurisdiction ("**Similar Laws**");

- avoid or reduce any tax otherwise imposed by FATCA or Similar Laws (including any withholding upon any payments to such Shareholder by the Company); or

- permit the Company to enter into, comply with, or prevent a default under or termination of, an agreement of the type described in section 1471(b) of the US Internal Revenue Code of 1986 or under Similar Laws.

If any Shareholder (a "**Defaulting Shareholder**") is in default of supplying to the Company the information referred to above within the prescribed period (which shall not be less than 28 days after the service of the notice), the Defaulting Shareholder shall be deemed to be a Non-Qualified Holder.

7.9 ***Changes in share capital***

The Company may by Ordinary Resolution:

- consolidate all or any of its shares into shares of larger amounts than its existing shares;
- subdivide all or any of its shares into shares of smaller amounts so that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived and so that the resolution whereby any share is subdivided may determine that as between the holders of the shares resulting from subdivision one or more of the shares may have such preferred, deferred or other rights over the others as the Company has power to attach to unissued or new shares;
- cancel any shares which at the date of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares so cancelled;
- redesignate or convert the whole, or any particular class, of its shares into shares of another class;
- convert all or any of its fully paid shares the nominal amount of which is expressed in a particular currency into fully paid shares of a nominal amount of a different currency, the conversion being effected at the rate of exchange (calculated to not less than 3 significant figures) current on the date of the resolution or on such other date as may be specified therein; and
- where its share capital is expressed in a particular currency or former currency, denominate or redenominate it, whether by expressing its amount in units or subdivisions of that currency or former currency or otherwise.

The Board on any consolidation of shares may deal with fractions of shares in any manner.

7.10 ***Restrictions on voting***

Unless the Board otherwise decides, no member shall be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all calls and other sums presently payable by him in respect of that share have been paid. No member of the Company shall, if the Directors so determine, be entitled in respect of any share held by him to attend or vote (either personally or by representative or by proxy) at any general meeting or separate class meeting of the Company or to exercise any other right conferred by membership in relation to any such meeting if he or any other person appearing to be interested in such shares has failed to comply with a Disclosure Notice (see paragraph 7.8 above) within 14 days, in a case where the shares in question represent at least 0.25 per cent. of their class, or within 28 days, in any other case, from the date of such Disclosure Notice. These restrictions will continue until the information required by the notice is supplied to the Company or until the shares in question are transferred or sold in circumstances specified for this purpose in the Articles.

7.11 ***Untraced Shareholders***

The Company shall be entitled to sell at the best price reasonably obtainable the shares of a Shareholder or any shares to which a person is entitled by transmission on death or bankruptcy if and provided that (i) for a period of 12 years no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the Shareholder or to the person so entitled to the share at his address in the register of members of the Company or otherwise the last known address given by the Shareholder or the person entitled by transmission to

which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the Shareholder or the person so entitled provided that in such period of 12 years, the Company has paid out at least three dividends whether interim or final; (ii) the Company has at the expiration of the said period of 12 years by advertisement in a newspaper circulating in the area in which the address referred to in (i) above is located given notice of its intention to sell such shares; (iii) the Company has not during the period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the Shareholder or person so entitled; or (iv) if any part of the share capital of the Company is quoted on any stock exchange and the rules of such stock exchange so require, the Company has given notice in writing to the quotations department of such stock exchange of its intention to sell such shares.

7.12 ***General meetings***

General meetings (which are annual general meetings) shall be held at least once in each calendar year and in any event, no more than 15 months since the last annual general meeting. All general meetings (other than annual general meetings) shall be called extraordinary general meetings. Extraordinary general meetings and annual general meetings shall be held in the United Kingdom or such other place as may be determined by the Board from time to time.

The notice must specify the date, time and place of any general meeting and the text of any proposed special and Ordinary Resolution. Any general meeting shall be called by at least ten clear days' notice. A general meeting may be deemed to have been duly called by shorter notice if it is so agreed by all the members entitled to attend and vote thereat. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive such notice shall not invalidate the proceedings at the meeting.

The Shareholders may require the Board to call an extraordinary general meeting in accordance with the Companies Law.

7.13 ***Directors***

7.13.1 *Number*

Unless otherwise determined by the Shareholders by Ordinary Resolution, the number of Directors shall not be less than two and there shall be no maximum number.

7.13.2 *Directors' shareholding qualification*

A Director need not be a Shareholder. A Director who is not a Shareholder shall nevertheless be entitled to attend and speak at Shareholders' meetings.

7.13.3 *Remuneration*

The Directors shall be entitled to receive fees for their services, such sums not to exceed in aggregate £300,000 in any financial year (or such sum as the Company in general meeting shall from time to time determine: at the Company's annual general meeting in May 2022, shareholders resolved to increase such limit to £400,000 in any financial year in aggregate). The Directors may be paid all reasonable travelling, hotel and other out of pocket expenses properly incurred by them in attending board or committee meetings or general meetings, and all reasonable expenses properly incurred by them seeking independent professional advice on any matter that concerns them in the furtherance of their duties as a Director.

The fees per annum of each Director pursuant to the NED Appointment Letters is as follows:

- Kevin McGrath - £77,000 per annum
- Daniel Taylor - £55,000 per annum
- Frances Daley - £57,500 per annum
- Massy Larizadeh – £55,000 per annum
- Stephen Inglis is not remunerated for his services as a Director.

7.13.4 *Rotation and appointment of Directors*

The Directors may be appointed by the Board (either to fill a vacancy or as an additional Director). No person other than a Director retiring at a general meeting shall, unless recommended by the Directors, be eligible for election by the Company to the office of Director unless not less than seven and not more than 42 clear days before the date appointed for the meeting there shall have been left at the Company's registered office (or, if an electronic address has been specified by the Company for such purposes, sent to the Company's electronic address) notice in writing signed by a Shareholder who is duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election together with notice in writing signed by that person of his willingness to be elected and containing a declaration that he is not ineligible to be a Director in accordance with the Companies Law.

No person shall be or become incapable of being appointed a Director, and no Director shall be required to vacate that office, by reason only of the fact that he has attained the age of 70 years or any other age.

Subject to the Articles, at each annual general meeting of the Company, all directors will retire from office and each Director may offer himself for election or re-election by the Shareholders.

A Director who retires at an annual general meeting may, if willing to continue to act, be elected or re-elected at that meeting. If he is elected or re-elected he is treated as continuing in office throughout. If he is not elected or re-elected, he shall remain in office until the end of the meeting or (if earlier) when a resolution is passed to appoint someone in his place or when a resolution to elect or re-elect the Director is put to the meeting and lost.

A Director may resign from office as a Director by giving notice in writing to that effect to the Company at its registered office, which notice shall be effective upon delivery to the registered office.

The office of a Director shall be vacated: (i) if he (not being a person holding for a fixed term an executive office subject to termination if he ceases from any cause to be a Director) resigns his office by one month's written notice signed by him sent to or deposited at the Company's registered office; (ii) if he dies; (iii) if he shall have absented himself (such absence not being absence with leave or by arrangement with the Board on the affairs of the Company) from meetings of the Board for a consecutive period of 12 months and the Board resolves that his office shall be vacated; (iv) if he becomes bankrupt or makes any arrangements or composition with his creditors generally; (v) if he ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason of, an order made under the provisions of any law or enactment; (vi) if he is

requested to resign by written notice signed by a majority of his co-Directors (being not less than two in number); (vii) if the Company by Ordinary Resolution shall declare that he shall cease to be a Director; or (viii) if he becomes ineligible to be a Director in accordance with the Companies Law.

7.13.5 *Alternate Directors*

Any Director may, by notice in writing, appoint any other person (subject to the provisions in the paragraph below), who is willing to act as his alternate and may remove his alternate from that office.

Each alternate Director shall be eligible to be a Director under the Companies Law and signs a written consent to act. Every appointment or removal of an alternate Director shall be by notice in writing signed by the appointor and served upon the Company.

7.13.6 *Proceedings of the Board*

The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed shall be two. A meeting of the Board at which a quorum is present shall be competent to exercise all the powers and discretion exercisable by the Board.

The Board may elect one of their number as chairman. If no chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

Questions arising at any meeting shall be determined by a majority of votes.

The Board may delegate any of its powers to committees consisting of one or more Directors as they think fit. Any committee so formed shall be governed by any regulations that may be imposed on it by the Board and (subject to such regulations) by the provisions of the Articles that apply to meetings of the Board.

7.13.7 *Borrowing powers*

The Directors may exercise all the powers of the Company to borrow money and to give guarantees, mortgage, hypothecate, pledge or charge all or part of its undertaking, property (present or future) or assets or uncalled capital and to issue other securities whether outright, or as collateral security for any debt, liability or obligation of the Company or of any third party.

7.13.8 *Directors' interests*

Subject to and in accordance with the Companies Law, a Director must, immediately after becoming aware of the fact that he is interested in a transaction or proposed transaction with the Company, disclose to the Directors the nature and extent of that interest.

Subject to the provisions of the Companies Law, and provided that he has disclosed to the Directors the nature and extent of any interests of his, a Director notwithstanding his office:

- may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director on such terms as to the tenure of office and otherwise as the Directors may determine;

- may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

- may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, a shareholder of or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;

- shall not, by reason of his office, be accountable to the Company for any remuneration or benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit;

- may act by himself or his firm in a professional capacity for the Company, other than as auditor, and he or his firm shall be entitled to remuneration for professional services as though he were not a Director of the Company; and

- may be counted in the quorum present at any meeting in relation to any resolution in respect of which he has declared an interest (but he may not vote thereon).

7.13.9 *Suspension of the determination of the Net Tangible Assets*

The Board shall have the power to determine that the Company shall suspend the determination of the Net Tangible Assets in any circumstances in which the Board in its absolute discretion deems necessary or desirable.

7.14 ***Communication of documents and information***

A notice, document or other information may be given by the Company to any Shareholder either (i) personally; or (ii) by sending it by prepaid post addresses to such Shareholder at his registered address; or (iii) where appropriate, by sending or supplying it in electronic form to an address notified by the Shareholder for that purpose; (iv) by publishing it in La Gazette Officielle; or (v) where appropriate, by publication on a website in accordance with the Articles.

Subject to any longer periods required by the Companies Law, a notice will, unless the contrary is shown, be deemed to have been received:

- in the case of a notice sent by post to an address in the UK, Channel Islands or the Isle of Man, on the second day of posting;

- in the case of a notice sent by post elsewhere by airmail, on the third day after posting; or

- in the case of a notice sent by electronic means, immediately after it was transmitted in accordance with the Articles,

excluding, in the first two cases, any day which is a Saturday, Sunday, Good Friday, Christmas Day, a bank holiday in Guernsey or a day appointed as a day of public thanksgiving or public mourning in Guernsey. A notice given by advertisement will be published in at least one UK national newspaper and one daily newspaper circulated widely in Guernsey and will be deemed to have been served before noon on the day on which the advertisement appears. A notice given by publication in La Gazette Officielle will also be deemed to have been served before noon on the day on which the notice appears in La Gazette Officielle.

Any notice, document or other information made available on a website will be deemed to have been received on the day on which the notice, document or other information was first made available on the website or, if later, when a notice of availability is received or deemed to have been received pursuant to the Articles.

7.15 ***Indemnities***

Subject to applicable law, the Company shall indemnify any Director and any director of a subsidiary of the Company against any liability except such (if any) as they shall incur by or through their own default, breach of trust, breach of duty or negligence and may purchase and maintain for any Director or any director of a subsidiary of the Company insurance against any liability.

The Company may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers, employees or auditors of the Company or otherwise associated with the Company or in which the Company has or had any interest, whether direct or indirect, or of any predecessor in business of any of the foregoing, including (without prejudice to the generality of the foregoing) insurance against any costs, charges, expenses, losses or liabilities suffered or incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and discretion and/or otherwise in relation to or in connection with their duties, powers or offices in relation to the Company or any such other body.

7.16 ***Winding up***

If the Company shall be wound up, the liquidator may, with the sanction of an extraordinary resolution and any other sanction required by the Companies Law, divide the whole or any part of the assets of the Company among the members entitled to the same in specie and the liquidator or, where there is no liquidator, the Directors may for that purpose value any assets as he or they deem fair and determine how the division shall be carried out as between the members or different classes of members and, with the like sanction, may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he or they may determine, but no member shall be compelled to accept any assets upon which there is a liability.

Where the Company is proposed to be or is in the course of being wound up and the whole or part of its business or property is proposed to be transferred or sold to another company, the liquidator may, with the sanction of an Ordinary Resolution, receive in compensation shares, policies or other like interests for distribution or may enter into any other arrangements whereby the members may, in lieu of receiving cash, shares, policies or other like interests, participate in the profits of or receive any other benefit from the transferee.

7.17 ***Substantial Shareholders***

The Articles contain provisions relating to Substantial Shareholders. The Company is a REIT. Under Part 12 CTA 2010 a tax charge may be levied on the Company if it makes a distribution to a company beneficially entitled (directly or indirectly) to 10 per cent. or more of the Ordinary Shares or dividends of the Company or which controls (directly or indirectly) 10 per cent. or more of the voting rights of the Company. If, however, the Company has taken "reasonable steps" to prevent the possibility of such a distribution being made, then this tax charge may not arise. The Articles:

- provide the Directors with powers to identify Substantial Shareholders (including giving notice to a Shareholder requiring him to provide such information as the Directors may require to establish whether or not he is a Substantial Shareholder);

- provide the Directors with powers to prohibit the payment of dividends on Ordinary Shares that form part of a Substantial Shareholding, if certain conditions are met;

- allow dividends to be paid on Ordinary Shares that form part of a Substantial Shareholding where the Shareholder has disposed of its rights to dividends on its Ordinary Shares;

- seek to ensure that if a dividend is paid on Ordinary Shares that form part of a Substantial Shareholding and arrangements of the kind referred to above are not met, the Substantial Shareholder concerned does not become beneficially entitled to that dividend; and

- provide the Directors with powers if certain conditions are met, to require (1) a Substantial Shareholder; or (2) a Shareholder who has not complied with a notice served in accordance with the power referred to in the first bullet point above; or (3) a Shareholder who has provided materially inaccurate or misleading information in relation to the Substantial Shareholder provisions of the Articles, to dispose of such number of their shares as the Directors may specify, or to take such other steps as will cause the Directors to believe the Shareholder is no longer a Substantial Shareholder.

8 Directors

8.1 The business address of each of the Directors is set out in PART 10 of this document. The Directors are or have been directors or partners at any time in the five years immediately preceding the date of this document of the following companies and partnerships (other than the Company):

Name	*Current*	*Past*
Kevin McGrath	Cool Investments Limited Ealing Film Festival Ltd E-Cargobikes.Com Ltd M&M Portfolio Limited M&M Asset Management Limited QPR in the Community Trust Sayers Court (Ealing) Management Company Limited The Clink Cafe Charity The Clink Restaurant Company Limited The Prison Mail Service Company Ltd	H&F Giving Ltd London South Bank University The Arts Educational Schools The Old Vic Theatre Trust 2000 White Star Education Limited
Stephen Inglis	L&S REIT AM Limited London & Scottish Investments Limited London & Scottish Property Asset Management Limited London & Scottish Property Investment Management Limited London & Scottish Student Housing Limited LSI West George Street Limited (in liquidation) LSPIM Devco Limited Pacific Shelf 1864 Limited Pharoahs Distribution (U.K.) Limited Regional Property Investment Management Limited Regional Property Asset Management Limited Shawglen Limited Squeeze Newco 2 Limited View Castle Limited (formerly known as Credential Investment Holdings Limited)	Doges Holdco Limited Doges Management Limited Doges Properties Limited L&S (Straiton) Limited
Daniel Taylor	Bourne Office Space Limited Scent by Design Limited Westchester Capital Limited	European Film Partners I LLP

Name	*Current*	*Past*
		Grosvenor Park 2003 Film Partnership No.1 LLP Grosvenor Park 2004 Film Partnership No.1 LLP Grosvenor Park (Harris & Trotter) 2002 Film LLP QC Ground Limited QC Holdings Limited The Queen's Club Limited
Frances Daley	Barings Emerging EMEA Opportunities Plc (formerly Baring Emerging Europe Plc) Henderson Opportunities Trust Plc	Dr Morton's Limited Haven House Foundation James Allen's Girls School
Massy Larizadeh	13-23 Evelyn Gardens Limited New Horizons Advisory Limited Project Spirit Property LLP Theseus Property LLP Up Projects	One Trust London & Partners Limited Orbit Capital Plc Orbit Treasury Limited

8.2 At the date of this document none of the Directors has:

- any convictions in relation to fraudulent offences for the previous five years;
- been declared bankrupt or been subject to any individual voluntary arrangement or been associated with any bankruptcy, receivership or liquidation in his capacity as a director or senior manager for the previous five years;
- been a director or senior manager, within the previous five years, of any company which has been subject to a receivership or liquidation;
- been a partner or senior manager, within the previous five years, in any partnership which has been subject to a liquidation; and/or
- been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including any designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company for the previous five years.

8.3 No Director has any potential conflicts of interest between their duties to the Company and their private interests and/or their duties to third parties.

8.4 With the exception of the Asset Management Agreement and Investment Management Agreement (details of which are set out in paragraphs 11.3 and 11.4 of this PART 15) the Company has not entered into any related party transactions at any time since its incorporation on 22 June 2015.

8.5 The table below sets out the voting rights (within the meaning of the Disclosure Guidance and Transparency Rules) held, directly or indirectly, by any of the Directors in respect of the share capital of the Company at the Latest Practicable Date:

Director	*Number of Ordinary Shares*	*% of voting share capital*
Kevin McGrath*	505,072	0.10
Stephen Inglis**	2,514,365	0.49
Daniel Taylor***	717,541	0.14

Frances Daley	147,257	0.03
Massy Larizadeh	47,700	0.01

* Held by the McGrath Family
** Held by the Inglis Family and Inglis trust
*** Held by the Taylor Family

8.6 Save as set out in paragraph 8.5 of this PART 15, no Director holds, at the Latest Practicable Date directly or indirectly, any voting rights in respect of the Company or any of its subsidiaries.

8.7 So far as the Company is aware by virtue of notifications to it pursuant to the Disclosure Guidance and Transparency Rules as at the Latest Practicable Date the following persons hold directly or indirectly, voting rights in respect of five per cent or more of the Company's issued share capital:

Shareholder	*Number of Ordinary Shares*	*Percentage of total share capital (%)*
OMP-SSS	35,525,698	6.89

8.8 Save as set out in paragraph 8.7 of this PART 15, the Company is not aware of any person who, at the Latest Practicable Date holds voting rights, directly or indirectly, in respect of five per cent. or more of the issued share capital of the Company.

8.9 The Company is not aware of any person who, at the Latest Practicable Date, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

8.10 None of the Shareholders referred to in paragraphs 8.5 and 8.7 of this PART 15 has different voting rights from any other holder of Ordinary Shares.

8.11 No Director has or has had any interest in any transactions which are or were unusual in their nature or conditions, or significant to the business of the Group, and which:

- were effected by the Company during the current or immediately preceding financial year; or
- were effected by the Company during an earlier financial year and remain in any respect outstanding or unperformed.

9 NED Appointment Letters

9.1 The Non-executive Directors (other than Frances Daley and Massy Larizadeh) were appointed on 3 November 2015. Frances Daley was appointed on 1 February 2018 and Massy Larizadeh on 1 June 2022. The Non-executive Directors each entered into the NED Appointment Letters (Stephen Inglis on 22 June 2015, Kevin McGrath on 16 October 2015, Frances Daley on 1 February 2018 and Massy Larizadeh on 25 May 2022).

9.2 There are no agreements with Directors which provide for benefits upon termination of their engagement.

9.3 There are no existing or proposed service agreements between any of the Directors and any member of the Group.

10 Pension and retirement benefits

Neither the Company nor the Group has accrued or set aside any amounts to provide pension, retirement or similar benefits.

11 Material contracts

Below is a summary of (i) each material contract (other than a contract entered into in the ordinary course of business) to which the Company or any member of the Group is a party which has been entered into within the two years immediately preceding the date of this document; and (ii) any other contract (other than a contract entered into in the ordinary course of business) entered into by the Company or any member of the Group which contains obligations or entitlements which are or may be material to the Group as at the date of this document.

11.1 *The Subscription Agreement*

Pursuant to the Subscription Agreement, the Placee has, subject to certain conditions, irrevocably agreed to subscribe for all of the Placing Shares at the Issue Price (subject to clawback to satisfy valid applications made by Qualifying Shareholders under the Open Offer and Overseas Placing Shares to be issued pursuant to the Overseas Placing).

The Subscription Agreement is conditional, among other things, upon:

- the Transaction Resolutions having been passed (without amendment) by Shareholders (excluding the Placee and any person acting in concert with the Placee in relation to the Rule 9 Waiver Resolution) at the General Meeting;

- the Company having complied with its obligations under the Subscription Agreement in all material respects to the extent that the same fall to be performed prior to Admission and there not having arisen or been noted prior to Admission any material new factor, mistake, or inaccuracy relating to the information included in the Prospectus which would or is reasonably likely to require a supplementary prospectus;

- the Sponsor Agreement having been duly executed and delivered by the parties thereto and each party to the Sponsor Agreement having fully complied with their respective obligations under the Sponsor Agreement to the extent that such obligations are to be performed before Admission, there having occurred no default or breach by any party to the Sponsor Agreement of its terms (including without limitation, any of the representations and warranties therein when made, or deemed to be repeated, pursuant thereto), the Sponsor Agreement having become wholly unconditional (save for any conditions therein relating to Admission having occurred or the Subscription Agreement having become unconditional) and no termination of the Sponsor Agreement having occurred in accordance with the terms of the Sponsor Agreement at any time immediately prior to Admission;

- the Subscription Agreement not having been terminated by the Placee in accordance with the terms of the Subscription Agreement; and

- Admission having become effective by no later than 8.00 a.m. on 19 July 2024 (or such later time and/or date as the Placee and the Company may agree, being not later than 13 August 2024); and

- the Company would not be a close company immediately following Admission.

The Company has given certain customary representations, warranties and undertakings to the Placee in relation to its business, the information in this document, its accounting information and the Capital Raising.

The Placee may terminate the Subscription Agreement in specified circumstances prior to Admission, including in the event that either of the Transaction Resolutions is not passed at the General Meeting or, in the good faith opinion of the Placee, there has been a material adverse change.

The Subscription Agreement provides for customary commission to be paid to the Placee.

Pursuant to the Subscription Agreement, for such time as the Placee Parties holds 10 per cent. or more of the Ordinary Shares, the Placee shall have the right to appoint an Appointee Director.

Each of Kevin McGrath and Dan Taylor, having each served nine years, and in full accordance with the Company's corporate governance policy and AIC guidelines, intend to resign as directors of the Company as soon as reasonably practicable following the Company's next annual general meeting after the Capital Raising, subject to replacement directors being appointed in their place.

The Company has agreed with the Placee in the Subscription Agreement that:

- it is intended that Dan Taylor be replaced by an Appointee Director (to be identified); and

- the Company shall appoint a new non-executive chair to replace Kevin McGrath as soon as reasonably practicable following the Company's next annual general meeting after the Capital Raising, subject to the prior approval of the identity of that director by the Placee (such consent not to be unreasonably withheld or delayed).

Pursuant to the Subscription Agreement, the Placee has undertaken to the Company that, conditional upon the Placee holding not less than 20 per cent. of the Ordinary Shares immediately following Admission, subject to certain customary exceptions set out in the Subscription Agreement:

- it will not effect any disposal of any Placing Shares and any shares that accrue to the Placee as a result of its holding of such Placing Shares (or any of them) (the "**Restricted Shares**") until the date falling six months after the date of Admission of such Ordinary Shares (the "**Lock-in Period**"); and

- it will not effect any disposal of Restricted Shares in the six month period following the expiry of the relevant Lock-in Period, unless such disposal is effected through the Company's corporate broker (from time to time).

If Admission does not occur by 8.00 a.m. on 19 July 2024 (or such later time and date as the Placee and the Company agree, being not later than 13 August 2024, the Subscription Agreement shall terminate and the Placee's obligation to complete the Placing shall cease at that time and the Capital Raising will not proceed.

11.2 ***The Sponsor Agreement***

On 27 June 2024, the Company, the Asset Manager, the Investment Adviser, ESR Europe Limited (as guarantor) and the Banks entered into a joint sponsor agreement (the "**Sponsor Agreement**") pursuant to which the Banks were appointed as joint sponsors, joint financial advisers and joint brokers in relation to the Capital Raising.

In consideration of the Banks' services as joint sponsors, joint financial advisers and joint brokers in relation to the Capital Raising, the Company has agreed to pay the Banks an advisory fee, payable following Admission. The Company has agreed to pay all expenses properly incurred by the Banks in connection with the Capital Raising and Admission.

The obligations of the Banks under the Sponsor Agreement are subject to customary conditions and a condition that the Company would not be a close company immediately following Admission and the Banks are entitled to terminate the Sponsor Agreement including in the event (among other things) of:

(i) any statement contained in relevant documents (including, among others, this document) is or has become untrue or incorrect in any material respect or misleading;

(ii) the Subscription Agreement is terminated in accordance with its terms;

(iii) a matter, fact, circumstance or event has arisen such that, in the opinion of the relevant Bank, a supplementary prospectus is required to be published;

(iv) in the opinion of the relevant Bank, there is a breach of any of the Warranties in the Sponsor Agreement;

(v) in the opinion of the relevant Bank, there is a breach of any of the Company's obligations under the Sponsor Agreement;

(v) in the opinion of the relevant Bank, there has been a material adverse change in relation to the Company, the Asset Manager or the Investment Adviser;

(vi) the AIFM's authorisation to market the New Ordinary Shares is revoked or suspended by the FCA; and

(vii) the occurrence of certain market disruption events.

Pursuant to the Sponsor Agreement, the Company has undertaken that, subject to certain exceptions it will not between the date of the Sponsor Agreement and 12 months from Admission without the prior written consent of the Banks enter into any agreement, commitment or arrangement or put itself in a position where it is obliged to announce that any agreement, commitment or arrangement may be or will be entered into which is or might be material in the context of the business or which could materially and adversely affect the Capital Raising.

The Company has given certain customary representations, warranties and undertakings to the Banks in relation to its business, the information in this document, its accounting information and the Capital Raising. In addition, the Company has given customary indemnities to the Banks. The warranties and indemnities given by the Company in the Sponsor Agreement are unlimited as to time and amount.

The Asset Manager and the Investment Manger have also given customary warranties to the Banks.

11.3 ***Asset Management Agreement***

Pursuant to the Asset Management Agreement, the Asset Manager provides property management services and advice to the Company, Midco and SPVs, subject to the investment objective of the Company and the Investment Policy and the overall supervision of the boards of the entity to which the particular property management services are provided. The Asset Manager and the Company are required to procure that, in respect of each Portfolio Interest which is acquired by an SPV, a Property Manager is appointed pursuant to a Property Management Agreement.

The Asset Management Agreement continued in full force and effect for an initial period of five years from 6 November 2015 (the "**Initial Period**"). As no notice was given to terminate the Asset Management Agreement on or before the expiry of the Initial Period, the Asset Management Agreement continues for recurring three-year periods ("**Subsequent Periods**"). The Company, Midco or the Asset Manager may terminate the Asset Management Agreement by giving notice no later than one year prior to the end of that Subsequent Period, in which case it shall terminate at the end of that Subsequent Period.

The Asset Management Agreement may also be terminated with immediate effect earlier in certain circumstances, including a material unremedied breach by the Asset Manager (by notice from the Company or Midco) or by the AIFM, the Company, Midco or any SPV (by notice from the Asset Manager). The Company or Midco may terminate the Asset Management Agreement with immediate effect by giving written notice to the Asset Manager in the event of the liquidation or insolvency (or analogous event) of the Asset Manager.

At any time after the first date on which EPRA NTA exceeds £750,000,000, the Board, the Asset Manager and the AIFM may decide, with the approval of an Ordinary Resolution (upon which neither the Asset Manager nor its associates may vote) that individuals providing the services under the Asset Management Agreement are to become an internal resource of the Company in lieu of the appointment of the Asset Manager under the Asset Management Agreement.

The Asset Manager shall only be liable (on an indemnity basis) to the Company, the AIFM, Midco and any SPV in respect of loss resulting from the fraud, negligence, bad faith or wilful default of or breach of the agreement by the Asset Manager. The Asset Manager and its associates and their respective officers, directors and employees shall be entitled to be indemnified by the Company, Midco and the SPVs against any liabilities, costs and expenses incurred or threatened against them, except for losses resulting from the fraud, negligence, bad faith or wilful default of or breach of the agreement by the relevant person.

The Asset Manager shall be entitled in each financial year (or part thereof) to 50 per cent. of the following fees:

- An annual management fee on a scaled rate of 1.1 per cent. of EPRA NTA, reducing to (i) 0.9 per cent. on EPRA NTA above £500,000,000 and up to or equal to £1,000,000,000; (ii) 0.7 per cent. of EPRA NTA above £1,000,000,000 and up to or equal to £1,500,000,000; and (iii) 0.5 per cent. of EPRA NTA (the "**Management Fee**"). Such fee shall be payable in cash quarterly in arrears. The Management Fee shall be calculated by reference to the most recent half-yearly calculated EPRA NTA.

- A performance fee at a rate equal to the product of (i) 15 per cent. of Shareholder Returns in excess of the Hurdle for each Performance Period and (ii) the number of Ordinary Shares in issue as at the last day of such Performance Period (the "**Performance Fee**"). A Performance Fee is only payable in respect of a performance period where the year-end EPRA NTA per Share for such Performance Period exceeds the High Water Mark.

"**Shareholder Returns**" for any financial year means the sum of (i) any increase or decrease in EPRA NTA per Share and (ii) the total dividends per Ordinary Share that are declared, in each case during such financial year (each such financial year, a "**Performance Period**"), save that the first Performance Period commenced on the date of 2015 Admission and ended on 31 December 2018.

The "**High Water Mark**" is equal to the greater of the highest year-end EPRA NTA per Share in any previous Performance Period and the Issue Price.

"**Hurdle**", in any given Performance Period, means 8 per cent. of the year-end EPRA NTA per Share in the previous Performance Period.

The Asset Management Agreement contains a provision whereby the Performance Fee can be adjusted by the Administrator upon the instruction of the Company, if necessary, to take into account the effect on it of corporate actions entailing changes to the Company's issued share capital, including, without limitation, new issues, share buy-backs, consolidations, subdivisions or bonus issues or other restructurings or reorganisations affecting the Company's issued share capital.

The Performance Fee is payable as follows:

- the first Performance Fee was calculated on 31 December 2018 and paid as to (i) 50 per cent. in cash; and (ii) 50 per cent. in Ordinary Shares; and

- the second and all subsequent Performance Fees are calculated and paid annually (having commenced on 1 January 2019) and paid as to (i) 34 per cent. in cash; and (ii) 66 per cent. in Ordinary Shares (33 per cent. of which are subject to a one year lock-in period, and 33 per cent. are subject to a two year lock-in period), provided that any such Ordinary Shares shall be issued at the prevailing price per Ordinary Share on the date of issue or, if the prevailing price per Ordinary Share is below NTA, the Ordinary Shares shall be acquired in the market on behalf of the Asset Manager.

There is no direct contractual relationship between the Shareholders and the Asset Manager. Shareholders therefore have no direct contractual rights against the Asset Manager and there are only limited circumstances in which a Shareholder may potentially bring a claim against the Asset Manager.

11.4 ***Investment Management Agreement***

Pursuant to the Investment Management Agreement, the AIFM provides such services to the Company that are required to be carried out by an AIFM under the UK AIFM Laws (subject to the investment objective of the Company, the Investment Policy and the overall supervision of the Board), including discretionary portfolio management services, risk management services and valuation services.

The Investment Adviser provides the following services to the Company, Midco and any SPV adhering to the Investment Management Agreement: (i) provision of treasury service relating to hedging, borrowings and cash management, (ii) ensuring FCA compliance; (iii) providing assistance with the oversight of the acquisition and disposal of investments in accordance with the Investment Policy; and (iv) providing assistance with engaging, on behalf of Midco and/or any SPV, external accountants, appraisers, legal advisers and other experts.

The Investment Management Agreement continued in full force and effect for an initial period of five years from 6 November 2015 (the "**Initial Period**"). As no notice was given to terminate the Investment Management Agreement on or before the expiry of the Initial Period, the Investment Management Agreement continues for recurring three-year periods ("**Subsequent Periods**"). The Company or the Investment Adviser may terminate the Investment Management Agreement by giving notice no later than one year prior to the end of that Subsequent Period, in which case it shall terminate at the end of that Subsequent Period.

If the AIFM gives notice to the other parties that it wishes to cease to provide services under the Investment Management Agreement, the parties shall work together in good faith with a view to the appointment of a replacement AIFM to provide such services.

The Investment Management Agreement shall terminate with immediate effect in certain circumstances, including (among other circumstances) the AIFM ceasing for any reason to be authorised under FSMA to carry out the regulated activity of managing an AIF or becomes legally prohibited from performing its duties as AIFM of the Company or is otherwise required by any relevant authority to cease performing services or committing a material breach of its obligations either (i) not capable of being remedied (after the Company has served notice to terminate) or (ii) which is capable of being remedied and failing to remedy the same within 30 days after service of notice by the Company requesting the same to be remedied.

At any time after the first date on which EPRA NTA exceeds £750,000,000, the Board and the Investment Adviser may decide, with the approval of an Ordinary Resolution (upon which neither the Investment Adviser nor its associates may vote) that individuals providing the

services under the Investment Management Agreement are to become an internal resource of the Company in lieu of the appointment of the Investment Managers under the Investment Management Agreement.

Neither the Investment Adviser or the AIFM or any of their respective associates or their associates' members, managers, directors, officers, partners, controlling persons, shareholders, employees or agents (the "**Indemnified Parties**") will be liable for any losses save in respect of the relevant Indemnified Party's fraud, gross negligence or wilful misconduct. The Company, Midco and the SPVs shall indemnify the Indemnified Parties in respect of any liability they incur in connection with the services provided under the Investment Management Agreement, except in respect of the relevant Indemnified Party's fraud, gross negligence or wilful misconduct.

The Investment Adviser shall be entitled in each financial year (or part thereof) to 50 per cent. of the following fees:

- An annual management fee on a scaled rate of 1.1 per cent. of EPRA NTA, reducing to (i) 0.9 per cent. on EPRA NTA above £500,000,000 and up to or equal to £1,000,000,000; (ii) 0.7 per cent. of EPRA NTA above £1,000,000,000 and up to or equal to £1,500,000,000; and (iii) 0.5 per cent. of EPRA NTA (the "**Management Fee**"). Such fee shall be payable in cash quarterly in arrears. The Management Fee shall be calculated by reference to the most recent half-yearly calculated EPRA NTA.

- A performance fee at a rate equal to the product of (i) 15 per cent. of Shareholder Returns in excess of the Hurdle for each Performance Period and (ii) the number of Ordinary Shares in issue as at the last day of such Performance Period (the "**Performance Fee**"). A Performance Fee is only payable in respect of a Performance Period where the year-end EPRA NTA per Share for such Performance Period exceeds the High Water Mark.

"**Shareholder Returns**" for any financial year means the sum of (i) any increase or decrease in EPRA NTA per Share and (ii) the total dividends per Ordinary Share that are declared, in each case during such financial year (each such financial year, a "**Performance Period**"), save that the first Performance Period commenced on the date of 2015 Admission and ended on 31 December 2018.

The "**High Water Mark**" is equal to the greater of the highest year-end EPRA NTA per Share in any previous Performance Period and the issue price.

"**Hurdle**", in any given Performance Period, means 8 per cent. of the year-end EPRA NTA per Share in the previous Performance Period.

The Investment Management Agreement contains a provision whereby the Performance Fee can be adjusted by the Administrator upon the instruction of the Company, if necessary, to take into account the effect on it of corporate actions entailing changes to the Company's issued share capital, including, without limitation, new issues, share buy-backs, consolidations, sub-divisions or bonus issues or other restructurings or reorganisations affecting the Company's issued share capital.

The Performance Fee is payable as follows:

- the first Performance Fee was calculated on 31 December 2018 and paid as to (i) 50 per cent. in cash; and (ii) 50 per cent. in Ordinary Shares; and

- the second and all subsequent Performance Fees are calculated and paid annually (having commenced on 1 January 2019) and paid as to (i) 34 per cent. in cash; and (ii) 66 per cent. in Ordinary Shares (33 per cent. of which are subject to a one year lock-in period, and 33 per cent. are subject to a two year lock-in period), provided that any such Ordinary Shares shall be issued at the prevailing price per Ordinary Share on the date

of issue or, if the prevailing price per Ordinary Share is below NTA, the Ordinary Shares shall be acquired in the market on behalf of the Investment Adviser

Without prejudice to any arrangement between the Investment Managers, the AIFM is not entitled to any fees from the Company, Midco and each SPV in respect of the services it provides under the Investment Management Agreement.

There is no direct contractual relationship between the Shareholders and the Investment Managers. Shareholders therefore have no direct contractual rights against the Investment Managers and there are only limited circumstances in which a Shareholder may potentially bring a claim against an Investment Manager.

11.5 ***Deed of novation in relation to the Investment Management Agreement***

Pursuant to the Investment Management Agreement Deed of Novation (subject to certain customary exclusions) all of Toscafund Asset Management LLP's then present and future rights, duties and obligations under the Investment Management Agreement in its capacity as investment adviser (but not for the avoidance of doubt as AIFM) thereunder were novated to the Investment Adviser.

In addition, subject to certain conditions having been satisfied (including all third party consents having been obtained), the Investment Adviser may by notice to each party to the Asset Management Agreement and the Investment Management Agreement require that Toscafund Asset Management LLP be replaced as a party to the Asset Management Agreement and the Investment Management Agreement by the Replacement AIF with effect from the date specified in the notice (the "**AIFM Replacement Date**"). The "**Replacement AIFM**" means either (i) ARA European Investment Management Limited or (ii) such other person approved in writing by the Company (such approval not to be unreasonably withheld or delayed) but in each case only where they: (a) are an affiliate of the Investment Adviser; (b) are UK incorporated and tax resident; and (b) hold a permission under Part 4A of FSMA and the AIFM Regulation to undertake the regulated activity of managing an alternative investment fund.

Subject to certain conditions being satisfied (including all third party consents having been obtained) on and with effect from the AIFM Replacement Date, (subject to certain customary exclusions) all of Toscafund Asset's Management LLP's then present and future rights duties and obligations under the Investment Management Agreement and the Asset Management Agreement will be novated to the Replacement AIFM.

11.6 ***Property Management Agreements***

In respect of each Portfolio Interest, the Asset Manager has procured and shall, with the Company, in future procure that London & Scottish Property Asset Management Limited, or such other suitably qualified property manager as the Asset Manager may determine, is appointed to act as property manager (the "**Property Manager**"). Any future appointment shall be effected under a Property Management Agreement, the form of which has been agreed pursuant to the Asset Management Agreement (which form is substantially the same as all Property Management Agreements entered into prior to the date of the Asset Management Agreement). The counterparty to each Property Management Agreement is, and shall be, an SPV.

Under the Property Management Agreement, the Property Manager has duties in relation to the collection of income, settlement of outgoings, maintenance of accounts, inspections, property and maintenance contracts, rent reviews, lease renewals, break options and re-lettings, repairs, employment of staff, marketing and promotion.

The Property Manager is entitled to a fee equal to 4 per cent. per annum of the gross rental yield from the Portfolio Interest for each quarter. "**Gross rental yield**" shall mean for this

purpose the rents due under the Portfolio Interest's lease for the peaceful enjoyment of the Portfolio Interest, including any value paid in respect of rental renunciations but excluding any sums paid in connection with service charges or insurance costs.

Except in cases arising out of the negligent or wrongful acts or default of the Property Manager or any person, firm or company employed by the Property Manager, the SPV will indemnify the Property Manager against claims arising in connection with the Portfolio Interest. The SPV will also indemnify the Property Manager in respect of certain claims made by employees engaged pursuant to the Property Management Agreement including certain claims arising in connection with the termination of the appointment of the Property Manager or following the disposal of a Portfolio Interest. The Property Manager shall not be liable to the SPV for any loss incurred in relation to injury to persons or property arising out of the condition of a Portfolio Interest unless such condition has been previously advised and not acted upon or unless arising from the failure of the Property Manager to perform its duties.

11.7 ***Administration Agreement***

The Company and the Administrator entered into the Administration Agreement on 23 October 2015 pursuant to which the Administrator was appointed as administrator of the Company. Under the terms of the Administration Agreement, the Administrator is responsible for certain of the Company's general administrative functions such as maintaining Company's records and statutory registers, and acting as the Company's designated Administrator.

An annual fee of £46,764.43 is payable by the Company to the Administrator. A sub-Administrator fee of £122,957.01 is paid by the Administrator to Link Alternative Fund Administrators Limited. Both fees increase by RPI annually on 1 January.

The Administration Agreement automatically renews for 12 month periods unless notice of termination is served by either party at least 90 days prior to the end of each period.

There is no direct contractual relationship between the Shareholders and the Administrator. Shareholders therefore have no direct contractual rights against the Administrator and there are only limited circumstances in which a Shareholder may potentially bring a claim against the Administrator.

11.8 ***Company Secretary Agreement***

The Company and the Company Secretary entered into the Company Secretary Agreement on 2 November 2015, pursuant to which the Company Secretary was appointed as company secretary of the Company. Under the terms of the Company Secretary Agreement, the Company Secretary is responsible for providing secretarial functions to the Company such as board and committee support, providing corporate governance advice, providing regulatory and compliance advice and overseeing the production of accounts.

A fee of £81,750 per annum is payable by the Company to the Company Secretary, which includes: (i) support provided by the Company Secretary at each quarterly board meeting and at each annual general meeting; and (ii) advice in respect of compliance with the AIC Code of Corporate Governance, the Listing Rules and the Disclosure Guidance and Transparency Rules.

The Company Secretary Agreement automatically renews for 12 month periods unless notice of termination is served by either party at least six months prior to the end of each period.

There is no direct contractual relationship between the Shareholders and the Company Secretary. Shareholders therefore have no direct contractual rights against the Company Secretary and there are only limited circumstances in which a Shareholder may potentially bring a claim against the Company Secretary.

11.9 ***Registrar Agreement***

The Company and the Registrar entered into the Registrar Agreement on 3 November 2015, pursuant to which the Registrar was appointed as registrar of the Company. Under the terms of the Registrar Agreement, the Registrar is responsible for functions such as maintaining and updating the register of members of the Company on a daily basis, daily reconciliation of CREST account movements with Euroclear, and preparing, sealing and issuing new share certificates of the Company in accordance with the Articles.

A global fee of £32,000 per annum is payable by the Company to the Registrar. The global fee is based upon 1000 shareholders at the start of the fee year. Any transfer in excess of the £45,000 allowance will be charged at £0.27 per CREST transaction. The Company has not exceeded this allowance.

The Registrar Agreement automatically renews for 12 month periods unless notice of termination is served at least 90 days prior to the end of each period.

There is no direct contractual relationship between the Shareholders and the Registrar. Shareholders therefore have no direct contractual rights against the Registrar and there are only limited circumstances in which a Shareholder may potentially bring a claim against the Registrar.

11.10 ***Receiving Agent Agreement***

Pursuant to the Receiving Agent Agreement, Link Group has been appointed as receiving agent for the Company. The Receiving Agent will provide receiving agent duties and services to the Company in respect of the Capital Raising.

Under the Receiving Agent Agreement, the Receiving Agent will receive fees in such amount as agreed in writing from time to time between the Receiving Agent and the Company.

The Receiving Agent Agreement limits the Receiving Agent's liability thereunder to the lesser of £250,000 or an amount equal to five times the fee payable to the Receiving Agent pursuant to the Receiving Agent Agreement.

The Receiving Agent Agreement is governed by the laws of England.

11.11 ***Depositary Agreement***

The Company, the AIFM and the Depositary entered into the Depositary Agreement on 2 November 2015, pursuant to which the Depositary was appointed as the depositary of the Company. Under the terms of the Depositary Agreement, the Depositary is responsible for ensuring that the Company's cash flows are properly monitored, the safekeeping of certain property entrusted to it by the Company and the oversight and supervision of the Company and the AIFM.

The Depositary is entitled to a fee of £39,848.13 per annum. Fees may change if the number of SPVs within the Group changes.

The Depositary Agreement may be terminated by any party by giving at least 90 days' notice of termination.

11.12 ***Facility agreements***

Certain Group companies have obtained external debt finance in relation to certain of the properties within the Property Portfolio. A summary of the borrowings of the Group as at 31 December 2023 is set out in the table below.

Lender	*Facility £'000*	*Outstanding debt £'000**	Maturity date	Gross loan to value** %	*Annual interest rate %*
Royal Bank of Scotland, Bank of Scotland & Barclays	122,221	122,221	Aug-26	54.5	2.40 over 3 months £ SONIA
Scottish Widows Ltd. and Aviva Investors Real Estate Finance	152,500	152,500	Dec-27	52.9	3.28 Fixed
Scottish Widows	36,000	36,000	Dec-28	47.2	3.37 Fixed
Santander UK	60,029	60,029	Jun-29	52.1	2.20 over 3 months £ SONIA
Total bank borrowing	**370,750**	**370,750**			
Retail Bond	50,000	50,000	Aug-24	N/A	4.50 Fixed
Total	**420,750**	**420,750**			

Source: Investment Adviser

*Before unamortised debt issue costs
**Based on Colliers International Property Consultants Limited property valuations

The proceeds of these external financings were on-loaned by the relevant borrowing companies to certain of their subsidiaries and, in the case of RR Glasgow Limited, to partially refinance the shareholder debt used to fund the purchase of the CIHL Receivables and secured over the assets of the CIHL Group, with such loans (and as regard RR Glasgow Limited, security over the CIHL Group) being subordinated to the liabilities owed to the relevant lender of the external financings (and, in the case of the CIHL Group, security).

The arrangements pursuant to each facility agreement are as follows.

11.12.1 *RR Range Limited*

RR Range Limited and other subsidiaries of the Company have borrowed monies from Scottish Widows Limited, Aviva Commercial Finance Limited and Aviva Investors Multi Asset Alternative Income SA of which £152.5 million remains outstanding as at 31 December 2023.

The facility has a fixed rate of 3.28 per cent. The facility agreement contains customary undertakings and events of default.

The facility agreement also contains certain financial covenants. Historic interest cover must not be less than 275 per cent. Projected interest cover must be not less than 225 per cent. Loan to value must be not more than 60 per cent. at all times.

11.12.2 *RR Glasgow Limited and others*

RR Glasgow Limited and other subsidiaries of the Company have borrowed monies from Santander UK of which approximately £60.0 million remains outstanding as at 31 December 2023.

The applicable rate of interest is SONIA plus 2.20 per cent. The facility agreement contains customary undertakings and events of default.

The facility agreement also contains certain financial covenants. Historic interest cover must not be less than 275 per cent. Projected interest cover must be not less than 275 per cent. Loan to value must be not more than 60 per cent. at all times.

11.12.3 *RR Star Limited*

RR Star Limited has borrowed monies from Scottish Widows Limited of which £36.0 million remains outstanding as at 31 December 2023.

The facility has a fixed rate of 3.37 per cent. The facility agreement contains customary undertakings and events of default.

The facility agreement also contains certain financial covenants. Historic interest cover must not be less than 275 per cent. at all times. Projected interest cover must be not less than 225 per cent. at all times. Loan to value must be not more than 60 per cent. at all times.

11.12.4 *RR UK (South) Limited and others*

RR UK (South) Limited and other subsidiaries of the Company have borrowed monies from The Royal Bank of Scotland plc, Barclays Bank plc and Bank of Scotland plc of which approximately £122.2 million remains outstanding as at 31 December 2023.

The applicable rate of interest is SONIA plus 2.40 per cent. per annum. The facility agreement contains customary undertakings and events of default.

The facility agreement also contains certain financial covenants.

Historic interest cover must not be less than: (i) 225 per cent. until 30 June 2025; and (ii) 250 per cent. from 30 June 2025. If the Company has not completed a capital raise by 30 September 2024, the covenant referred to in (i) will cease to apply and, instead, the covenant referred to in (ii) will apply from 30 September 2024.

Projected interest cover must be not less than: (i) 175 per cent. until 30 June 2025; and (ii) 200 per cent. from 30 June 2025. If the Company has not completed a capital raise by 30 September 2024, the covenant referred to in (i) will cease to apply and, instead, the covenant referred to in (ii) will apply from 30 September 2024.

‘Debt to rent cover’ must not exceed 850 per cent. Loan to value must be not more than 60 per cent. at all times.

The facility agreement also includes a “Cash Sweep Trigger”. When this applies all surplus cash generated by the borrowers must be applied in repayment of the facility. A Cash Sweep Trigger applies in the following circumstances:

LTV

- from 31 March 2024 to 29 September 2024 exceeds 57.5 per cent; or
- thereafter exceeds 55.0 per cent.

‘Debt to rent cover’

- until 30 June 2024 exceeds 800 per cent; or

- thereafter exceeds 750 per cent.

11.12.5 *Regional REIT Limited*

The Company has issued £50 million of sterling denominated 4.5 per cent. bonds due 6 August 2024.

Interest is paid twice per annum, on 6 February and 6 August until the maturity date. The Retail Bond's terms and conditions contain financial covenants. Consolidated interest cover must not be less than 200 per cent. at all times. No new debt will be incurred by the Retail Bond issuer or its subsidiaries where that debt would increase consolidated loan to value including all debt above 75 per cent. or 60 per cent. only including secured debt.

11.13 ***Hedging arrangements***

The Group applies an interest hedging strategy that is aligned to the property management strategy and aims to mitigated interest rate volatility on at least 90 per cent. of the debt exposure.

The hedging instruments entered into are therefore different and the table below sets out summary details of each hedging instrument.

	Year ended 31 December 2023	*Year ended 31 December 2022*
	%	*%*
Borrowing interest rate hedged	100.0	100.9
Thereof:		
Notional value of interest rate caps and swaps	182,250	193,871
Value of fixed rate debts	188,500	201,000
Weighted average cost of debt*		3.5

Table may not sum due to rounding

**Group borrowings interest and net derivatives costs per annum at the period end divided by the total Group debt in issue at the period end*

The over-hedged position has arisen due to the entire Royal Bank of Scotland, Bank of Scotland & Barclays and Santander UK facilities, including any undrawn balances, being hedged by interest rate cap derivatives which have no ongoing cost to the Group.

11.14 ***Call option agreement***

RR Glasgow Limited (formerly named Toscafund Glasgow Limited) has the benefit of a call option pursuant to an agreement dated 28 November 2013 (as amended). Under that agreement, RR Glasgow Limited has the option to acquire properties of the CIHL Group (after repayment of the debt owed to RR Glasgow Limited by the CIHL Group) at a price of £1.00 per property by giving one month's notice in writing.

11.15 ***Lock-up agreements***

Please see the summary of the lock-up agreements set out at paragraph 14 of this PART 15.

12 Regulatory status

The Company is registered with the GFSC as a closed-ended collective investment scheme under the POI Law and the RCIS Rules.

The Company is an AIF and the AIFM has been appointed as its AIFM. The Company is subject to the Listing Rules, the UK Prospectus Regulation, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, UK MAR, the Rules of the London Stock Exchange and the Companies Law.

As a REIT, the Ordinary Shares are "excluded securities" under the FCA's rules on non-mainstream pooled investments. Accordingly, the promotion of the Ordinary Shares will not be subject to the FCA's restriction on the promotion of non-mainstream pooled investments.

The Company became a REIT on 2015 Admission and the Group will need to comply with certain ongoing regulations and conditions (including minimum distribution requirements) in order to retain its REIT status.

13 Legal implications of contractual documentation

The Company is a registered closed-ended investment scheme registered pursuant to the POI Law, and the RCIS Rules. The GFSC, in granting registration, has not reviewed this document and has relied solely upon specific warranties provided by the Administrator, the Company's designated administrator for the purposes of the RCIS Rules. Neither the GFSC nor the States of Guernsey take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

The Articles are governed by, and construed in accordance with, the laws of Guernsey. Upon being issued New Ordinary Shares, an investor becomes a member of the Company and the Articles take effect as a statutory contract between Shareholders and the Company. The Articles may only be amended by way of a special resolution passed in accordance with the Companies Law.

As a matter of Guernsey law, it is the Directors, and not the AIFM, who owe certain fiduciary duties to the Company. These require the Directors, among other things, to act in good faith and in what they consider to be the best interests of the Company. In exercising their discretions (including in determining to cause the Company to enter into any side letters), the Directors will act in accordance with such fiduciary duties. This requires them to ensure that their actions do not result in the unfair treatment of Shareholders.

14 Lock-up

14.1 The Company and Peel Hunt entered into lock-up agreements dated on 3 November 2015 with the Asset Manager, Toscafund Asset Management LLP and certain other persons connected with London & Scottish Investments Limited and Toscafund Asset Management LLP (the "**Locked-in Shareholders**"). The restrictions on Ordinary Shares contained in the lock-up agreements have expired with regards to Ordinary Shares which were held by the Locked-in Shareholders at 2015 Admission but the Locked-In Shareholders remain subject to the provisions of the lock-up agreements with respect to Ordinary Shares acquired after the date of 2015 Admission as follows:

14.1.1 Toscafund Asset Management LLP has agreed that, subject to certain exceptions, it will not without the consent of the Company and Peel Hunt dispose of any class of shares in the capital of the Company awarded to Toscafund Asset Management LLP in satisfaction of performance fees under the Investment Management Agreement in respect of any share awarded in respect of each calendar year after 31 December 2018: (a) in respect of 50 per cent. of such shares awarded in respect of that calendar year to the date falling 12 months

after the end of that calendar year; and (b) in respect of 50 per cent. of such shares awarded in respect of that calendar year to the date falling 24 months after the end of that calendar year.

14.1.2 the Asset Manager has agreed that, subject to certain exceptions, it will not without the consent of the Company and Peel Hunt dispose of any class of shares in the capital of the Company awarded to the Asset Manager in satisfaction of performance fees under the Asset Management Agreement in respect of any share awarded in respect of each calendar year after 31 December 2018: (a) in respect of 50 per cent. of such shares awarded in respect of that calendar year to the date falling 12 months after the end of that calendar year; and (b) in respect of 50 per cent. of such shares awarded in respect of that calendar year to the date falling 24 months after the end of that calendar year.

14.2 The lock-up agreements referred to above also contain customary orderly market provisions. There are currently no shares the subject of these lock-up arrangements.

15 Liquidity risk management

The Company is a closed-end fund investing in illiquid assets. Shareholders do not have the right to redeem their investment prior to the liquidation of the Company, except that the Company may permit or require such redemption in very limited circumstances generally involving situations where retaining a Company interest would violate certain laws or regulations. As Shareholders have no redemption rights, it is not anticipated that the Company will be subject to any material liquidity risk.

16 Working capital and going concern

16.1 *Working capital statement*

The Company is of the opinion that, taking into account the Net Capital Raising Proceeds and the bank and other facilities available to the Group, the working capital available to the Group is sufficient for its present requirements that is for at least the next 12 months following the date of this document.

16.2 *Going concern*

The independent auditor's report with respect to the consolidated financial statements for the year ended 31 December 2023 detailed in the 2023 Annual Report is incorporated by reference into this document as detailed in SECTION A of PART 12. This independent auditor's report draws attention to note 2.2 of such consolidated financial statements, which indicates that the Group requires additional liquidity to fund its obligations under the Retail Bond during the next twelve months and that as a result the Group's ability to continue as a going concern is dependent on its ability to obtain the necessary additional funding required through a capital raise or alternative funding sources. As stated in note 2.2, this event, along with other matters as set forth in note 2.2, indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. The independent auditor's opinion is not modified in respect of this matter.

Without prejudice to the going concern emphasis detailed in the 2023 Annual Report, the Company is able to give the working capital statement in paragraph 16.1 of PART 15 of this document, as this working capital statement takes into account the Net Capital Raising Proceeds, which were not included in the independent auditor's going concern analysis.

17 Litigation

17.1 Except as set out in paragraph 17.2 below, there are not, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are

pending or threatened of which the Company is aware) during the last 12 months prior to the date of this document which may have, or have had in the recent past, a significant effect on the Group's financial position or profitability.

17.2 The Company entered into an exclusivity agreement (the "**Exclusivity Agreement**") in early 2024 which proposed participation in and underwriting of a firm placing and open offer of Ordinary Shares. The Exclusivity Agreement provides for a break fee of £1,152,671 (being an amount equal to 1 per cent. of the market capitalisation of the Company on the date of the Exclusivity Agreement) to be payable on a breach of the exclusivity provisions in the Exclusivity Agreement (which, for the avoidance of doubt, would be payable on such breach whether or not the Capital Raising completes). There is a risk that the Company may need to make a payment in settlement of the break fee clause contained within the Exclusivity Agreement. Negotiations are at an early stage and it is therefore not possible at this stage to quantify the Company's liability for this claim. If it were to exceed the break fee amount, the same may materially adversely affect the Group's profits and cashflows. The Directors do not, however, expect any payment to exceed the break fee amount.

18 Significant change

There has been no significant change in the financial position or financial performance of the Group since 31 December 2023, except:

- on 22 February 2024, the Company announced a dividend of 1.20 pence per Ordinary Share for the period 1 October 2023 to 31 December 2023, to be paid to shareholders on the register as at 1 March 2023 (which affects the financial position of the Group);
- on 22 May 2024, the Company announced a dividend of 1.20 pence per Ordinary Share for the period 1 January 2024 to 31 March 2024, to be paid to shareholders on the register as at 31 May 2024 (which affects the financial position of the Group);
- the decrease in the valuation of the Property Portfolio by £52.9 million from £700.7 million as at 31 December 2023 to £647.8 million as at 21 June 2024; and
- on 27 June 2024, the Company announced the Capital Raising (this affects the financial position and prospects of the Company). The significant change is described in paragraph 4 of the section "Summary Information" of this document.

19 Consents

19.1 Peel Hunt has given and not withdrawn its written consent to the issue of this document and the inclusion herein of its name and the references to it in the form and context in which they appear.

19.2 Panmure Gordon has given and not withdrawn its written consent to the issue of this document and the inclusion herein of its name and the references to it in the form and context in which they appear.

19.3 The Valuation Report set out in Appendix B of this document was produced at the Company's request by the Valuer. The Valuer has given and not withdrawn its consent to the inclusion of the Valuation Report in this document and has authorised the contents of the Valuation Report for the purposes of this prospectus and the inclusion of its name and references to it in the form and context in which they appear.

19.4 The Asset Manager has given and not withdrawn its written consent to the issue of this document and the inclusion herein of its name and the references to it in the form and context in which they appear.

19.5 The Investment Adviser has given and not withdrawn its written consent to the issue of this document and the inclusion herein of its name and the references to it in the form and context in which they appear.

19.6 The AIFM has given and not withdrawn its written consent to the issue of this document and the inclusion herein of its name and the references to it in the form and context in which they appear.

20 General

20.1 The costs and expenses of the Capital Raising payable by the Company will be approximately £5.8 million, resulting in Net Capital Raising Proceeds of approximately £104.7 million.

20.2 No commission, fees or expenses will be charged by the Company to Shareholders who acquire New Ordinary Shares through the Capital Raising.

20.3 The AIFM has not delegated portfolio management or risk management in relation to the Company. The AIFM is responsible for valuing the Property Portfolio for the purposes of the UK AIFM Laws. The Company has appointed the Valuer for those purposes but the AIFM retains oversight and responsibility for such valuations.

20.4 The Depositary has not delegated any safekeeping functions in respect of the Company.

20.5 The Depositary, its affiliates or third parties to whom safekeeping duties are delegated under the Depositary Agreement may not reuse the assets.

20.6 In order to meet the disclosure requirements of UK AIFM Laws, the Company intends to disclose annually in the Company's annual report: (i) the percentage of the Company's assets that are subject to any special arrangements arising from their illiquid nature, if applicable; (ii) any new arrangements for managing the liquidity of the Company; and (iii) the current risk profile of the Company and the risk management systems employed by the AIFM to manage those risks. Information will also be provided to investors regarding (i) the maximum level of leverage that the AIFM may employ on behalf of the Company; (ii) the break-down leverage arising from borrowing cash or securities and leverage embedded in financial derivatives; (iii) any right of reuse of collateral or any guarantee granted under a leverage arrangement; and (iv) the total amount of leverage employed by the Company.

20.7 The Company is not an umbrella collective investment undertaking and as such there is no cross liability between classes or investment in another collective investment undertaking.

21 Documents available for inspection

Copies of the following documents will be available for inspection at www.regionalreit.com from the date of this document until Admission:

21.1 the memorandum of incorporation of the Company and the Articles;

21.2 the written consents referred to in paragraph 19 of this PART 15;

21.3 the Valuation Report;

21.4 the 2021 Annual Report;

21.5 the 2022 Annual Report;

21.6 the 2023 Annual Report; and

21.7 this document.

PART 16
GLOSSARY OF TERMS AND DEFINITIONS

The following terms apply throughout this document unless the context otherwise requires:

"**2015 Admission**"	the admission of Ordinary Shares to the Official List and to trading on the London Stock Exchange's Main Market for listed securities which occurred on 6 November 2015;
"**2021 Annual Report**"	has the meaning given in paragraph 1 of Section A of PART 12 of this document;
"**2022 Annual Report**"	has the meaning given in paragraph 1 of Section A of PART 12 of this document;
"**2023 Annual Report**"	has the meaning given in paragraph 1 of Section A of PART 12 of this document;
"**Administration Agreement**"	the agreement entered into between the Company and the Administrator on 23 October 2015 in respect of administration services, as more particularly described in paragraph 11.7 of PART 15 of this document;
"**Administrator**"	Jupiter Fund Services Limited;
"**Admission**"	admission of New Ordinary Shares proposed to be issued pursuant to the Capital Raising to the Official List and to trading on the London Stock Exchange's Main Market for listed securities becoming effective in accordance with, respectively, the Listing Rules and the Admission and Disclosure Standards;
"**Admission of the Consolidated Shares**"	admission of the Consolidated Shares to the Official List and to trading on the London Stock Exchange's Main Market for listed securities becoming effective in accordance with, respectively, the Listing Rules and the Admission and Disclosure Standards, in place of the Ordinary Shares in issue immediately prior to the Share Consolidation;
"**Admission and Disclosure Standards**"	the requirements contained in the publication "Admission and Disclosure Standards" issued by the London Stock Exchange (as amended from time to time) containing, inter alia, the admission requirements to be observed by companies seeking admission to trading on the London Stock Exchange's Main Market for listed securities;
"**AIC**"	the Association of Investment Companies;
"**AIC Code**"	the AIC Code of Corporate Governance;
"**AIF**"	an alternative investment fund within the meaning of the AIFM Directive and the UK AIFM Laws;
"**AIFM**"	when used in a general context, an alternative investment fund manager within the meaning of the AIFM Directive; or when used in respect of the Company, its alternative investment fund manager, Toscafund Asset Management LLP prior to the AIFM Replacement

	Date and, following the AIFM Replacement Date, the Replacement AIFM;
"**AIFM Directive**"	the Alternative Investment Fund Managers Directive, 2011/61/EU, as amended;
"**AIFM Replacement Date**"	has the meaning given in paragraph 11.5 of PART 15 of this document;
"**Annual Reports**"	the 2021 Annual Report, the 2022 Annual Report and the 2023 Annual Report;
"**Articles**"	the articles of incorporation of the Company;
"**Asset Management Agreement**"	the agreement entered into between the Company, Toscafund Asset Management LLP, Midco and LSI dated 3 November 2015 as amended by a deed of amendment dated 3 May 2019 and as assigned by LSI to the Asset Manager, as more particularly described in paragraph 11.3 of PART 15 of this document;
"**Appointee Director**"	has the meaning given in paragraph 15 of PART 5 of this document;
"**Asset Manager**"	London & Scottish Property Investment Management Limited, a private limited company incorporated in Scotland with registered number SC608667 and whose registered office is at 300 Bath Street 1st Floor West, Glasgow, Scotland, G2 4JR, being part of the ESR Group;
"**ATED**"	Annual Tax on Enveloped Dwellings;
"**Audit Committee**"	the Company's audit committee;
"**Australian Corporations Act**"	Corporations Act 2001 (Cth);
"**Banks**"	Peel Hunt and Panmure Gordon;
"**Board**"	the board of Directors of the Company;
"**Business Day**"	any day (other than a Saturday or Sunday or any public holiday in England and Wales or Guernsey) on which the London Stock Exchange and banks in Guernsey are normally open for the transaction of normal banking business;
"**certificated**" or "**in certificated form**"	in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in certificated form (that is, not in CREST);
"**Capital Raising**"	the Placing, the Overseas Placing and the Open Offer;
"**Capital Raising Resolution**"	the resolution numbered 1 set out in the Notice of Extraordinary General Meeting;
"**Chairman**"	the chairman of the Company;
"**CIHL Group**"	View Castle Limited and its subsidiaries;

"**CIHL Receivables**"	a portfolio of loan receivables due to RR Glasgow Limited (formerly named Toscafund Glasgow Limited) from certain members of the CIHL Group;
"**Closing Price**"	the closing middle market quotation of an Existing Ordinary Share on 11 March 2024, being the Business Day prior to the date of the announcement that the Company expected that any equity raise would be at a material discount to the Company's then current share price, as derived from the daily official list of the London Stock Exchange;
"**Code**"	US Internal Revenue Code of 1986, as amended;
"**Companies Law**"	The Companies (Guernsey) Law 2008, as amended;
"**Company**"	Regional REIT Limited, a limited company incorporated in Guernsey, Channel Islands with registered number 60527 and whose registered office is at Mont Crevelt House, Bulwer Avenue, St Sampson, Guernsey GY2 4LH;
"**Company Secretary**"	Link Group;
"**Company Secretary Agreement**"	the agreement entered into between the Company Secretary and the Company on 2 November 2015 in respect of company secretarial services, as more particularly described in paragraph 11.8 of PART 15 of this document;
"**Consolidated Shares**"	the consolidated Ordinary Shares (of no par value) in the share capital of the Company in issue immediately following the completion of the Share Consolidation;
"**Consolidation Ratio**"	the consolidation ratio used in connection with the Share Consolidation, equal to one Consolidated Share for every 10 Ordinary Shares held;
"**CREST**"	the paperless settlement procedure operated by Euroclear enabling system securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument;
"**CREST Deposit Form**"	the form used to deposit securities into the CREST system in the United Kingdom;
"**CREST courier**" and "**sorting service**" or "**CCSS**"	the CREST courier and sorting service operated by Euroclear to facilitate, inter alia, the deposit and withdrawal of securities into and from the CREST system;
"**CREST Manual**"	the rules governing the operation of CREST as published by Euroclear;
"**CREST member**"	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations);
"**CREST Proxy Instruction**"	the appropriate CREST message required in order for a proxy appointment or instruction made using the CREST service to be valid;
"**CREST Regulations**"	the Uncertificated Securities Regulations 2001 (SI 2001/3755);

"**CRS**"	the United Kingdom's International Tax Compliance Regulations 2015 (SI 2015/878), Guernsey's The Income Tax (Approved International Agreements) (Implementation) (Common Reporting Standard) Regulations 2015, the Common Standard on Reporting and Due Diligence for Financial Account Information published by the OECD and the EU Directive on administrative co-operation in the field of taxation (2011/16/EC), together with any forms, instructions or other guidance issued thereunder (now or in the future);
"**CTA 2009**"	the Corporation Tax Act 2009, as amended;
"**CTA 2010**"	the Corporation Tax Act 2010, as amended;
"**Daily Official List**"	the daily official list of the London Stock Exchange;
"**Depositary**"	Ocorian Depositary (UK) Limited;
"**Depositary Agreement**"	the agreement entered into between the Company, Toscafund Asset Management LLP and the Depositary on 2 November 2015 in respect of depositary services, as more particularly described in paragraph 11.11 of PART 15 of this document;
"**Directors**"	the directors of the Company whose names are set out in PART 10 of this document (each a "**Director**");
"**Disclosure Guidance and Transparency Rules**"	the Disclosure Guidance and Transparency Rules sourcebook made by the FCA pursuant to Part VI of FSMA, as amended from time to time;
"**Enlarged Issued Share Capital**"	the Existing Ordinary Shares and the New Ordinary Shares;
"**EEA**"	the European Economic Area;
"**EPRA**"	the European Public Real Estate Association;
"**EPRA NTA**" or "**EPRA Net Tangible Assets**"	a measure of net asset value designed by EPRA to present net asset value excluding the value of instruments that are held for long term benefit, net of tax;
"**EPRA Total Return**"	the growth in EPRA NTA per share plus dividends paid, expressed as a percentage of EPRA NTA per share at the beginning of the period;
"**ERISA**"	the US Employee Retirement Income Security Act of 1974, as amended;
"**ERV**"	estimated rental value;
"**ESMA**"	European Securities and Market Authority;
"**Euroclear**"	Euroclear UK & International Limited, a company registered in England and Wales under registered number 02878738;
"**Ex-Entitlements Date**"	8.00 a.m. on 27 June 2024;

"**Existing Shareholders**"	holders of Ordinary Shares on the register of members of the Company at the Record Date other than Restricted Shareholders
"**Existing Ordinary Shares**"	the existing Ordinary Shares in issue at the date of this document;
"**Extraordinary General Meeting**"	the extraordinary general meeting of the Company proposed to be held at 10.00 a.m. on 18 July 2024 to consider the Resolutions, the notice of which (being the Notice of Extraordinary General Meeting) is set out in PART 17 of this document, including any adjournment thereof;
"**FATCA**"	(i) sections 1471 to 1474 of the Code or any associated regulations, any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in (i) above; or (ii) any agreement pursuant to the implementation of any treaty, law or regulation referred to in (i) or (ii) above with the Internal Revenue Service of the US, the US government or any governmental or taxation authority in any other jurisdiction;
"**FCA**"	the UK Financial Conduct Authority (or any successor regulatory organisation which may assume its regulatory responsibilities from time to time);
"**Form of Proxy**"	the form of proxy for use at the Extraordinary General Meeting which accompanies this document;
"**FRC**"	UK Financial Reporting Council;
"**FSMA**"	the Financial Services and Markets Act 2000, as amended or replaced from time to time;
"**Fund I**"	Tosca Fund I, comprising Main Fund I and Parallel Fund I;
"**Fund II**"	Tosca Fund II, comprising Main Fund II and Parallel Fund II;
"**Funds**"	Fund I and Fund II;
"**GDP**"	gross domestic product;
"**GFSC**"	the Guernsey Financial Services Commission;
"**Gross Asset Value**"	the aggregate value of the total assets of the Company as determined in accordance with the accounting principles adopted by the Company from time to time;
"**Gross Capital Raising Proceeds**"	approximately £110.5 million;
"**Gross Investment Properties Value**"	the aggregate value of the investment properties of the Group, as determined in accordance with the accounting principles adopted by the Company from time to time;

"**Group**"	the Company and its subsidiary undertakings from time to time and "**Group Company**" shall mean any one of them;
"**Group Undertaking**"	has the meaning given to it in section 1161(5) of the Companies Act 2006;
"**HMRC**"	His Majesty's Revenue and Customs;
"**IAS**"	an international accounting standard established by the International Accounting Standards Board;
"**IFRS**"	UK-adopted International Accounting Standards;
"**Independent Shareholders**"	all Shareholders excluding (for the avoidance of doubt) the Placee and any person acting in concert with the Placee for the purposes of the Takeover Code (including but not limited to any connected persons or related trusts);
"**Initial Property Portfolio**"	the properties which the Company acquired in connection with 2015 Admission;
"**Investment Adviser**"	ESR Europe Private Markets Limited, a private limited company incorporated in England with registered number 13447544 and whose registered office is at 10 Cork Street, London W1S 3LW, being part of the ESR Group;
"**Investment Management Agreement**"	the agreement entered into between the Company, Midco and the Toscafund Asset Management LLP on 3 November 2015 in respect of investment management services as subsequently adhered to and as (i) amended by a deed of amendment dated 20 February 2019; (ii) amended and restated on 10 October 2023, (ii) as the rights and obligations thereunder were novated pursuant to the Investment Management Agreement Deed of Novation and (iii) as amended and restated immediately following such novation, as more particularly described in paragraph 11.4 of PART 15 of this document;
"**Investment Management Agreement Deed of Novation**"	the deed entered into between Toscafund Asset Management LLP, the Asset Manager, Midco, the Company, the Investment Adviser and the SPVs listed in the schedule thereto, as more particularly described in paragraph 11.4 of PART 15 of this document;
"**Investment Managers**"	the AIFM and the Investment Adviser;
"**Investment Policy**"	the investment policy of the Company as detailed in paragraph 6 of PART 9 of this document;
"**IRS**"	US Internal Revenue Service;
"**ISIN**"	International Securities Identification Number;
"**Issue Price**"	10 pence per New Ordinary Share;
"**Latest Practicable Date**"	25 June 2024;
"**Link Group**"	a trading name of Link Market Services Limited;

"**Listing Rules**"	the rules and regulations made by the FCA under section 73A of FSMA;
"**London Stock Exchange**"	London Stock Exchange plc;
"**Long Stop Date**"	8.00 a.m. on 19 July 2024 (or such later time and/or date as the parties to the Subscription Agreement and the Sponsor Agreement may agree, not being later than 8.00 a.m. on 13 August 2024)
"**LSI**"	London & Scottish Investments Limited;
"**LTV**"	loan-to-value;
"**Main Fund I**"	Tosca Commercial Property Fund LP, a limited partnership established in England and Wales with registered number LP015572;
"**Main Fund II**"	Tosca UK Commercial Property II LP, a limited partnership established in England and Wales with registered number LP016014;
"**Management Engagement and Remuneration Committee**"	the Company's management engagement and remuneration committee;
"**Managers**"	the Asset Manager, the Investment Adviser and the AIFM;
"**MAR**"	the Market Abuse Regulation of the European Parliament and of the Council of 16 April 2014 No 596/2014;
"**member account**"	the identification code or number attached to any member account in CREST;
"**Member State**"	a member state of the European Union;
"**Midco**"	Regional Commercial Midco Limited, a private limited company incorporated in Jersey, Channel Islands with registered number 118888 and whose registered office is at First Floor, Le Masurier House, La Rue Le Masurier, St Helier, Jersey JE2 4YE;
"**MiFID II**"	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ("**MiFID**") and Regulation (EU) No 600/2014 of the European Parliament and the Council of 28 January 2003 on markets in financial instruments and amending Regulation (EU) 648/2012;
"**MiFiD II Product Governance Requirements**"	the Product Intervention and Product Sourcebook of the FCA handbook ("**PROD**") and Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFiD II (As incorporated into UK law by virtue of the European Union (Withdrawal) Act 2018, as amended by the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018), each as amended from time to time;

"**Money Laundering Regulations**"	The Bribery Act 2010, the Criminal Finances Act 2017, Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, and the Proceeds of Crime Act, 2002 or any other law relating to anti-bribery, anti-money laundering or the prevention of tax evasion;
"**NED Appointment Letters**"	the letters of appointment pursuant to which Kevin McGrath, Stephen Inglis, Daniel Taylor, Frances Daley and Massy Larizadeh were appointed as Non-Executive Directors;
"**Net Tangible Assets**" or "**NTA**"	the aggregate value of the assets of the Company after deduction of all liabilities, determined in accordance with the accounting policies adopted by the Company from time to time;
"**Net Tangible Assets per Share**" or "**NTA per Share**"	at any time the Net Tangible Assets attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) at the date of calculation;
"**Net Capital Raising Proceeds**"	the Gross Capital Raising Proceeds less applicable fees and expenses of the Capital Raising, being approximately £104.7 million;
"**New Ordinary Shares**"	the new Ordinary Shares proposed to be allotted and issued by the Company pursuant to the Capital Raising;
"**Nomination Committee**"	the Company's nomination committee;
"**Non-executive Directors**"	the non-executive directors of the Company;
"**Non-Qualified Holder**"	any person whose ownership of Ordinary Shares may: • cause the Company's assets to be deemed "plan assets" for the purposes of the Code or the Plan Asset Regulations; • cause the Company to be required to register as an "investment company" under the US Investment Company Act; • cause the Company or any of its securities to be required to register under the US Exchange Act, the US Securities Act or any similar legislation; • cause the Company not to be considered a "Foreign Private Issuer" as such term is defined in rule 3b-4(c) under the US Exchange Act; • cause the AIFM to be required to register as a municipal advisor under the US Exchange Act; • result in the Company being disqualified from issuing securities pursuant to Rule 506 of the US Securities Act; • cause a loss of partnership status for US federal income tax purposes or a termination of the US partnership under the Code Section 709;

- result in a person holding Ordinary Shares in violation of the transfer restrictions put forth in any prospectus published by the Company from time to time; or
- cause the Company to be "controlled foreign corporation" for the purposes of Section 957 of the Code, or may cause the Company to suffer any pecuniary or tax disadvantage or any person who is deemed to be a Non-Qualified Holder by virtue of their refusal to provide the Company with information that it requires in order to comply with its obligations under exchange of information agreements (including, but not limited to, FATCA);

"**Notice of Extraordinary General Meeting**"	the notice convening the Extraordinary General Meeting set out in PART 17 of this document;
"**Official List**"	the Official List of the FCA;
"**Open Offer**"	the invitation by the Company to Qualifying Shareholder(s) to apply for Open Offer Shares, on the term and conditions set out in this document and, in the case of Qualifying Non-CREST Shareholders, in the Open Offer Application Form;
"**Open Offer Application Form**"	the personalised application form through which Qualifying Non-CREST Shareholders may apply for New Ordinary Shares under the Open Offer;
"**Open Offer Entitlements**"	the entitlement of a Qualifying Shareholder to apply for 15 Open Offer Shares for every 7 Existing Ordinary Shares held by them on the Record Date;
"**Open Offer Shares**"	the 1,105,149,281 New Ordinary Shares being offered to Qualifying Shareholders pursuant to the Open Offer;
"**Ordinary Resolution**"	a resolution passed by more than a 50 per cent. majority in accordance with the Companies Law;
"**Ordinary Shares**"	ordinary shares of no par value in the capital of the Company from time to time, including, if the context requires, following completion of the Share Consolidation, the Consolidated Shares;
"**Overseas Placee**"	any person who agrees to subscribe for Overseas Placing Shares;
"**Overseas Placing**"	the subscription by Overseas Placees for Overseas Placing Shares pursuant to a placing letter entered into between such Overseas Placee and the Company;
"**Overseas Placing Shares**"	has the meaning given in paragraph 5.1.2 of PART 5 of this document;
"**Overseas Shareholders**"	Shareholders who are resident in, ordinarily resident in, located in or citizens of, jurisdictions outside the United Kingdom;
"**Panel on Takeovers and Mergers**"	the United Kingdom Panel on Takeovers and Mergers;

"**Parallel Fund I**"	Tosca Commercial II LP, a limited partnership established in Jersey with registered number 1652;
"**Parallel Fund II**"	TUKCP Jersey LP, a limited partnership established in Jersey with registered number 1795;
"**participant ID**"	the identification code or membership number used in CREST to identify a particular CREST member or other system participant (as defined in the CREST Regulations);
"**Panmure Gordon**"	Panmure Gordon (UK) Limited, registered in England and Wales with number 02700769, whose business address is at Ropemaker Place, 25 Ropemaker St, London, United Kingdom, EC2Y 9LY;
"**Peel Hunt**"	Peel Hunt LLP, registered in England and Wales with number OC357088 and whose registered office is at 7th Floor, 100 Liverpool Street, London, England, EC2M 2AT;
"**Placee**"	Bridgemere Investments Limited, a limited liability company registered in Guernsey with number 36677 and whose registered office is at Third Floor, Cambridge House, Le Truchot, St Peter Port, GY1 1WD, Channel Islands, Guernsey;
"**Placee Parties**"	group companies of the Placee, Steve Morgan CBE, family members and family trusts of Steve Morgan, and the Steve Morgan Foundation;
"**Placing**"	the subscription by the Placee (subject to clawback to satisfy Open Offer Entitlements taken up by Qualifying Shareholders and the issue of the Overseas Placing Shares) for up to 1,105,149,281 New Ordinary Shares at the Issue Price pursuant to the Subscription Agreement;
"**Placing Shares**"	New Ordinary Shares proposed to be allotted and issued by the Company pursuant to the Placing;
"**Plan Asset Regulations**"	the regulation promulgated by the US Department of Labor at 29 CFR 2510.3-101, as modified by section 3(42) of ERISA;
"**POI Law**"	Protection of Investors (Bailiwick of Guernsey) Law 2020, as amended;
"**Portfolio Interest**"	any real estate asset, debt or other security or other interest acquired by the Group;
"**PRIIPs Regulation**"	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products and its implementing and delegated acts;
"**Property Business**"	has the meaning given to it in paragraph 2.2 of PART 13 of this document;
"**Property Management Agreement**"	an agreement described in paragraph 11.6 of PART 15 of this document;

"**Property Manager**"	the manager of the relevant property in the Property Portfolio appointed pursuant to a Property Management Agreement;
"**Property Portfolio**"	the portfolio of properties and debt receivables that the Group owns from time to time;
"**Prospectus Regulation**"	EU Prospectus Regulation (Regulation (EU) 2017/1129) of the European Parliament and of the Council of 14 June 2017, as amended, including any relevant implementing measure;
"**Prospectus Regulation Rules**"	the prospectus regulation rules made by the FCA pursuant to Part VI of FSMA, as amended from time to time;
"**Qualifying CREST Shareholders**"	Qualifying Shareholders holding Ordinary Shares in uncertificated form;
"**Qualifying Non-CREST Shareholders**"	Qualifying Shareholders holding Ordinary Shares in certificated form;
"**Qualifying Shareholder**"	holders of Ordinary Shares on the register of members of the Company at the Record Date other than Restricted Shareholders;
"**RCIS Rules**"	The Registered Collective Investment Scheme Rules and Guidance, 2021;
"**Record Date**"	6.00 p.m. on 25 June 2024;
"**Receiving Agent**"	Link Group;
"**Receiving Agent Agreement**"	the agreement entered into between the Company and the Receiving Agent on 14 June 2024 in respect of receiving agent services, as more particularly described in paragraph 11.10 of PART 15 of this document;
"**Registrar**"	Link Market Services (Guernsey) Limited;
"**Registrar Agreement**"	the agreement entered into between the Company and the Registrar on 3 November 2017 in respect of registrar services;
"**Regulation S**"	Regulation S under the US Securities Act;
"**Regulations**"	the Uncertificated Securities (Guernsey) Regulations 2009;
"**Regulatory Information Service**" or "**RIS**"	any channel recognised as a channel for the dissemination of regulatory information by listed companies as defined in the Listing Rules;
"**REIT**"	a company or group to which Part 12 CTA 2010 applies;
"**REIT Regime**"	the regime applicable to REITs, as described in PART 13 of this document;
"**Relevant Member State**"	each member state of the EEA and the United Kingdom;
"**Replacement AIFM**"	has the meaning given in paragraph 11.5 of PART 15 of this document;

"**Resolutions**"	the Capital Raising Resolution, the Rule 9 Waiver Resolution and the Share Consolidation Resolution;
"**Restricted Jurisdiction**"	any jurisdiction, including but not limited to Australia, New Zealand, Canada, the Republic of South Africa, Japan, the United States and any EEA state, or where the extension or availability of the Open Offer (and any other transaction contemplated thereby) would (i) result in a requirement to comply with any governmental or other consent or any registration filing or other formality which the Company regards as unduly onerous; or (ii) otherwise breach any applicable law or regulation;
"**Restricted Shareholder**"	subject to certain exceptions, Shareholders who have registered addresses in, who are incorporated in, registered in or otherwise resident or located in, the United States or any other Restricted Jurisdiction;
"**Retail Bond**"	£50 million of sterling denominated 4.5 per cent. bonds due 6 August 2024;
"**RICS**"	Royal Institution of Chartered Surveyors;
"Rule 9 Waiver"	has the meaning given to it in paragraph 7 of PART 5 of this document;
"**Rule 9 Waiver Resolution**"	the resolution numbered 2 set out in the Notice of Extraordinary General Meeting, to be voted on by the Independent Shareholders in connection with the Rule 9 Waiver;
"**SDRT**"	UK stamp duty reserve tax;
"**SEDOL**"	Stock Exchange Daily Official List;
"**Share Consolidation**"	has the meaning given to it in paragraph 8 of PART 5 of this document;
"**Share Consolidation Record Date**"	6.00 p.m. on 26 July 2024;
"**Shareholder**"	a holder of an Ordinary Share (together "**Shareholders**");
"**Sterling**"	pounds sterling, the lawful currency of the United Kingdom;
"**Sponsor Agreement**"	the Sponsor Agreement dated 27 June 2024 between the Company, the Banks, the Asset Manager, the Investment Adviser and ESR Europe Limited as guarantor, as more particularly described in paragraph 11.2 of PART 15 of this document;
"**SPV**"	any special purpose vehicle incorporated to acquire property;
"**Subscription Agreement**"	the agreement dated 27 June 2024 between the Company, the Asset Manager, the Investment Adviser, ESR Europe Limited (as guarantor) and the Placee, as more particularly described in paragraph 11.1 of PART 15 of this document;
"**Substantial Shareholder**"	means a company or body corporate that is beneficially entitled, directly or indirectly, to 10 per cent. or more of the distributions paid by the Company and/or share capital of the Company, or which

	controls, directly or indirectly, 10 per cent. or more of the voting rights of the Company (referred to in section 553 CTA 2010 as a "holder of excessive rights");
"**Substantial Shareholding**"	means the holding of Ordinary Shares by a Substantial Shareholder;
"**Takeover Code**"	the UK City Code on Takeovers and Mergers;
"**Takeover Panel**"	the United Kingdom Panel on Takeovers and Mergers;
"**Total Shareholder Return**"	(i) growth in EPRA NTA per Share, plus (ii) dividends paid per Ordinary Share, in the relevant period;
"**Transaction Resolutions**"	the Capital Raising Resolution and the Rule 9 Waiver Resolution;
"**UCITS**"	undertakings for collective investment in transferable securities within the meaning of Directive 2009/65/EC;
"**UK Corporate Governance Code**"	the UK corporate governance code as published by the FRC from time to time;
"**UK Property Business**"	the qualifying property rental business in the UK and elsewhere of UK resident companies within the Group and the qualifying property rental business in the UK of non-UK resident companies within the Group;
"**UK AIFM Laws**"	the UK domestic regime for full-scope UK alternative investment fund managers, including without limitation; (i) the Alternative Investment Fund Managers Regulations 2013 (as amended); (ii) Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 (as it applies in the UK by virtue of the European Union (Withdrawal) Act 2018): and (iii) relevant provisions of the FCA Handbook;
"**UK Prospectus Regulation**"	the Prospectus Regulation, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended and supplemented from time to time (including, but not limited to, by the UK Prospectus Amendment Regulations 2019 and The Financial Services and Markets Act 2000 (Prospectus) Regulations 2019));
"**uncertificated**" or "**in uncertificated form**"	recorded in the relevant register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and, by virtue of the Regulations, title to which may be transferred by means of CREST;
"**United Kingdom**" or "**UK**"	the United Kingdom of Great Britain and Northern Ireland;
"**UK MAR**"	MAR, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time, including by the Market Abuse (Amendment)(EU Exit) Regulations 2019;
"**UK MiFID Laws**"	means:

(i) any implementing measures which operated to transpose MiFID II into UK law before 31 January 2020 (as amended and supplemented from time to time);

(ii) the UK version of Regulation (EU) No 600/2014 of the European Parliament, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time; and

(iii) any relevant provisions of the FCA Handbook;

"**UK PRIIPs Laws**"	the UK version of the PRIIPs Regulation, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time including by the Packaged Retail and Insurance-based Investment Products (Amendment) (EU Exit) Regulations 2019 and the Cross-Border Distribution of Funds, Proxy Advisors, Prospectus and Gibraltar (Amendment) (EU Exit) Regulations 2019 or any new disclosure framework introduced by the FCA for Consumer Composite Investments following the repeal of the UK PRIIPs Regulation;
"**United States**" or "**US**"	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
"**US Advisers Act**"	the United States Investment Advisers Act of 1940, as amended;
"**US Exchange Act**"	the United States Securities Exchange Act of 1934, as amended;
"**US holder**"	a beneficial owner of Ordinary Shares that is for US federal income tax purposes:

(i) a citizen or resident alien of the United States;

(ii) a corporation or other entity treated as a corporation of US federal income tax purposes created or organised in or under the laws of the United States or any state thereof (including the District of Columbia);

(iii) an estate, the income of which is subject to US federal income tax regardless of its source;

(iv) a trust if (a) a court within the United States is able to exercise primary supervision over its administration and (b) one or more of the United States persons (as defined in the Code) have the authority to control all of the substantial decisions of such trust;

"**US Investment Company Act**"	the United States Investment Company Act of 1940, as amended;
"**US Securities Act**"	the United States Securities Act of 1933, as amended;
"**USE Instruction**"	an Unmatched Stock Event instruction;
"**Valuation Date**"	the valuation date for the purposes of the Valuation Report, being 21 June 2024;

"**Valuation Report**"	the report set out in Appendix B of this document;
"**Valuer**"	Colliers International Property Consultants Limited, a private limited company registered in England and Wales with registered number 07996509 and whose registered office and business address is 95 Wigmore Street, London, England, W1U 1FF and is regulated by RICS;
"**VAT**"	value added tax; and
"**WAULT**"	weighted average unexpired lease term.

PART 17
NOTICE OF EXTRAORDINARY GENERAL MEETING

REGIONAL REIT LIMITED

(Incorporated under Guernsey law and registered in Guernsey, Channel Islands with registered number 60527)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Regional REIT Limited (the "**Company**") will be held at the office of Macfarlanes LLP at 20 Cursitor Street, London EC4A 1LT at 10.00 a.m. on 18 July 2024 (the "**Extraordinary General Meeting**") to consider and, if thought fit, to pass the following resolutions. Unless expressly stated otherwise, terms defined in the prospectus of the Company dated 27 June 2024 (the "**Prospectus**") shall have the same meaning in this notice of Extraordinary General Meeting.

Ordinary Resolution 1 – Capital Raising

THAT, subject to and conditional upon Resolution 2 being passed, the Directors be authorised, to issue, allot and/or sell equity securities in connection with the Capital Raising at an issue price of 10 pence, which is at a 50.4 per cent. discount to the Closing Price of the Ordinary Shares and a 82.3 per cent. discount to the latest published Net Tangible Assets per Share prior to the Latest Practicable Date of 56.4 pence.

Such authority shall expire at the conclusion of the annual general meeting to approve the financial reports and accounts of the Company for the year ending 31 December 2024.

Ordinary Resolution 2 – Rule 9 Waiver Resolution

THAT, and subject to and conditional upon the passing of Ordinary Resolution 1, the waiver granted by the Takeover Panel, on the terms described in the Prospectus, of the obligation that would otherwise arise on the Placee under Rule 9 of the Takeover Code to make a general offer to the Company's shareholders as a result of the Placing as referred to in the Prospectus, be and is hereby approved.

Ordinary Resolution 3 – Share Consolidation Resolution

THAT the Share Consolidation be approved.

Important Notes

Rights to appoint a proxy

1 A member entitled to attend, speak and vote at the meeting is entitled to appoint a proxy (or more than one proxy) to attend, speak and vote in his stead. A proxy may demand, or join in demanding, a poll providing they meet the conditions determined in the Articles. A proxy need not be a member of the Company. Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them. A member may appoint more than one proxy to attend the meeting provided that each proxy is appointed to exercise rights attached to different shares.

Procedure for appointing a proxy

2 For the convenience of members who may be unable to attend the meeting, a Form of Proxy is enclosed which should be completed in accordance with the instructions. To be valid, the Form of Proxy (together with the power of attorney or other authority (if any) under which it is signed or notarially certified copy of such authority) must be deposited with the Company's registrars, Link Group, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL not less than 48 hours (excluding any part of a day that is not a Business Day) before the time fixed

for the meeting. The fact that members may have completed Forms of Proxy will not prevent them from attending, speaking and voting in person at the meeting should they afterwards decide to do so. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

3 Alternatively, you can submit your proxy vote electronically at www.signalshares.com. To be effective, the proxy vote must be submitted so as to have been received by the Company's registrars not less than 48 hours (excluding any part of a day that is not a Business Day) before the time appointed for the meeting or any adjournment of it.

4 In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by Link (ID RA10) not less than 48 hours (excluding any part of a day that is not a Business Day) before the time fixed for the extraordinary general meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Link is able to retrieve the message by enquiry to CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages and normal system timings and limitations will apply in relation to the input of a CREST Proxy Instruction. It is the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34(1) of the Uncertificated Securities (Guernsey) Regulations, 2009.

5 If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 10.00 a.m. on 16 July 2024 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting (excluding any part of a day that is not a Business Day). Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

6 Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

7 When two or more valid but differing appointments of a proxy are received in respect of the same share for use at the same meeting or poll, the one which is last received (regardless of its date or of the date of its signature) shall be treated as replacing and revoking the others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.

Corporate representatives

8 Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares provided that, except in relation to a vote on a show of hands, if two or more corporate representatives of one member purport to exercise a power in respect of the same shares, then (i) they exercise the power in the same manner, it shall be exercised

in the same manner; but (ii) if they exercise the power in a different manner, it shall be deemed not to have been exercised.

Changing or revoking proxy instructions

9 To change your proxy instructions simply submit a new proxy appointment using the methods set out in notes 2 to 4 above. Any amended proxy appointment must be received no later than the time referred to in notes 2 to 4 above and any amended proxy appointment received after the relevant cut-off time will be disregarded. If you submit more than one valid proxy form, the form received last before the latest time for the receipt of proxies will take precedence.

10 If you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Link Group, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL; and ask for another proxy form.

11 In order to revoke a proxy instruction you will need to inform the Company by sending notice in writing clearly stating your intention to revoke your proxy appointment by one of the methods referred to in notes 2 to 4 above (accompanied by the power of attorney or other authority (if any) under which the revocation notice is signed or a copy of such power or authority). The revocation notice must be received by the commencement of the meeting.

12 If you attempt to revoke your proxy appointment but the revocation is received after the time specified above then your proxy appointment will remain valid.

Record Date

13 Members who hold Ordinary Shares must have been entered on the Company's register of members 48 hours prior to the meeting in order to attend, speak and vote at the meeting. Such members may only vote at the meeting in respect of Ordinary Shares in the Company held at that time. Changes to the entries on the register after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.

14 All Resolutions will be taken on a poll. In order to comply with the Takeover Code, only Independent Shareholders (as defined in the Prospectus) will be entitled to vote on Ordinary Resolution 2. The Placee and persons acting in concert with the Placee will not be entitled to vote on Ordinary Resolution 2.

Resolution thresholds

15 To be passed, an ordinary resolution requires a simple majority of the votes cast by shareholders voting either in person or by proxy at the general meeting (excluding any votes which are withheld) to be voted in favour of the resolution.

Total voting rights

16 As at 25 June 2024 (being the latest practicable date prior to the printing of this notice) the Company's issued share capital comprised 515,736,583 Ordinary Shares. Each Ordinary Share carries the right to one vote on a poll at a general meeting of the Company and, therefore, the total voting rights in the Company as at that date are 515,736,583. As at 25 June 2024, the Company held no Ordinary Shares as treasury shares.

Other rights of members

17 Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already

been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Communications

18 Members who have general enquiries about the meeting should email the Company Secretary, Link Company Matters Limited, rgl-cosec@linkgroup.co.uk.

19 You may not use any electronic address provided in this notice of extraordinary general meeting or any related documents (including the proxy form) for communicating with the Company for any purposes other than those expressly stated.

20 Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommends that members subject all messages to virus checking procedures prior to use. Please note that any electronic communication received by the Company that is found to contain any virus will not be accepted.

Effective constitution

21 To allow effective constitution of the meeting, if it is apparent to the Chairman that no members of the Company will be present in person or by proxy, other than by proxy in the Chairman's favour, the Chairman may appoint a substitute to act as proxy in his stead for any member, provided that such substitute proxy shall vote on the same basis as the chairman.

APPENDIX A
TERMS OF AND CONDITIONS TO THE OPEN OFFER

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, the Open Offer Application Form) each Qualifying Shareholder who is not a Restricted Shareholder is being given an opportunity to apply for New Ordinary Shares at the Issue Price (payable in full on application and free of all expenses) on the following pro rata basis:

15 Open Offer Shares for every 7 Existing Ordinary Shares

held and registered in their name at the Record Date and so on in proportion to any other number of Existing Ordinary Shares then held.

Qualifying Shareholders may apply for any whole number of Open Offer Shares up to their maximum entitlement.

Applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlements.

Any New Ordinary Shares not taken up pursuant to the Open Offer will be made available under the Placing.

Any fractional entitlements to New Ordinary Shares will be rounded down to the nearest whole number in calculating entitlements to New Ordinary Shares. Fractional entitlements to New Ordinary Shares will be aggregated and will ultimately be available under the Placing to the Placee. Accordingly, Qualifying Shareholders holding fewer than 7 Existing Ordinary Shares will have no entitlement to subscribe under the Open Offer and will not be able to apply in the Open Offer. Holders of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate accounts for the purposes of calculating Qualifying Shareholders' entitlements under the Open Offer, as will holdings under different designations and in different accounts.

The Issue Price represents a discount of approximately 50.4 per cent. to the Closing Price of 20.2 pence.

If you have sold or otherwise transferred all your Existing Ordinary Shares on or after the Ex-Entitlements Date, you are not entitled to participate in the Open Offer. Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should note that their Open Offer Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST and be enabled for settlement, the Open Offer Entitlements will not be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim. New Ordinary Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their entitlements will have no rights nor receive any benefit under the Open Offer. Any New Ordinary Shares which are not applied for under the Open Offer Entitlements may be allocated to the Placee, and the net proceeds will be retained, for the benefit of the Company.

The attention of Shareholders and any persons (including, without limitation, custodians, nominees and trustees) who have a contractual or other legal obligation to forward this document or an Open Offer Application Form into a jurisdiction other than the UK is drawn to paragraphs 6 to 9 of this APPENDIX A relating to Overseas Shareholders, which forms part of the terms of and conditions to the Capital Raising. In particular, Restricted Shareholders will not be sent this document or the Open Offer Application Form. Unless instructed otherwise by the Company or the Banks, if you are resident or located in, or have a registered address in a Restricted Jurisdiction and receive an Open Offer Application Form, please destroy it.

The New Ordinary Shares issued pursuant to the Capital Raising will rank *pari passu* in all respects with the Existing Ordinary Shares and will have the same rights and restrictions as each Existing Ordinary Share, including in respect of any dividends or distributions declared in respect of the New Ordinary Shares following Admission. The New Ordinary Shares are not being made available in whole or in part to the public except under the terms of the Open Offer.

The Overseas Placing and the Open Offer is fully underwritten by the Placee on the terms and subject to the conditions of the Subscription Agreement, details of which are set out in paragraph 11.1 of PART 15 of this document.

The Capital Raising is conditional upon: (i) the Capital Raising Resolution being passed by Shareholders at the Extraordinary General Meeting (without material amendment); (ii) the Subscription Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms before Admission; and (iii) Admission becoming effective by not later than 8.00 a.m. on 19 July 2024 (or such later time and/or date as the Company and the Placee may agree, being not later than 8.00 a.m. on 13 August 2024).

In the event that these conditions are not satisfied or the Subscription Agreement is terminated in accordance with its terms, the Capital Raising will not proceed. In such circumstances, application monies will be returned (at the applicant's sole risk) without payment of interest, as soon as practicable thereafter. No temporary documents of title will be issued in respect of the New Ordinary Shares held in uncertificated form. Definitive certificates in respect of New Ordinary Shares taken up will not be issued. Instead, definitive certificates in respect of Consolidated Shares will be issued following the Share Consolidation and are expected to be posted to the Qualifying Shareholders who have validly elected to hold their New Ordinary Shares in certificated form within five Business Days of Admission of the Consolidated Shares. Following Admission, the Subscription Agreement will not be subject to any condition. A summary of the principal terms of the Subscription Agreement is set out in paragraph 11.1 of PART 15 of this document.

The Existing Ordinary Shares are already CREST-enabled. No further application for admission to CREST is required for the New Ordinary Shares and all of the New Ordinary Shares when issued and fully paid may be held and transferred by means of CREST. In respect of those Qualifying Shareholders who have validly elected to hold their New Ordinary Shares in uncertificated form, the New Ordinary Shares are expected to be credited to their CREST stock accounts as soon as possible on 19 July 2024.

Subject to the conditions above being satisfied and save as provided in this APPENDIX A, it is expected that:

- Link Group will instruct Euroclear to credit the appropriate stock accounts of Qualifying CREST Shareholders with such Qualifying CREST Shareholders' Open Offer Entitlements on 28 June 2024;

- New Ordinary Shares in uncertificated form will be credited to the appropriate stock accounts of relevant Qualifying CREST Shareholders who validly take up their Open Offer Entitlements on 19 July 2024; and

- share certificates for New Ordinary Shares will not be issued but share certificates for the Consolidated Shares will be despatched following the Share Consolidation in the week commencing 5 August 2024 to relevant Qualifying Non-CREST Shareholders who validly take up their Open Offer Entitlements. Such certificates will be despatched at the risk of such Qualifying Non-CREST Shareholders.

All monies received by the Receiving Agent in respect of the Open Offer Shares will be placed on deposit in a non-interest bearing account by the Receiving Agent.

Following the issue of New Ordinary Shares proposed to be allotted and issued pursuant to the Capital Raising, Qualifying Shareholders who take up their full Open Offer Entitlements will not suffer a dilution to their interests in the Company.

Qualifying Shareholders who do not take up any of their Open Offer Entitlements will suffer a dilution of 68.2 per cent. to their interests in the Company.

All Qualifying Shareholders taking up their Open Offer Entitlements will be deemed to have given the representations and warranties set out in paragraphs 2.6 and 9.1 below (in the case of Qualifying Non-CREST Shareholders) and paragraphs 3.8 and 9.2 below (in the case of Qualifying CREST Shareholders) unless, in each case, such requirement is waived in writing by the Company.

All documents and cheques posted to or by Qualifying Shareholders and/or their transferees or renounces (or their agents, as appropriate) will be posted at their own risk.

The attention of Overseas Shareholders is drawn to paragraphs 6 to 9 of this APPENDIX A **which forms part of the terms of and conditions to the Open Offer.**

References to dates and times in this document should be read as subject to adjustment. The Company will make an appropriate announcement to a Regulatory Information Service giving details of any revised dates or times.

1 Action to be taken in connection with the Open Offer

The action to be taken in respect of the Open Offer depends on whether, at the relevant time, a Qualifying Shareholder has received an Open Offer Application Form in respect of his Open Offer Entitlements or has had his Open Offer Entitlements credited to his CREST stock account.

If you are a Qualifying Non-CREST Shareholder, please refer to paragraph 2 and paragraphs 4 to 10 (inclusive) of this APPENDIX A.

If you are a Qualifying CREST Shareholder, please refer to paragraph 3 and paragraphs 4 to 10 (inclusive) of this APPENDIX A and to the CREST Manual for further information on the CREST procedures referred to above.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors as only their CREST sponsors will be able to take the necessary actions specified below to apply under the Open Offer in respect of the Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to above.

Qualifying Shareholders who do not want to take up or apply for the New Ordinary Shares under the Open Offer should take no action and should not complete or return the Open Offer Application Form (in the case of Qualifying Non-CREST Shareholders) or follow the procedures set out in paragraph 3 below (in the case of Qualifying CREST Shareholders) to apply for New Ordinary Shares through CREST, as the case may be. Shareholders are, however, encouraged to vote at the Extraordinary General Meeting by attending in person or by completing and returning the enclosed Form of Proxy (either in hard copy or electronically) or by completing and transmitting a CREST Proxy Instruction.

2 Actions to be taken in relation to Open Offer Entitlements represented by Open Offer Application Forms

2.1 General

Save as provided in paragraphs 6 to 9 of this APPENDIX A below, Qualifying Non-CREST Shareholders will have received an Open Offer Application Form with this document.

Their Open Offer Application Forms set out:

2.1.1 in Box 4 on the Open Offer Application Form, the number of Existing Ordinary Shares registered in such person's name at the Record Date (on which a Qualifying Non-CREST Shareholder's Open Offer Entitlement to New Ordinary Shares is based);

2.1.2 in Box 5, the Open Offer Entitlement to New Ordinary Shares for which such persons are entitled to apply under the Open Offer, taking into account that any fractional entitlements to New Ordinary Shares will be rounded down to the nearest whole number in calculating entitlements to New Ordinary Shares, such fractional entitlements being aggregated and will be available to the Placee under the Placing;

2.1.3 in Box 6, how much such person would need to pay in pounds sterling if they wish only to take up their Open Offer Entitlement in full;

2.1.4 the procedures to be followed if a Qualifying Non-CREST Shareholder wishes to dispose of all or part of his entitlement or to convert all or part of his entitlement into uncertificated form; and

2.1.5 instructions regarding acceptance and payment, consolidation and splitting.

Multiple applications will not be accepted. In the event of receipt of multiple applications, the Company may in its sole discretion (with the consent of the Banks) determine which application is valid and binding on the person by whom or on whose behalf it is lodged. All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

Qualifying Non-CREST Shareholders may apply for less than their maximum Open Offer Entitlement should they wish to do so.

Qualifying Non-CREST Shareholders may also hold such an Open Offer Application Form by virtue of a bona fide market claim.

The instructions and other terms set out in the Open Offer Application Form constitute part of the terms of and conditions to the Open Offer to Qualifying Non-CREST Shareholders.

The latest time and date for acceptance of the Open Offer Application Forms and payment in full will be 11.00 a.m. on 17 July 2024. The New Ordinary Shares are expected to be issued on 19 July 2024. After such date the New Ordinary Shares will be in registered form, freely transferable by written instrument of transfer in the usual, common form, or if they have been issued in, or converted into, uncertificated form, in electronic form under the CREST system.

2.2 Bona fide market claims

Applications to acquire New Ordinary Shares may only be made on the Open Offer Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a bona fide market claim in relation to a purchase of

Ordinary Shares through the market prior to 8.00 a.m. on 27 June 2024 (the date upon which the Ordinary Shares were marked 'ex' the entitlement to participate in the Open Offer). Open Offer Application Forms may not be assigned, transferred or split, except to satisfy bona fide market claims prior to 3.00 p.m. on 12 July 2024.

The Open Offer Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Ordinary Shares prior to the Ex-Entitlements Date, should consult his broker or other professional adviser as soon as possible as the invitation to acquire New Ordinary Shares under the Open Offer may be a benefit which may be claimed by the transferee.

Qualifying Non-CREST Shareholders who have sold or otherwise transferred all of their registered holdings prior to the ex-entitlement date on 27 June 2024 should, if the market claim is to be settled outside CREST, complete Box 8 on the Open Offer Application Form and immediately send it, together with this document, to the broker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee, or directly to the purchaser or transferee, if known. The Open Offer Application Form and this document should not, however, be forwarded to, or transmitted in or into, any Restricted Jurisdiction, including the United States. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Open Offer Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph 3 below.

Qualifying Non-CREST Shareholders who have sold or otherwise transferred part only of their Existing Ordinary Shares shown in Box 4 of their Open Offer Application Form prior to 27 June 2024 should, if the market claim is to be settled outside CREST, complete Box 8 of the Open Offer Application Form and immediately deliver the Open Offer Application Form, together with a letter stating the number of Open Offer Application Forms required (being one for the Qualifying Non-CREST Shareholder in question and one for each of the purchasers or transferees), the total number of Existing Ordinary Shares to be included in each Open Offer Application Form (the aggregate of which must equal the number shown in Box 2 of the Open Offer Application Form) and the total number of Open Offer Entitlements to be included in each Open Offer Application Form (the aggregate of which must equal the number shown in Box 5), to the broker, bank or other agent through whom the sale or transfer was effected or return it by post to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received by no later than 11.00 a.m. on 17 July 2024. The Receiving Agent will then create new Open Offer Application Forms, mark the Open Offer Application Forms "Declaration of sale or transfer duly made" and send them, together with a copy of this document, by post to the person submitting the original Open Offer Application Form. The Open Offer Application Form and this document should not, however, be forwarded to or transmitted in or into any Restricted Jurisdiction, including the United States.

2.3 Application procedures

Qualifying Non-CREST Shareholders who wish to apply to subscribe for all or any of the New Ordinary Shares in respect of their Open Offer Entitlement must return the Open Offer Application Form in accordance with the instructions printed thereon. Completed Open Offer Application Forms should be posted in the accompanying pre-paid envelope (in the UK only) or returned by post or by hand (during normal office hours only) to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received by no later than 11.00 a.m. on 17 July 2024, after which time, subject to the limited exceptions set out below, Open Offer Application Forms will not be valid. Applications delivered by hand will not be checked upon delivery and no receipt will be provided. Qualifying Non-CREST Shareholders should note that applications, once made, will, subject to the very limited withdrawal rights set out in this document, be irrevocable. If an Open Offer Application Form is being sent by first-class post in the United Kingdom, Qualifying Shareholders are recommended to allow at least four Business Days for delivery.

Completed Open Application Forms should be returned together with payment in accordance with paragraph 2.4 below. All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

2.4 Payment

All payments must be made by cheque or banker's draft in pounds sterling payable to "**Link Market Services Limited re: Regional REIT Limited Open Offer 2024 A/C**" and crossed "**A/C payee onl**y". Cheques must be for the full amount payable on acceptance, and sent by post to Link Group, so as to be received as soon as possible and, in any event, not later than 11.00 a.m. on 17 July 2024. A pre-paid envelope for use within the United Kingdom only will be sent with the Open Offer Application Form.

Cheques must be drawn on the personal account of the individual investor where they have sole or joint title to the funds. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder and the building society cheque or banker's draft has been stamped with the building society or bank branch stamp on the back of the cheque or banker's draft. The name of the building society or bank account holder must be the same as the name of the relevant Qualifying Non-CREST Shareholder. Cheques or banker's drafts must be drawn in pounds sterling and on an account at a bank or building society or a branch of a bank or building society which must be in the United Kingdom, the Channel Islands or the Isle of Man and which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided by either of those companies. Cheques and banker's drafts must bear the appropriate sorting code number in the top right-hand corner. Post-dated cheques will not be accepted. Payments via CHAPS, BACS or electronic transfer will not be accepted. Please do not send cash.

The Company reserves the right to have cheques and banker's drafts presented for payment on receipt. No interest will be paid. It is a term of the Open Offer that cheques must be honoured on first presentation and the Company may, in consultation with the Banks, elect to treat as invalid any acceptances in respect of which cheques are not honoured. Return of the Open Offer Application Form with a cheque will constitute a warranty that the cheque will be honoured on first presentation.

If cheques or banker's drafts are presented for payment before the conditions of the Open Offer are fulfilled, the application monies will be kept in a non-interest-bearing account retained for the Company until all conditions are met. If the Open Offer does not become unconditional, no New Ordinary Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable, following the lapse of the Open Offer.

If New Ordinary Shares are allotted and issued to a Qualifying Non-CREST Shareholder and a cheque for that allotment and issuance is subsequently not honoured or such Qualifying Shareholder's application is subsequently otherwise deemed to be invalid, the Receiving Agent shall be authorised to (in its absolute discretion as to manner, timing and terms, but after consultation with the Banks and the Company) make arrangements for the sale of such shares on behalf of the Company and for the proceeds of sale (which, for these purposes, shall be deemed to be payments in respect of successful applications) to be paid and retained by the Company. None of the Company, Link Group, the Banks, nor any other person, shall be responsible for, or have any liability for, any loss, expenses or damage suffered by any Qualifying Shareholder as a result.

If you have any questions relating to the completion and return of your Open Offer Application Forms, please contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. - 5.30 p.m.,

Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

2.5 Discretion as to validity of acceptances

If payment is not received in full by 11.00 a.m. on 17 July 2024, the offer to subscribe for New Ordinary Shares under the Open Offer will be deemed to have been declined and will lapse. However, after consultation with the Banks, the Company may, but shall not be obliged to, treat as valid: (a) Open Offer Application Forms and accompanying remittances that are received through the post not later than 11.00 a.m. on 17 July 2024 (the cover bearing a legible postmark not later than 11.00 a.m. on 17 June 2024); and (b) acceptances in respect of which a remittance is received prior to 11.00 a.m. on 17 July 2024 from an authorised person (as defined in section 31(2) of FSMA) specifying the number of New Ordinary Shares to be acquired and undertaking to lodge the relevant Open Offer Application Form, duly completed, by 11.00 a.m. on 17 July 2024 and such Open Offer Application Form is lodged by that time.

The Company may also (in its absolute discretion, but after consultation with the Banks) treat an Open Offer Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney where required.

The Company reserves the right to treat, in its absolute discretion as invalid any application or purported application for the New Ordinary Shares pursuant to the Open Offer that appears to the Company to have been executed in, despatched from, or that provides an address for delivery of definitive share certificates for Consolidated Shares in, a Restricted Jurisdiction, including the United States.

The Company may, but shall not be obliged to, treat an Open Offer Application Form as valid if the number of New Ordinary Shares for which the application is made is inconsistent with the remittance that accompanies the Open Offer Application Form. In such case, the Company will be entitled to, in its absolute discretion, deem application to have been made for: (i) where an insufficient sum is paid, the greatest whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price; and (ii) where an excess sum is paid, the greatest number of New Ordinary Shares inserted in Box 2 of the Open Offer Application Form.

2.6 Effect of application

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering an Open Offer Application Form the applicant:

2.6.1 represents and warrants to each of the Company and the Banks that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares or acting on behalf of any such person on a non-discretionary basis;

2.6.2 agrees with each of the Company and the Banks that all applications under the Open Offer and any contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by, and construed in accordance with, the laws of England and Wales;

2.6.3 agrees with each of the Company and the Banks that the Open Offer Shares are issued subject to, and in accordance with, the Articles;

2.6.4 agrees with each of the Company and the Banks that applications, once made, will be valid and binding and, subject to the very limited withdrawal rights set out in this document, be irrevocable;

2.6.5 confirms to each of the Company and the Banks that, in making the application, he is not relying on any information or representation (including, for the avoidance of doubt, the KID prepared in respect of the Ordinary Shares) other than that contained in (or incorporated by reference in) this document and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any information or representation not so contained and further agrees that, having had the opportunity to read this document (including any documentation incorporated into it by reference), he will be deemed to have had notice of all information contained in this document (including information incorporated into it by reference);

2.6.6 confirms to each of the Company and the Banks that, in making the application, he is not relying on, and has not relied on the Banks or any other person affiliated with either of them in connection with any investigation of the accuracy of any information contained in (or incorporated by reference in) this document or his investment decision;

2.6.7 confirms to each of the Company and the Banks that no person has been authorised to give any information or to make any representation concerning the Group and/or the New Ordinary Shares (other than as contained in this document) and, if given or made, any such other information or representation should not be, and has not been, relied upon as having been authorised by the Company or the Banks;

2.6.8 represents and warrants to the Company and the Banks that, if he has received some or all of his Open Offer Entitlements from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a bona fide market claim;

2.6.9 represents and warrants to each of the Company and the Banks that the New Ordinary Shares are acquired only in an "offshore transaction" in reliance on the exemption from the registration requirements of the US Securities Act provided by Regulation S thereunder (as such term is defined in Regulation S);

2.6.10 represents and warrants to each of the Company and the Banks that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements or that he received such Open Offer Entitlements by virtue of a bona fide market claim;

2.6.11 represents and warrants to the Company and the Banks that he is located outside the United States, he is acquiring the shares in an "offshore transaction" (as such term is defined in Rule 902(h) of Regulation S), he is not acquiring the New Ordinary Shares for the benefit of a person in the United States and he will not offer, sell or deliver, directly or indirectly, any New Ordinary Shares in or into the United States, and if in the future he decides to offer, sell, transfer, assign, pledge or otherwise dispose of New Ordinary Shares or any beneficial interest therein, he will do so only (i) in an "offshore transaction" (within the meaning of Regulation S) to a person outside the United States not known by the transferor to be a "U.S. Person" (as such term is defined in Rule 902(k) of Regulation S), (ii) to the Company, (iii) in a transaction pursuant to Rule 144A under the US

Securities Act or (iv) pursuant to an effective registration statement under the US Securities Act;

2.6.12 represents and warrants to each of the Company and the Banks that he is purchasing the New Ordinary Shares for his own account or for one or more investment accounts for which he is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Ordinary Shares in any manner that would violate the US Securities Act or any other applicable securities laws;

2.6.13 acknowledges and understands that the Company is required to comply with FATCA and CRS and agrees to furnish any information and documents the Company may from time to time request, including but not limited to information required under FATCA and CRS;

2.6.14 represents and warrants to each of the Company and the Banks that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986;

2.6.15 acknowledges that he has had the opportunity to read the KID relating to the Ordinary Shares in its entirety and that he shall be deemed to have had notice of all information and representations contained therein;

2.6.16 acknowledges that the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to the applicant to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares under the Open Offer;

2.6.17 acknowledges that the KID relating to the Ordinary Shares prepared by the AIFM pursuant to the UK PRIIPs Regulation can be provided to you in paper or by means of a website, but that where you are applying under the Open Offer directly and not through an adviser or other intermediary, unless requested in writing otherwise, the lodging of an Open Offer Application Form represents your consent to being provided the KID via the Company's website (www.regionalreit.com) or on such other website as has been notified to you. Where your application is made on an advised basis or through another intermediary, the terms of your engagement should address the means by which such KID will be provided to you; and

2.6.18 requests that the New Ordinary Shares to which he will become entitled be issued to him on the terms set out in this document and the Open Offer Application Form and subject to the Articles.

2.7 Money Laundering Regulations

To ensure compliance with the Money Laundering Regulations, Link Group may require, at its absolute discretion, verification of the identity of the beneficial owner by whom or on whose behalf the Open Offer Application Form is lodged with payment (which requirements are referred to below as the "**verification of identity requirements**"). If an application is made by a UK-regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of Link Group. In such case, the lodging agent's stamp should be inserted on the Open Offer Application Form.

The person lodging the Open Offer Application Form with payment (the "**applicant**"), including any person who appears to Link Group to be acting on behalf of some other person, shall thereby be deemed to agree to provide Link Group with such information and other evidence as Link Group may require to satisfy the verification of identity requirements. Submission of an Open Offer Application Form shall constitute a warranty that the Money Laundering Regulations will not be breached by the acceptance of remittance and an undertaking by the applicant to provide promptly to Link Group such information as may be specified by Link Group as being required for the purpose of the Money Laundering Regulations.

If Link Group determines that the verification of identity requirements apply to any applicant or application, the relevant New Ordinary Shares (notwithstanding any other term of the Open Offer) will not be issued to the relevant applicant unless and until the verification of identity requirements have been satisfied in respect of that applicant or application. Link Group is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any applicant or application and whether such requirements have been satisfied, and none of Link Group, the Company or the Banks will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays and potential rejection of an application. If, within a reasonable period of time following a request for verification of identity, Link Group has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, after consultation with the Banks, treat the relevant application as invalid, in which event the application monies will be returned (at the applicant's risk) without interest to the account of the bank or building society on which the relevant cheque or banker's draft was drawn.

The verification of identity requirements will not usually apply if:

2.7.1 the applicant is a regulated UK broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;

2.7.2 the applicant is an organisation required to comply with the EU Money Laundering Directive (No.91/308/EEC) as amended by Directives 2001/97/EC and 2005/60/EC;

2.7.3 the applicant is a company whose securities are listed on a regulated market subject to specified disclosure obligations;

2.7.4 the applicant (not being an applicant who delivers his/her application in person) makes payment through an account in the name of such applicant with a credit institution which is subject to the Money Laundering Regulations or with a credit institution situated in a non-EEA State which imposes requirements equivalent to those laid down in that directive; or

2.7.5 the aggregate subscription price for the relevant New Ordinary Shares is less than €15,000 (or its pounds sterling equivalent).

Submission of the Open Offer Application Form with the appropriate remittance will constitute a representation and warranty to each of the Company and the Banks from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

Where the verification of identity requirements apply, please note the following as this will assist in satisfying the requirements (but does not limit the right of Link Group to require verification of an identity stated above). Satisfaction of these requirements may be facilitated in the following ways:

2.7.6 if payment is made by cheque or banker's draft drawn on a branch of a bank or building society in the United Kingdom and bears a UK bank sort code number in the top right hand corner, the following applies. Cheques, which are recommended to be drawn on the personal account of the individual investor where they have sole or joint title to the funds, should be made payable to "**Link Market Services Limited re: Regional REIT Limited Open Offer 2024 A/C**" and crossed "**A/C payee only**". Third party cheques may not be accepted except for building society cheques or banker's drafts where the building society or bank has inserted details on the back of the cheque or banker's draft of the name of the account holder and the building society cheque or banker's draft has been stamped with the building society or bank branch stamp. The account name should be the same as that shown on the application;

2.7.7 if the Open Offer Application Form is lodged with payment by an agent which is an organisation of the kind referred to in sub-paragraph 2.7.2 above or which is subject to anti-money laundering regulations in a country which is a member of the Financial Action Task Force (the current non-EU members of which are Argentina, Australia, Brazil, Canada, China, members of the Gulf Co-operation Council (being Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), Hong Kong, China, Iceland, India, Indonesia, Israel, Japan, Malaysia, Mexico, New Zealand, Norway, the People's Republic of China, the Republic of Korea, Singapore, South Africa, Switzerland, Tűrkiye, the United Kingdom and the US), the agent should provide written confirmation that it has that status with the Open Offer Application Form(s) and written assurances that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to Link Group and/or any relevant regulatory or investigatory authority; or

2.7.8 if an Open Offer Application Form is lodged by hand by the applicant in person, he should ensure that he has with him evidence of identity bearing his photograph (for example, his passport) and evidence of his address.

To confirm the acceptability of any written assurance referred to in paragraph 2.7.7 above, or in any other case, the applicant should contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. - 5.30 p.m, Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

2.8 Issue of New Ordinary Shares in certificated form

Definitive certificates in respect of the New Ordinary Shares to be held in certificated form will not be issued. Instead, definitive certificates in respect of Consolidated Shares to be held in certificated form will be issued following the Share Consolidation and are expected to be despatched in the week commencing 5 August 2024, at the risk of the person(s) entitled to them, to accepting Qualifying Non-CREST Shareholders or their agents or, in the case of joint holdings, to the first-named Qualifying Non-CREST Shareholder, in each case, at their registered address (unless lodging agent details have been completed on the Open Offer Application Form).

3 Action to be taken in relation to Open Offer Entitlements credited in CREST

3.1 General

Save as provided in paragraphs 6 to 9 of this APPENDIX A in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder is expected to receive a credit to his

CREST stock account of his Open Offer Entitlement equal to the number of New Ordinary Shares for which he is entitled to apply to acquire under the Open Offer. Any fractional entitlements to New Ordinary Shares will be rounded down to the nearest whole number in calculating entitlements to New Ordinary Shares. Fractional entitlements to New Ordinary Shares will be aggregated and will be made available under the Placing to the Placee.

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Ordinary Shares held at the Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlement have been allocated.

If for any reason it is not possible to admit the Open Offer Entitlements to CREST, or it is impracticable to credit the stock accounts of Qualifying CREST Shareholders by 3.00 p.m. on 12 July 2024 (or such later time and/or date as the Company (after consultation with the Banks) shall decide), Open Offer Application Forms shall be sent out in substitution for the Open Offer Entitlements which should have been so credited and the expected timetable as set out in this document may be adjusted, as appropriate. References to dates and times in this document should be read as subject to any such adjustment. The Company will make an appropriate announcement through a Regulatory Information Service giving details of the revised dates but Qualifying CREST Shareholders may not receive any further written communication.

Qualifying CREST Shareholders who wish to take up all or part of their Open Offer Entitlements should refer to the CREST Manual for further information on the CREST procedures referred to below. If you are a CREST sponsored member, you should consult your CREST sponsor if you wish to take up your entitlement, as only your CREST sponsor will be able to take the necessary action to take up your Open Offer Entitlements. If you have any questions relating to the completion and return of your Forms of Proxy, please contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. - 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

In accordance with the instructions in this APPENDIX A**, the CREST instruction must have been settled by 11.00 a.m. on 17 July 2024.**

3.2 Bona fide market claims

The Open Offer Entitlements will constitute a separate security for the purposes of CREST and will have a separate ISIN. Although Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim transaction. Transactions identified by the CREST Claims Processing Unit as "cum" the Open Offer Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) will thereafter be transferred accordingly.

3.3 USE Instructions for all or some of the Open Offer Entitlements

Qualifying CREST Shareholders who are CREST members and who wish to apply for New Ordinary Shares in respect of all or some of their Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an USE Instruction to Euroclear which, on its settlement, will have the following effect:

3.3.1 the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Open Offer

Entitlements corresponding to the number of New Ordinary Shares applied for; and

3.3.2 the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE Instruction which must be the full amount payable on application for the number of New Ordinary Shares referred to in paragraph 3.3.1 above.

3.4 Content of USE Instructions in respect of Open Offer Entitlements

The USE Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

3.4.1 the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Receiving Agent);

3.4.2 the ISIN of the Open Offer Entitlement. This is GG00BRRGWK33;

3.4.3 the CREST participant ID of the CREST member;

3.4.4 the CREST member account ID of the CREST member from which the Open Offer Entitlements are to be debited;

3.4.5 the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 7RA33;

3.4.6 the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 22376REG;

3.4.7 the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;

3.4.8 the intended settlement date. This must be on or before 11.00 a.m. on 17 July 2024;

3.4.9 the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST;

3.4.10 a contact name and telephone number (in the free format shared note field); and

3.4.11 a priority of at least 80.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 17 July 2024. CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 17 July 2024 in order to be valid is 11.00 a.m. on that day.

If the conditions to the Subscription Agreement are not fulfilled on or before 8.00 a.m. on 19 July 2024, or such other time and/or date as may be agreed between the Company, the Placee and the Banks, or if the Subscription Agreement is terminated in accordance with its terms prior to Admission, the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable

thereafter. The interest earned on such monies, if any, will be retained for the benefit of the Company.

3.5 CREST procedures and timings

Qualifying CREST Shareholders who are CREST members and CREST sponsors (on behalf of CREST sponsored members) should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE Instruction and its settlement in connection with the Open Offer. It is the responsibility of the Qualifying CREST Shareholder concerned to take (or, if the Qualifying CREST Shareholder is a CREST sponsored member, to procure that his CREST sponsor takes) the action necessary to ensure that a valid acceptance is received as stated above by 11.00 a.m. on 17 July 2024. Qualifying CREST Shareholders and (where applicable) CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

3.6 Validity of application

A USE Instruction complying with the requirements as to authentication and contents set out above which settles by not later than 11.00 a.m. on 17 July 2024 will constitute a valid application under the Open Offer.

3.7 Incorrect or incomplete applications

If a USE Instruction includes a CREST payment for an incorrect sum, the Company, through the Receiving Agent, reserves the right:

3.7.1 to reject the application in full and refund the payment to the CREST member in question (without interest);

3.7.2 in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of New Ordinary Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and

3.7.3 in the case that an excess sum is paid, to treat the application as a valid application for all the New Ordinary Shares referred to in the USE Instruction, refunding any unutilised sum to the CREST member in question (without interest).

3.8 Effect of application

A CREST member or CREST sponsored member who makes, or is treated as making, a valid application in accordance with the above procedures thereby:

3.8.1 represents and warrants to each of the Company and the Banks that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares or acting on behalf of any such person on a non-discretionary basis;

3.8.2 agrees with each of the Company and the Banks to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in

accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay the amount payable on application);

3.8.3 agrees with each of the Company and the Banks that all applications under the Open Offer and any contracts resulting therefrom, and any non-contractual obligations relating thereto, shall be governed by, and construed in accordance with, the laws of England and Wales;

3.8.4 agrees with each of the Company and the Banks that the Open Offer Shares are issued subject to, and in accordance with, the Articles;

3.8.5 agrees with each of the Company and the Banks that applications, once made, will, be valid and binding, and subject to the very limited withdrawal rights set out in this document, be irrevocable;

3.8.6 confirms to each of the Company and the Banks that, in making the application, he is not relying on any information or representation (including, for the avoidance of doubt, the KID prepared in respect of the Ordinary Shares) other than that contained in (or incorporated by reference in) this document and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, including any documentation incorporated by reference, he will be deemed to have had notice of all the information contained in this document (including information incorporated by reference);

3.8.7 confirms to each of the Company and the Banks that, in making the application, he is not relying, and has not relied, on either of the Banks or any other person affiliated with either of the Banks in connection with any investigation of the accuracy of any information contained in (or incorporated by reference in) this document or his investment decision;

3.8.8 confirms to each of the Company and the Banks that no person has been authorised to give any information or to make any representation concerning the Group and/or the New Ordinary Shares (other than as contained in this document) and, if given or made, any such other information or representation should not be, and has not been, relied upon as having been authorised by the Company or the Banks;

3.8.9 represents and warrants to the Company and the Banks that if he has received some or all of his Open Offer Entitlements from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a bona fide market claim;

3.8.10 represents and warrants to each of the Company and the Banks that he is the Qualifying CREST Shareholder originally entitled to the Open Offer Entitlements or that he has received such Open Offer Entitlements by virtue of a bona fide market claim;

3.8.11 represents and warrants to each of the Company and the Banks that he is not, and is not acting on behalf of any person who is: (a) located, a citizen or resident, or a corporation, partnership or other entity created or organised in or under any laws, in or of any Restricted Jurisdiction or any jurisdiction in which the application for New Ordinary Shares is prevented by law; and (b) applying with a view to re-offering, reselling, transferring or delivering any of the New Ordinary Shares which are the subject of his application to, or for the benefit of, a person

who is located, a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws, in or of any Restricted Jurisdiction or any jurisdiction in which the application for New Ordinary Shares is prevented by law, nor acting on behalf of any such person on a non-discretionary basis nor a person(s) otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares under the Open Offer;

3.8.12 represents and warrants to each of the Company and the Banks that: (a) he is not in the United States nor is he applying for the account of any person who is located in the United States; and (b) he is not applying for the New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any New Ordinary Shares into the United States in violation of federal or state securities laws;

3.8.13 represents and warrants to each of the Company and the Banks that he has not become aware of the Open Offer by any means of "directed selling efforts", as that term is used under Regulation S;

3.8.14 represents and warrants to each of the Company and the Banks that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986; and

3.8.15 requests that the New Ordinary Shares to which he will become entitled be issued to him on the terms set out in this document, subject to the Articles.

3.9 Discretion as to rejection and validity of acceptances

The Company may (with the consent of the Banks):

3.9.1 reject any acceptance constituted by a USE Instruction, which is otherwise valid, in the event of a breach of any of the representations, warranties and undertakings set out or referred to in paragraph 3.8 of this APPENDIX A. Where an acceptance is made as described in this paragraph 3 which is otherwise valid, and the USE Instruction concerned fails to settle by 11:00 a.m. on 17 July 2024 (or by such later time and date as the Company and the Banks may determine), the Company shall be entitled to assume, for the purposes of its right to reject an acceptance as described in this paragraph 3.9.1, that there has been a breach of the representations, warranties and undertakings set out or referred to in paragraph 3.8 above unless the Company is aware of any reason outside the control of the Qualifying CREST Shareholder or CREST sponsor (as appropriate) concerned for the failure of the USE Instruction to settle;

3.9.2 treat as valid (and binding on the Qualifying CREST Shareholder concerned) an acceptance which does not comply in all respects with the requirements as to validity set out or referred to in this paragraph 3;

3.9.3 accept an alternative properly authenticated dematerialised instruction from a Qualifying CREST Shareholder or (where applicable) a CREST sponsor as constituting a valid acceptance in substitution for, or in addition to, a USE Instruction and subject to such further terms and conditions as the Company may determine;

3.9.4 treat a properly authenticated dematerialised instruction (in this sub-paragraph, the "**first instruction**") as not constituting a valid acceptance if, at the time at which Link Group receives a properly authenticated dematerialised instruction giving details of the first instruction, either the Company or Link Group has

received actual notice from Euroclear of any of the matters specified in CREST Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction;

3.9.5 acknowledges that he has had the opportunity to read the KID relating to the Ordinary Shares in its entirety and that he shall be deemed to have had notice of all information and representations contained therein;

3.9.6 acknowledges that the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of the UK MiFID Laws; or (b) a recommendation to the applicant to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares under the Open Offer; and

3.9.7 accept an alternative instruction or notification from a Qualifying CREST Shareholder or (where applicable) a CREST sponsor, or extend the time for acceptance and/or settlement of a USE Instruction or any alternative instruction or notification if, for reasons or due to circumstances outside the control of any Qualifying CREST Shareholder or (where applicable) CREST sponsor, a Qualifying CREST Shareholder is unable validly to take up all or part of his Open Offer Entitlement by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of facilities and/or systems operated by Link Group in connection with CREST.

3.10 Money Laundering Regulations

If you hold your Ordinary Shares in CREST and apply to take up all or part of your entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a bank, a broker or another UK financial institution), then, irrespective of the value of the application, Link Group is required to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. Such Qualifying CREST Shareholders must therefore contact Link Group before sending any USE Instruction or other instruction so that appropriate measures may be taken.

Submission of a USE Instruction which constitutes, or which may on its settlement constitute, a valid acceptance as described above constitutes a warranty and undertaking by the applicant to the Company and the Banks to provide promptly to Link Group any information Link Group may specify as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to Link Group as to identity,

Link Group, having consulted with the Company, may take, or omit to take, such action as it may determine to prevent or delay settlement of the USE Instruction. If satisfactory evidence of identity has not been provided within a reasonable time, Link Group will not permit the USE Instruction concerned to proceed to settlement (without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure by the applicant to provide satisfactory evidence).

3.11 Deposit of Open Offer Entitlements into, and withdrawal from, CREST

A Qualifying Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Open Offer Application, may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Open Offer Application Form or into the name of a person entitled by virtue of a bona fide market claim). Similarly, Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer are reflected in an Open Offer Application Form. Normal

CREST procedures (including timings) apply in relation to any such deposit or withdrawal (and, in the case or a deposit into CREST, as set out in the Open Offer Application Form).

A Qualifying Non-CREST Shareholder who wishes to make such a deposit should sign Box 7 and complete Box 11 of their Open Offer Application Form, entitled "**CREST Deposit Form**" and then deposit their Open Offer Application Form with the CREST Courier and Sorting Service ("**CCSS**"). In addition, the normal CREST stock deposit procedures will need to be carried out, except that: (a) it will not be necessary to complete and lodge a separate CREST transfer form (as prescribed under the Stock Transfer Act 1963) with the CCSS; and (b) only the Open Offer Entitlement shown in Box 5 of the Open Offer Application Form may be deposited into CREST.

If you have received your Open Offer Application Form by virtue of a bona fide market claim, the declaration in Box 8 must have been made or (in the case of an Open Offer Application Form which has been split) marked "**Declaration of sale or transfer duly made**". If you wish to take up your Open Offer Entitlement, the CREST Deposit Form in Box 11 of your Open Offer Application Form must be completed and deposited with the CCSS in accordance with the instructions above. A holder of more than one Open Offer Application Form who wishes to deposit Open Offer Entitlements shown on those Open Offer Application Forms into CREST must complete Box 11 of each Open Offer Application Form.

In particular, having regard to normal processing times in CREST and on the part of Link Group the recommended latest time for depositing an Open Offer Application Form with the CCSS, where the person entitled wishes to hold the Open Offer Entitlement set out in such Open Offer Application Form as an Open Offer Entitlement in CREST, is 3.00 p.m. on 12 July 2024. CREST holders inputting the withdrawal of their Open Offer Entitlement from their CREST account are recommended that they withdraw their Open Offer Entitlement by 4.30 p.m. on 11 July 2024.

Delivery of an Open Offer Application Form with the CREST deposit form duly completed, whether in respect of a deposit into the account of the Qualifying Shareholder named in the Open Offer Application Form or into the name of another person, shall constitute a representation and warranty to the Company, the Banks and Link Group by the relevant CREST member(s) that it is/they are not in breach of the provisions of the notes under the paragraph headed "Application Letter" on page 3 of the Open Offer Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member(s) that it is/they are, not located in, or citizen(s) or resident(s) of, any Restricted Jurisdiction or any jurisdiction in which the application for New Ordinary Shares is prevented by law, and that it is/they are, not located in the United States and, where such deposit is made by a beneficiary or a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a bona fide market claim.

4 Taxation

Information on taxation with regard to the Capital Raising for Qualifying Shareholders who are resident in the United Kingdom for UK tax purposes is set out in PART 13 of this document. The information contained in PART 13 of this document is intended only as a general guide to the current tax position in the United Kingdom and Qualifying Shareholders resident in the United Kingdom for UK tax purposes should consult their own tax advisers regarding the tax treatment of the Capital Raising in light of their own circumstances. Shareholders who are in any doubt as to their tax position or who are subject to tax in any other jurisdiction should consult their professional advisers immediately.

5 Withdrawal rights

Qualifying Shareholders wishing to exercise the withdrawal rights under Article 23(a) of the UK Prospectus Regulation after the issue by the Company of a prospectus supplementing this document (if any) must do so by lodging a written notice of withdrawal or by email to

withdraw@linkgroup.co.uk, which shall not include a notice sent by facsimile, that must include the full name and address of the person wishing to exercise such statutory withdrawal rights and, if such person is a Qualifying CREST Shareholder, the participant ID and the member account ID of such Qualifying CREST Shareholder at Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received no later than two Business Days after the date on which the supplementary prospectus is published or by email to withdraw@linkgroup.co.uk. Notice of withdrawal given by any other means or which is deposited with or received by Link Group after expiry of such period will not constitute a valid withdrawal. Furthermore, it is the Company's view that Qualifying Shareholders will not be capable of exercising their withdrawal rights after payment by the relevant person for the New Ordinary Shares applied for in full and the allotment and issuance of such New Ordinary Shares to such person becoming unconditional save to the extent required by statute. In such circumstances, any such accepting Qualifying Shareholder or renouncee, wishing to withdraw is advised to seek independent legal advice. If you have any questions relating to the exercise of withdrawal rights, please contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. - 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

6 Overseas Shareholders

This document has been approved by the FCA, being the competent authority in the United Kingdom. Only Qualifying Shareholders will be able to participate in the Open Offer.

It is the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside the United Kingdom wishing to participate in the Open Offer to satisfy himself as to the full observance of the laws of any relevant territory in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholder who is in doubt as to his, her or its position should consult his, her or its professional adviser without delay.

7 General

The distribution of this document and the Open Offer Application Form and the making of the Open Offer to persons resident in, or who are citizens of, or who have a registered address in countries other than the United Kingdom may be affected by the law of the relevant jurisdiction. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to participate in the Open Offer.

No action has been, or will be, taken by the Company or any other person to permit a public offer or distribution of this document or the Open Offer Application Form in any jurisdiction where action for that purpose may be required, other than in the United Kingdom. This section sets out the restrictions applicable to Shareholders who have registered addresses outside the United Kingdom, who are physically located outside the United Kingdom, or who are citizens or residents of countries other than the United Kingdom, or who are persons (including, without limitation, custodians, nominees and trustees) who have a contractual or legal obligation to forward this document to a jurisdiction outside the United Kingdom, or who hold Ordinary Shares for the account or benefit of any such person.

Open Offer Entitlements will be issued to all Qualifying Shareholders holding Ordinary Shares at the Record Date. However, Open Offer Application Forms have not been, and will not be, sent to, and neither Open Offer Entitlements nor New Ordinary Shares will be credited to CREST accounts of, Restricted Shareholders, or to their agents or intermediaries.

Having considered the circumstances, the Directors have formed the view that it is necessary or expedient to restrict the ability of any Shareholders in the United States and other Restricted Jurisdictions to participate in the Open Offer due to the time and costs involved in the registration of the document and/or compliance with the relevant local legal or regulatory requirements in those jurisdictions.

Receipt of this document and/or an Open Offer Application Form or the crediting of Open Offer Entitlements to a stock account in CREST will not constitute an offer in or into any Restricted Jurisdiction, including the United States, and, in those circumstances, this document and/or an Open Offer Application Form must be treated as sent for information only and should not be copied or redistributed. No person receiving a copy of this document and/or an Open Offer Application Form and/or receiving a credit of Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him, nor should he in any event use the Open Offer Application Form or deal with Open Offer Entitlements in CREST unless, in the relevant jurisdiction (other than any Restricted Jurisdictions), such an invitation or offer could lawfully be made to him and the Open Offer Application Form or Open Offer Entitlements in CREST could lawfully be used or dealt with without contravention of any unfulfilled registration or other legal or regulatory requirements.

Accordingly, persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Open Offer Application Form or whose stock account in CREST is credited with Open Offer Entitlements should not, in connection with the Capital Raising, distribute or send the same in or into, or transfer Open Offer Entitlements to any person in, any Restricted Jurisdiction, including the United States. If an Open Offer Application Form or credit of Open Offer Entitlements in CREST is received by any person in any Restricted Jurisdiction, including the United States, or by their agent or nominee in any such territory, he must not seek to take up the entitlements referred to in the Open Offer Application Form or in this document or renounce the Open Offer Application Form or transfer the Open Offer Entitlements in CREST. Any person who does forward this document or an Open Offer Application Form into any Restricted Jurisdiction (whether under contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section.

None of the Company, the Banks nor any of their respective representatives is making any representation to any offeree or purchaser of the New Ordinary Shares regarding the legality of an investment in the New Ordinary Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

The Company may, with the consent of the Banks, treat as invalid any acceptance, or purported acceptance, of the offer of the Open Offer Entitlements which appears to the Company or its agents to have been executed, effected or despatched in a manner which may involve a breach of the laws or regulations of any jurisdiction or if it believes or they believe that the same may violate applicable legal or regulatory requirements or if, in the case of an Open Offer Application Form, it provides an address for delivery of the definitive share certificates for Consolidated Shares in, or, in the case of a credit of New Ordinary Shares in CREST, the Shareholder's registered address is in, a Restricted Jurisdiction, including the United States, or if the Company believes, or its agents believe, that the same may violate applicable legal or regulatory requirements.

Notwithstanding any other provisions of this document or the Open Offer Application Form, the Company reserves the right to permit any Overseas Shareholder (other than Restricted Shareholders) to take up his entitlements if the Company in its sole and absolute discretion, after consultation with the Banks, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restriction in question. If the Company is so satisfied, the Company will arrange for the relevant Overseas Shareholder to be sent an Open Offer Application Form if he is reasonably believed to be a Qualifying Non-CREST Shareholder or, if he is reasonably believed to be a Qualifying CREST Shareholder,

arrange for the CREST Open Offer Entitlements to be credited to the relevant CREST stock account.

Those Overseas Shareholders who wish, and are permitted, to take up their entitlements should note that payments must be made as described in paragraphs 3 and 4 of this APPENDIX A.

The provisions of this paragraph 7 will apply generally to Restricted Shareholders and other Overseas Shareholders who do not or are unable to take up New Ordinary Shares.

Specific restrictions relating to certain jurisdictions are set out below.

8 Offering restrictions relating to the United States

The New Ordinary Shares have not been and will not be registered under the US Securities Act or any relevant securities laws of any state or other jurisdiction of the United States and may not be offered, sold, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States absent applicable exemption from registration under federal and state securities laws. The New Ordinary Shares are being offered or sold outside the United States in offshore transactions, in reliance on the exemption from the registration requirements of the US Securities Act provided by Regulation S thereunder.

No offering of Open Offer Shares is being made in the United States and neither this document nor the Open Offer Application Form constitutes or will constitute an offer or an invitation to apply for, or an offer or an invitation to acquire or subscribe for, any Open Offer Shares in the United States. The Open Offer Application Forms will not be sent to, and the Open Offer Entitlements will not be credited to a stock account in CREST of, any Shareholder with a registered address in the United States.

Open Offer Application Forms postmarked in the United States, or otherwise despatched from the United States will not be accepted. No investment decision with respect to acquisition of the New Ordinary Shares should be made from within the United States. Subject to certain exemptions, no Open Offer Application Form will be accepted if it bears an address in Australia, New Zealand, Canada, the Republic of South Africa or Japan unless an appropriate exemption is available as referred to above.

Any person who subscribes for New Ordinary Shares will be deemed to have declared, represented, warranted and agreed to, by accepting delivery of this document or the Open Offer Application Form or by applying for New Ordinary Shares in respect of Open Offer Entitlements credited to a stock account in CREST, and delivery of the New Ordinary Shares, the representations and warranties set out in paragraph 9 of this APPENDIX A.

Any person who subscribes for New Ordinary Shares shall be deemed to represent and warrant to the Company and the Banks that no portion of the assets used to purchase, and no portion of the assets used to hold, the New Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of (i) an “employee benefit plan” as defined in Section 3(3) of ERISA that is subject to Title of ERISA; (ii) a “plan” as defined in Section 4975 of the US Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Code; or (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the US Code. In addition, if an investor is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Code, its purchase, holding, and disposition of the New Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law.

The Company reserves the right, with the consent of the Banks, to treat as invalid any Open Offer Application Form: (i) that appears to the Company or its agents to have been executed

in or despatched from the United States; or (ii) where the Company believes acceptance of such Open Offer Application Form may infringe applicable legal or regulatory requirements, and the Company shall not be bound to issue any New Ordinary Shares in respect of any such Open Offer Application Form. In addition, the Company reserves the right, in its absolute discretion, with the consent of the Banks, to reject any USE Instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of the New Ordinary Shares.

8.1 Other overseas territories

Open Offer Application Forms will be posted to Qualifying Non-CREST Shareholders and Open Offer Entitlements will be credited to the CREST stock accounts of Qualifying CREST Shareholders. No offer of or invitation to subscribe for New Ordinary Shares is being made by virtue of this document or the Open Offer Application Form into the Restricted Jurisdictions. Overseas Shareholders in jurisdictions other than the Restricted Jurisdictions may, subject to the laws of their relevant jurisdiction, accept their entitlements under the Capital Raising in accordance with the instructions set out in this document and, in the case of Qualifying Non-CREST Shareholders only, the Open Offer Application Form.

Shareholders who have registered addresses in or who are resident in, or who are citizens of, countries other than the United Kingdom should consult their appropriate professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their Open Offer Entitlements. If you are in any doubt as to your eligibility to accept the offer of New Ordinary Shares, you should contact your appropriate professional adviser immediately.

9 Representations and warranties relating to overseas territories

9.1 Qualifying Non-CREST Shareholders

Any person completing and returning an Open Offer Application Form or requesting registration of the New Ordinary Shares comprised therein represents and warrants to the Company that: (i) such person is not completing and returning such Open Offer Application Form from within the United States or any other Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to subscribe for New Ordinary Shares or to use the Open Offer Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within the United States or any other Restricted Jurisdiction or any territory referred to in (ii) above at the time the instruction to accept or renounce was given; and (iv) such person is not acquiring New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares into the United States or any other Restricted Jurisdiction or any territory referred to in (ii) above.

The Company may, with the consent of the Banks, treat as invalid any acceptance, or purported acceptance, of the allotment and issuance of New Ordinary Shares comprised in, or renunciation or purported renunciation of, an Open Offer Application Form if it: (a) appears to the Company to have been executed in or despatched from the United States or any other Restricted Jurisdiction or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if the Company believes the same may violate any applicable legal or regulatory requirement; (b) provides an address in any Restricted Jurisdiction, including the United States, for delivery of definitive share certificates for Consolidated Shares (or any jurisdiction outside the UK in which it would be unlawful to deliver such certificates); or (c) purports to exclude the representation and warranty required by this section.

9.2 Qualifying CREST Shareholders

A Qualifying CREST Shareholder who makes a valid acceptance in accordance with the procedure set out in paragraph 3 of this APPENDIX A represents and warrants to the

Company and the Banks that: (i) he is not within any of the Restricted Jurisdictions, including the United States; (ii) he is not in any territory in which it is unlawful to make or accept an offer to acquire or subscribe for New Ordinary Shares; (iii) he is not acting on a non-discretionary basis for a person located within the United States or any other Restricted Jurisdiction or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) he is not acquiring New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares into the United States or any other Restricted Jurisdiction or any territory referred to in (ii) above.

The Company may, with the consent of the Banks, treat as invalid any USE Instruction which:

(a) appears to the Company to have been despatched from the United States or any other Restricted Jurisdiction or otherwise in a manner which may involve a breach of the laws of any jurisdiction or which they or their agents believe may violate any applicable legal or regulatory requirement; or

(b) purports to exclude the representation and warranty required by this paragraph.

10 UK Data Protection

10.1 Each Shareholder applying for Open Offer Shares acknowledges and agrees that it has been informed that, pursuant to UK Data Protection Legislation, the Company (as a data controller) may process personal data relating to past and present Shareholders and will engage the Registrar which may also carry out such processing (as a data processor). Personal data may be retained on record for a period exceeding six years after it is no longer used (subject to any limitations on retention periods set out in applicable UK Data Protection Legislation).

10.2 The Company and the Registrar will each process such personal data at all times in compliance with UK Data Protection Legislation and shall only process Shareholders' personal data for the purposes set out in the Company's privacy notice, which is available for review on the Company's website www.regionalreit.com (the "**Privacy Notice**").

10.3 Such processing by the Company and / or Registrar may include (but is not limited to) the purposes set out below (collectively, the "**Purposes**"), being to:

10.3.1 process the personal data to the extent and in such manner as is necessary for the performance of its contractual obligations under its service contract, including as required by or in connection with the Shareholder's holding of Ordinary Shares, including processing personal data in connection with credit and money laundering checks on the Shareholder;

10.3.2 communicate with the Shareholder as necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares;

10.3.3 comply with any relevant legal and regulatory obligations; and

10.3.4 process the personal data for the Registrar's internal administration.

10.4 In order to meet the Purposes, the Company (or the Registrar on behalf of the Company) may transfer Shareholders' personal data to:

10.4.1 third parties located either within or outside of the EEA, if necessary for the Registrar to perform its functions or when it is necessary for its legitimate interests, and in particular in connection with the holding of Ordinary Shares; or

10.4.2 each other, their affiliates, or the Asset Manager and their respective associates, some of which may be located outside of the EEA.

10.5 Any transfer of personal data by the Company or the Registrar to third parties will be carried out in accordance with the UK Data Protection Legislation and as set out in the Company's Privacy Notice.

10.6 By applying to become registered and/or becoming registered as a holder of Ordinary Shares a person becomes a data subject.

10.7 If the Company provides the Registrar with information on data subjects, the Company hereby represents and warrants to the Registrar that:

10.7.1 it has notified any data subject of the Purposes for which personal data will be used and by which parties it will be used, through providing them with a copy of the Company's Privacy Notice and any other data protection notice which has been provided by the Company and/ or the Registrar; and

10.7.2 where consent is legally required under UK Data Protection Legislation for the processing of such personal data, it has obtained the consent of all relevant data subjects (including the explicit consent of the data subjects of the processing of any sensitive personal data for the Purposes set out above in this paragraph 10.

10.8 If a Shareholder provides the Registrar with its personal data directly, it acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Shareholder is a natural person he or she has read and understood the terms of the Company's Privacy Notice.

10.9 If a Shareholder provides the Registrar with its personal data directly and is not a natural person it represents and warrants that:

10.9.1 it has brought the Company's Privacy Notice to the attention of any underlying data subjects on whose behalf or account the Shareholder may act or whose personal data will be disclosed to the Company as a result of the Shareholder agreeing to subscribe for Ordinary Shares; and

10.9.2 the Shareholder has complied in all other respects with all UK Data Protection Legislation in respect of disclosure and transfer of personal data to the Company.

10.10 Where the Shareholder acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, he/she/it shall, in respect of the personal data it processes in relation to or arising in relation to the Open Offer:

10.10.1 comply with all UK Data Protection Legislation;

10.10.2 take appropriate technical and organisational measures against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of, or damage to the personal data;

10.10.3 if required, agree with the Company and the Registrar, the responsibilities of each such entity as regards relevant data subjects' rights and notice requirements; and

10.10.4 immediately on demand, fully indemnify each of the Company and the Registrar and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), losses (including indirect loss and loss of profits, business and reputation), actions, proceedings and liabilities of whatsoever nature arising from or incurred by the Company and/or the Registrar in connection with any failure by the Shareholder to comply with the provisions set out above.

For the purposes of this paragraph 10, the following definitions shall apply:

"**controller**" means as defined in the UK GDPR;

"**data subject**" means as defined in the UK GDPR;

"**personal data"** means as defined in the UK GDPR;

"**process**" means as defined in the UK GDPR;

"**UK Data Protection Legislation**" means all laws relating to data protection in the processing of personal data, privacy and / or electronic communications in force from time to time in the UK, including the UK GDPR and the Data Protection Act 2018; and

"**UK GDPR**" means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation) as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European (Withdrawal) Act 2018.

11 Guernsey data protection

11.1 Each Shareholder applying for Open Offer Shares acknowledges that information provided by it to the Company or the Administrator will be stored on the Administrator's computer system and manually. Each Shareholder acknowledges that by submitting personal data to the Administrator (acting for and on behalf of the Company) or the Company in the case of a Shareholder where (a) the Shareholder is a natural person or (b) where the Shareholder is not a natural person, he/she/it (as the case may be) represents and warrants that he/she/it (as applicable):

11.1.1 has read and understood the terms of the Privacy Notice; and/or;

11.1.2 has brought the Privacy Notice to the attention of any underlying data subjects on whose behalf or account the Shareholder may act or whose personal data will be disclosed to the Administrator or the Company as a result of the Shareholder entering into an Open Offer Application Form; and

11.1.3 the Shareholder has complied in all other respects with Data Protection Laws in respect of disclosure and provision of personal data to the Administrator and the Company.

11.2 Where the Shareholder acts for or on account of an underlying data subject, he/she/it shall, in respect of the personal data it processes in relation to or arising out of an Application Form:

11.2.1 comply with all applicable Data Protection Laws;

11.2.2 take appropriate technical and organizational measures against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of, or damage to the personal data;

11.2.3 if required, agree with the Company and the Administrator, the responsibilities of each such entity as regards relevant data subjects' rights and notice requirements; and

11.2.4 immediately on demand, fully indemnify the Company and/or the Administrator and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), losses (including indirect losses and loss of profits, business and

reputation), actions, proceedings and liabilities of whatsoever nature arising from or incurred by the Company and/or the Administrator in connection with any failure by the Investor to comply with the provisions of this paragraph 11.

11.3 For the purposes of this paragraph 11 the following definitions shall apply:

"**authorised third parties**" means any counterparty with whom the Company enters or is contemplating entering into a contract, agreement or arrangement in order to deliver the Services including the counterparty's officers, employees, sub-processors and sub-contractors authorised by the directors of the Company to provide the Services;

"**Data Protection Laws**" means the Directives and the Regulation (as amended or replaced from time to time), guidance, directions, determinations, codes of practice, circulars, orders, notices or demands issued by Data Protection Commissioner as defined under Guernsey law, and any applicable national, international, regional, municipal or other data protection authority or supervisory authority or other data protection laws or regulations in any other territory in which the Services are provided or received or which are otherwise applicable and, in particular, the Guernsey DP Law;

"**Directives**" mean the European Data Protection Directive (95/46/EC) and the European Privacy and Electronic Communications Directive (Directive 2002/58/EC);

"**Guernsey DP Law**" means the Data Protection (Bailiwick of Guernsey) Law, 2017; "personal data" shall have the meaning attributed to it in the Data Protection Laws;

"**Regulation**" means Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, as and when it becomes applicable;

"**Services**" means the services provided to the Company by the Administrator; and

"**Third Party Applicant**" means an individual (being a natural person) or corporate legal body each acting on behalf of the data subjects.

A reference to a statute or statutory provision is a reference to it as amended, extended or, re-enacted from time to time (and for so long as it remains in force) and shall include all subordinate legislation.

12 Further information

Your attention is drawn to the further information set out in this document and also, in the case of Qualifying Non-CREST Shareholders to whom the Company has sent Open Offer Application Forms, to the terms, conditions and other information printed on the accompanying Open Offer Application Form.

12.1 Waiver

The provisions of paragraphs 7 and 8 of this APPENDIX A and of any other terms of the Capital Raising relating to Restricted Shareholders may be waived, varied or modified as regards specific Shareholder(s) or on a general basis by the Company in its absolute discretion after consultation with the Banks. Subject to this, the provisions of paragraphs 7 and 8 of this APPENDIX A supersede any terms of the Capital Raising inconsistent herewith. References in paragraphs 7 and 8 of this APPENDIX A and in this paragraph 12 to Shareholders shall include references to the person or persons executing an Open Offer Application Form and, in the event of more than one person executing an Open Offer Application Form, the provisions of this paragraph 12 shall apply jointly to each of them.

12.2 Admission, settlement and dealings

The result of the Open Offer is expected to be announced on 19 July 2024. On issue, the New Ordinary Shares will rank *pari passu* in all respects with the Existing Ordinary Shares and will have the same rights and restrictions as each Existing Ordinary Share, including in respect of any dividends or distributions declared in respect of the New Ordinary Shares following Admission. The New Ordinary Shares will be created under the Companies Law and the legislation made thereunder, will be issued in registered form and will be capable of being held in both certificated and uncertificated form.

Applications will be made for the New Ordinary Shares to be admitted to listing on the premium segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Admission of the New Ordinary Shares will become effective and dealings in the New Ordinary Shares will commence by 8.00 a.m. on 19 July 2024 (whereupon an announcement will be made by the Company through a Regulatory Information Service).

12.3 Times and dates

The Company shall in its discretion, after consultation with the Banks, be entitled to amend the dates that Open Offer Application Forms are despatched or dealings in New Ordinary Shares commence and amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this document and in such circumstances shall announce such amendments through a Regulatory Information Service and, if appropriate, notify Shareholders.

If a supplementary prospectus is issued by the Company two or fewer Business Days prior to the latest time and date for acceptance and payment in full under the Open Offer specified in this document, the latest date for acceptance under the Open Offer shall be extended to the date that is three Business Days after the date of issue of the supplementary prospectus (and the dates and times of principal events due to take place following such date shall be extended accordingly).

12.4 Jurisdiction

The Courts of England and Wales are to have exclusive jurisdiction to settle any dispute, whether contractual or non-contractual, which may arise out of or in connection with the Capital Raising, this document and the Open Offer Application Form. By accepting entitlements under the Capital Raising in accordance with the instructions set out in this document and, in the case of Qualifying Non-CREST Shareholders only, the Open Offer Application Form, Qualifying Shareholders irrevocably submit to the exclusive jurisdiction of the Courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

APPENDIX B
VALUATION REPORT

Colliers

Accelerating success.

Report And Valuation

Project Spectre - Portfolio of 139 Properties

Date Of Valuation:
21 June 2024

Date Of Report:
27 June 2024

Prepared For
Regional REIT Limited

Prepared By
Colliers International
Property Consultants Limited

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VALUATION

Our Ref: **Project Spectre 2024**

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27 June 2024

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EC2M 2AT

Panmure Gordon (UK) Limited
Ropemaker Place
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United Kingdom
EC2Y 9LY

(together, the "**Addressees**")

Dear Sirs

THE CLIENT:	**REGIONAL REIT LIMITED (THE 'COMPANY')**
THE PORTFOLIO:	**139 PROPERTIES WITHIN THE 'REGIONAL REIT' PORTFOLIO (THE 'PORTFOLIO')**
DATE OF VALUATION:	**21 June 2024**

Introduction

Colliers International Property Consultants Limited (hereafter referred to as either "**Colliers**" or "**we**") have been instructed by Regional REIT Limited (hereafter referred to as either the "**Company**" or "**you**") to provide an indication of value for 139 properties held within the 'Regional REIT' portfolio (the "**Properties**") as at 21 June 2024 (the "**Valuation Date**").

Purpose Of Valuation

This valuation report (the "**Valuation Report**") is provided in connection with the issue of new ordinary shares of no par value in the capital of the Company (the "**New Ordinary Shares**") for cash pursuant to a placing, overseas placing and open offer (the "**Capital Raising**") and admission

of those New Ordinary Shares to the premium listing segment of the Official List of the Financial Conduct Authority (the "**FCA**") and to trading on the main market of the London Stock Exchange plc (the "**London Stock Exchange**" or "**LSE**") ("**Admission**") and for inclusion in a prospectus (incorporating a circular prepared in accordance with the Listing Rules and notice of extraordinary general meeting of the Company) (the "**Prospectus**") or any supplementary prospectus which is to be published by the Company in connection with the Capital Raising and Admission (the "**Purpose of Valuation**").

Therefore, in accordance with PS 2.5 and UK VPS 3 we have made certain disclosures in connection with this valuation instruction and our relationship with you. These are included below.

Valuation Standards

This Valuation Report has been prepared for a Regulated Purpose as defined in accordance with the RICS Valuation – Global Standards (2022), which incorporates the International Valuation Standards, and the RICS UK National Supplement (2018), in each case current as at the Valuation Date (the "**Red Book**"). The Valuation has been undertaken in accordance with and complies with Rule 29 of the City Code on Takeovers and Mergers as issued by the UK Panel on Takeovers and Mergers, the FCA's Primary Market Technical Note 619.1 and the UK Prospectus Regulation Rules published by the FCA.

We confirm that Colliers complies with the competency and objectivity guidelines under PS 2 of the Red Book and that we have undertaken the valuations acting as 'external valuers' qualified for the purposes of this valuation.

In order to comply with these Valuation Standards, our files may be subject to monitoring by the RICS.

Basis Of Valuation

The basis of value is "Market Value", as defined in IVS 104, Paragraph 30.1 (and the Red Book):

'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'

This is also set out in the General Assumptions and Definitions contained in the Appendix attached to this Valuation Report.

Our valuation has been undertaken using appropriate valuation methodology and our professional judgment.

The Valuers' opinion of Market Value was primarily derived using recent comparable market transactions on arm's length terms, where available, and appropriate valuation techniques (The Investment Method).

Date of Valuation

21 June 2024.

Status Of Valuer & Conflicts Of Interest

Colliers has been instructed as External Valuer, as defined in accordance with the Red Book and as an independent expert for the purposes of paragraph 130 of the section III.1. Property Companies within the guidance set out in the FCA's Primary Market Technical Note: Guidelines on disclosure requirements under the Prospectus Regulation and Guidance on specialist issuers (TN/619.1).

This valuation has been prepared under the supervision of Mark White BSc (Hons) MRICS and Paul Willis BSc (Hons) MRICS (the "**Valuers**"). We confirm that the Valuers (and any additional valuers who may have undertaken parts of the valuation) collectively fall within the requirements as to competence as set out in PS2 and are registered in accordance with the RICS Valuer Registration Scheme ("**VRS**") and that they are (i) appropriately qualified and (ii) meet the requirements of the Red Book, having sufficient current local and national knowledge of the property market involved and the skills and understanding to undertake the valuations and prepare the Valuation Report competently.

As fully disclosed to you previously, and as set out in our terms of engagement (the "**Engagement**"), we confirm that Colliers have current, anticipated and previous recent involvement with the Properties as follows:-

- We have valued the Portfolio for accounting purposes in both June and December of each year since June 2023.
- Extended reliance on the Regulated Purpose Valuation as at 30 June 2023 to Bank of Scotland plc on 58 assets.
- Extended reliance on the Regulated Purpose Valuation as at 31 December 2023 to Bank of Scotland on 18 assets.
- Extended reliance to Santander UK plc on the Regulated Purpose Valuation as at 31 December 2023 on 38 assets.
- From time to time, Colliers provide agency and professional services to The Company on the following assets:

  - The Lighthouse, Salford Quays
  - The Courtyard, Macclesfield
  - Mere Grange, St Helens,
  - Centre Park, Warrington
  - Elmbridge Court, Gloucester
  - Woodlands Court, Bristol
  - Origin, Bracknell
  - Peregrine, High Wycombe
  - Cromwell Place, Basingstoke
  - Leo House, Wallington
  - Northern Cross, Basingstoke
  - The Chilterns, Stokenchurch
  - Silver Court, Welwyn Garden City

- Salamander Quay, Harefield
- 84 Albion Street, Leeds
- Endeavor One, Sunderland
- Witham Park House, Lincoln
- Norfolk House, Birmingham
- Aqueous One, Birmingham
- Ashby Business Park, Ashby De La Zouch
- Eagle Court, Birmingham
- 1730 Solihull Parkway, Birmingham
- 30-34 Houndsgate, Nottingham
- Beeston Business Park, Nottingham
- Newstead Court, Nottingham

We do not consider that this involvement represents a conflict of interest and the Addressees have confirmed to us that they also consider this to be the case. You have confirmed that all parties subject to the 'Purpose of Valuation' have provided their Informed Consent to proceed with this instruction.

The total fees, including the fee for this assignment, earned by Colliers (or other companies forming part of the same group of companies within the UK) from the Company (or other companies forming part of the same group of companies) is less than 5.0% of the total UK revenues for the financial year ending 31 December 2023.

We confirm that we comply with the requirements of independence and objectivity under PS2 of the Red Book and have no conflict of interest in respect of the Company or Properties to the best of our knowledge.

The Properties

The Portfolio comprises 139 freehold and leasehold Properties across the United Kingdom as listed in the Appendices.

Assumptions, Extent Of Investigations And Sources Of Information

We have assumed that the information supplied to us by the Company, their asset manager, London & Scottish Property Investment Management Limited (the "**Asset Manager**"), and their professional advisers, in respect of all material pertaining to the properties, is both complete, accurate and up to date. It follows that we have made an assumption that details of all matters likely to affect value has been provided to us. We have not independently verified the information provided.

We have relied upon this information in preparing this report and our valuations and do not accept responsibility or liability for any errors or omissions in that information or documentation provided to us, nor for any consequences arising. Colliers also accepts no responsibility for subsequent changes in the information that we have not been made aware of.

Furthermore, we have assumed any information supplied can, if necessary, be verified. Should any of the information provided be found to be inaccurate or incomplete there could be a variation in value.

We have not inspected the title deeds ,etc. and apart from those disclosed to us, we have assumed that all the properties in the Portfolio are free from outgoings and that there are no unusual, onerous or restrictive covenants in the titles or leases which would affect the values. Similarly, we have not reviewed leases.

Our valuations are prepared on the basis that the Properties have good and marketable titles and are free of any undisclosed onerous burdens, outgoings or restrictions.

Our General Assumptions and Definitions are contained within the Appendix attached to this report.

Property Inspections & Measurements

All of the properties were inspected internally from April 2023 to June 2023. We have not been instructed to reinspect the properties as part of this instruction and have therefore made the assumption that there have been no material changes to the properties or immediate surroundings since our last inspection. Where there have been material changes to the properties, we have had regard to the information provided to us by the Company. We have then reflected this in the valuations.

As instructed, we have not measured any of the Properties and have relied on areas provided by and have in accordance with your instructions relied upon those land areas and measurements provided by the Asset Manager.

We have assumed that the measurements and areas are correct and have been assessed and calculated in accordance with professional statement 'RICS Property Measurement, 2nd edition' (2018)' and with reference to the RICS guidance note, Code of Measuring Practice, 6th edition (2015).

Tenure

We understand that all the Properties are of freehold and leasehold tenure. Where Properties are held leasehold, we have been provided with the principal terms by the Company together with the calculation of any head rents payable. We have not been provided with title information and Certificates or Reports on Title in respect of the Properties by the Company. The tenure of the individual properties is listed in the Appendices.

Valuation Approach

We have approached our valuation on the basis of assessing each of the Properties individually, and not as part of a portfolio, having regard to what we believe each of the Properties would achieve should it be brought to the market in isolation at the date of valuation. Our valuation makes no allowance for the disposal of the Portfolio in its entirety as a single transaction, or as a series of smaller portfolio lots. Our valuation additionally makes no allowance for any effect on values should all of the Properties be offered to market at the same time.

The Portfolio principally comprises investment properties, as summarised below:

Tenure	No of Properties
Freehold	112
Leasehold	27

Valuation Summary

We are of the opinion that the aggregate Market Value, as at the Valuation Date, of the 139 freehold and leasehold Properties within the Portfolio was:

£647,750,000

(Six Hundred and Forty Seven Million Seven Hundred and Fifty Thousand Pounds).

The aforementioned valuation figure represents the aggregate of the individual valuations of each Properties and should not be regarded as the value of the Portfolio in the context of the sale of the single lot. An Appendix to this Valuation Report contains brief details on each of the Properties and their respective individual values.

There are no negative values to report.

Material changes since the Valuation Date

We hereby confirm that, as at the date of this Valuation Report, there has been no material change since 21 June 2024 in any matter relating to the Properties which, in our opinion, would have a material effect on the Market Value of such Properties. For the purposes of Rule 29.5 of the Takeover Code, we confirm that an updated valuation dated the date of this Valuation Report would not be materially different from that presented in this Valuation Report.

The Aggregate Value apportioned between freehold and leasehold property interests as at the Valuation Date was as follows:

Tenure	No. of Properties	Aggregate Market Value (£)
Freehold	112	519,840,000
Part Long Leasehold and Part Freehold	0	0
Long Leasehold (more than 50 years)	27	127,910,000

Tenure	No. of Properties	Aggregate Market Value (£)
Long Leasehold (less than 50 years)	0	0
TOTAL	139	647,750,000

The difference between the valuation figures in this Valuation Report and the valuation figures reflected in the 2023 Annual Report and Accounts is principally due to the following:

(i) since 31 December 2023, the Company disposed of 16 properties or part properties (i.e., individual units within larger properties) for an aggregate of £21,910,000 (compared with 31 December 2023 valuation aggregate valuation of £21,765,000) (before costs);

(ii) since 31 December 2023 the office investment market has continued to see an outward shift in yields whilst rental growth over the past 5 months has remained relatively stable across the sector, which has resulted in the MSCI Monthly Index showing cumulative capital growth of -3.9% for the months to and including May 2024. Within this figure are regional differences ranging from -2.5% (Mid-town & West End) to -9.9% (Scotland). This has reduced the value of the Property Portfolio given that it is principally comprised of office investments;

(iii) on a like-for-like basis, the Portfolio Market Rent has increased from £83.462m as at 31 December 2023 to £83.720m as at the Valuation Date, whilst the nominal equivalent yield for the Porfolio has moved from 9.8% as at 31 December 2023 to 10.1% as at the Valuation Date; and

(iv) there have been various tenancy changes (e.g. lease expiries, renewals and lettings) and asset management initiatives across the Portfolio, which have resulted in changes to the net income and capital expenditure requirements. On a like-for-like basis, the net rent per annum has changed from £48.31m as at 31 December 2023 to £45.45m as at the Valuation Date.

Reliance, Confidentiality & Disclosure

This Valuation Report has been prepared for inclusion in the Prospectus at the Company's request.

Colliers International Property Consultants Limited has given and not withdrawn its consent to the inclusion of this Valuation Report in this Prospectus and has authorised the contents of this Valuation Report for the purposes of this Prospectus and the inclusion of its name and references to it in the form and context in which they appear.

Colliers International Property Consultants Limited has given and not withdrawn its consent to the inclusion of this Valuation Report in any further announcement(s) to be published or made available by the Company relating to the Capital Raising and Admission, and to the references to this Valuation Report and Colliers International Property Consultants Limited in the form and context in which they appear.

This Report and Valuation is addressed to the Addressees for the Purpose and is for the use of and may be relied upon by the Addressees and shareholders of the Company for the Purpose.

Save in respect of the Addressees and shareholders of the Company and, to the fullest extent permitted by applicable law and regulation (including, without limitation, the Listing Rules and the Prospectus Regulation Rules), we do not assume any responsibility and will not accept any liability to any third party for any loss suffered by any such third party as a result of, or arising out of, or in accordance with this Report and the valuation.

Nothing in this Valuation Report shall exclude or limit our liability in respect of fraud or for death or personal injury caused by our negligence or negligence of those for whom we are responsible, or for any other liability to the extent that such liability may not be excluded or limited as a matter of applicable law.

Notwithstanding the foregoing and paragraphs, in accordance with the Engagement and for the purposes of Prospectus Regulation Rule 5.3.2(R)(2)(f), we are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that, to the best of our knowledge, the Valuation Report is in accordance with the facts and makes no omissions likely to affect its import.

This Valuation Report complies with, and is prepared in accordance with, (i) the Prospectus Regulation Rules issued by the FCA, particularly Prospectus Regulation Rule 5.4.5G; (ii) section III.1. Property Companies within the guidance set out in the FCA's Primary Market Technical Note 619.1; and (iii) the requirements of the Listing Rules of the FCA for a property valuation report.

Except for any responsibility arising under Prospectus Regulation Rule 5.3.2R(2)(f) to any person as and to the extent provided under the Prospectus Regulation Rules, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with the Valuation Report or our statement set out above required by and given solely for the purposes of complying with Annex 3, item 1.2 of the UK version of Commission Delegated Regulation (EU) 2019/980.

For the avoidance of doubt this Valuation Report and the valuations are provided by Colliers International Property Consultants Limited and no partner, or member or employee assumes any personal responsibility for it nor shall owe a duty of care in respect of it.

Yours faithfully,

M R White BSc (Hons) MRICS
Director
RICS Registered Valuer

Colliers International Property Consultants Limited

P C Willis BSc (Hons) MRICS
Director
RICS Registered Valuer

Colliers International Property Consultants Limited

Appendix

General Assumptions and Definitions

General Assumptions And Definitions

Unless otherwise instructed, our valuations are carried out in accordance with the following assumptions, conditions and definitions. These form an integral part of our appointment.

Our Report and Valuation is provided in accordance with the current edition of the RICS Valuation – Global Standards (Incorporating the IVSC International Valuation Standards) prepared by the Royal Institution of Chartered Surveyors (the "Red Book"), and with any agreed instructions. Any opinions of value are valid only at the valuation date and may not be achievable in the event of a future disposal or default, when both market conditions and the sale circumstances may be different.

Within the Report and Valuation, we make assumptions in relation to facts, conditions or situations that form part of the valuation We assume that all information provided by the addressee of the report, any borrower or third party (as appropriate) in respect of the property is complete and correct. We assume that details of all matters relevant to value, such as prospective lettings, rent reviews, legislation and planning decisions, have been made available to us, and that such information is up to date. In the event that any of these assumptions prove to be incorrect then we reserve the right to review our opinion(s) of value.

Valuation Definitions:

Market Value is defined in IVS 104 paragraph 30.1 as:

'*The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.*

The interpretative commentary on Market Value, within the International Valuation Standards (IVS), has been applied.

Valuations produced for capital gains tax, inheritance tax and Stamp Duty Land Tax / Land and Buildings Transaction Tax purposes will be based on the statutory definitions, which are written in similar terms and broadly define Market Value as:

'The price which the property might reasonably be expected to fetch if sold in the open market at that time, but that price must not be assumed to be reduced on the grounds that the whole property is to be placed on the market at one and the same time.'

Market Rent is defined in IVS 104 paragraph 40.1 as:

'The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'

The appropriate lease terms will normally reflect current practice in the market in which the property is situated, although for certain purposes unusual terms may need to be stipulated. Unless stated otherwise within the report, our valuations have been based upon the assumption that the rent is to be assessed upon the premises as existing at the date of our inspection.

Investment Value or 'Worth', is defined in IVS 104 paragraph 60.1 as:

'the value of an asset to a particular owner or prospective owner for individual investment or operational objectives.'.

This is an entity-specific basis of value and reflects the circumstances and financial objectives of the entity for which the valuation is being produced. Investment value reflects the benefits received by an entity from holding the asset and does not necessarily involve a hypothetical exchange.

Fair Value is defined according to one of the definitions below, as applicable to the instructions.

Fair Value - International Accounting Standards Board (IASB) in IFRS 13.

'*The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date'.*

Fair Value - UK Generally Accepted Accounting Principles (UK GAAP) adopts the FRS 102 definition:

"*The amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm's length transaction*."

Existing Use Value is defined in UKVS 1.3 of the Red Book:

'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the asset required by the business and disregarding potential alternative uses and any other characteristics of the asset that would cause its Market Value to differ from that needed to replace the remaining service potential at least cost.'

Special Assumptions

Where we are instructed to undertake valuations subject to a Special Assumption, these usually require certain assumptions to be made about a potential alternative use or status of the property. This is a hypothetical scenario that we consider realistic, relevant and valid as at the valuation date, but which may not necessarily be deliverable at a future date.

Reinstatement / Replacement Cost Assessment And Insurance

If we provide a reinstatement cost assessment, we do not undertake a detailed cost appraisal and the figure is provided for guidance purposes only. It is not a valuation in accordance with the Red Book and is provided without liability. It must not be relied upon as the basis from which to obtain building insurance.

In arriving at our valuation we assume that the building is capable of being insured by reputable insurers at reasonable market rates. If, for any reason, insurance would be difficult to obtain or would be subject to an abnormally high premium, it may have an effect on costs.

Purchase And Sale Costs, Sdlt, Lbtt And Taxation

No allowance is made for legal fees or any other costs or expenses which would be incurred on the sale of the property. However, where appropriate, and in accordance with market practice for the asset type, we make deductions to reflect purchasers' acquisition costs. Trade-related properties are usually valued without deducting the costs of purchase. Where appropriate, purchasers' costs are calculated based on professional fees inclusive of VAT, together with the appropriate level of Stamp Duty Land Tax (SDLT) / Land and Buildings Transaction Tax (LBTT) / Land Transaction Tax (LTT).

Whilst we have regard to the general effects of taxation on market value, we do not take into account any liability for tax that may arise on a disposal, whether actual or notional, neither do we make any deduction for Capital Gains Tax, VAT or any other tax. We make no allowance for receipt or repayment of any grants or other funding.

Plans, Floor Areas And Measurements

Where a site plan is provided, this is for indicative purposes only and should not be relied upon. Site areas are obtained from third party sources, including electronic databases, and we are unable to warrant their accuracy. Our assumptions as to site boundaries / demise should be verified by your legal advisers. If any questions of doubt arise the matter should be raised with us so that we may review our valuation.

We obtain floor areas in accordance with our instructions. This may comprise one or more of the following approaches (i) we measure the floor areas during the property inspection (ii) we calculate floor areas from plans provided to us, supported by check measurements on site where possible, (iii) we rely upon floor areas provided. Under approaches (ii) and (iii), we wholly rely upon the information provided, and assume that the areas have been calculated in accordance with market standards. We are unable to provide any warranties as to accuracy.

Measurement is in accordance with the current edition of RICS Property Measurement. If we are instructed not to adopt International Property Measurement Standards (IPMS), measurements are provided in accordance with the latest version of the Code of Measuring Practice. We adopt the appropriate floor area basis for our valuation analysis to reflect the analysis of floor areas in the comparable transactions. Where the basis of analysis of a comparable is uncertain, we adopt a default assumption for that asset type.

Although every reasonable care is taken to ensure the accuracy of the surveys there may be occasions when due to tenant's fittings, or due to restricted access, professional estimations are required. We recommend that where possible, we are provided with scaled floor plans in order to cross-reference the measurements. In the event that a specialist measuring exercise is undertaken for the property, we recommend that a copy is forwarded to us in order that we may comment on whether there may be an impact on the reported value.

Floor areas set out in our report are provided for the purpose described in the Report and Valuation and are not to be used or relied upon for any other purpose.

Condition, Structure And Services, Harmful / Deleterious Materials, Health & Safety Legislation And Epcs

Our Report and Valuation takes account of the general condition of the property as observed from the valuation inspection, and is subject to access. Where we have noticed items of disrepair during the course of our inspections, they are reflected in our valuations, unless otherwise stated.

We do not undertake any form of technical, building or deleterious material survey and it is a condition of our appointment that we will in no way review, or give warranties as to, the condition of the structure, foundations, soil and services. Unless we are supplied with evidence to the contrary, we assume that the property is fully in compliance with building regulations and is fully insurable. We assume it is free from any rot, infestation, adverse toxic chemical treatments, and structural or design defects. We assume that none of the materials commonly considered deleterious or harmful are included within the property, such as, inter alia, asbestos, high alumina cement concrete, reinforced autoclaved aerated concrete (RAAC), calcium chloride as a drying agent, wood wool slabs as permanent shuttering, aluminium composite cladding material, polystyrene and polyurethane cladding insulation.

In the event that asbestos is identified in a property, we do not carry out an asbestos inspection, nor are we able to pass comment on the adequacy of any asbestos registers or management plans. Where relevant, we assume that the property is being managed in full compliance with the Control of Asbestos Regulations 2012 and relevant HSE regulations, and that there is no requirement for immediate expenditure, nor any risk to health.

We do not test any services, drainage or service installations. We assume that all services, including gas, water, electricity and sewerage, are provided and are functioning satisfactorily.

We assume that the property has an economic life span similar to comparable properties in the market, subject to regular maintenance and repairs in accordance with appropriate asset management strategies.

We comment on the findings of Energy Performance Certificates (EPCs) and Display Energy Certificates (DECs) if they are made available to us, but may be unable to quantify any impact on value. If we are not provided with an EPC, we assume that if one was available, its rating would not have had a detrimental impact upon our opinion value or marketability.

Our valuations do not take account of any rights, obligations or liabilities, whether prospective or accrued, under the Defective Premises Act, 1972. Unless advised to the contrary, we assume that the properties comply with, and will continue to comply with, the current Health & Safety and Disability legislation.

We do not test any alarms or installations and assume that the property complies with, and will continue to comply with, fire regulations and the Smoke and Carbon Monoxide Alarm (England) Regulations 2015 legislation.

Where a specialist condition or structural survey is provided to us, we reflect the contents of the report in our valuation to the extent that we are able to as valuation surveyors, and our assumptions should be verified by the originating consultant. Should any issues subsequently be identified, we reserve the right to review our opinion of value.

Ground Conditions, Environmental Matters, Constraints And Flooding

We are not chartered environmental surveyors and we will not provide a formal environmental assessment. Our investigations are therefore limited to observations of fact, obtained from third party sources, such as

local authorities, the Environment Agency and professional reports that may be commissioned for the valuation.

We do not carry out any soil, geological or other tests or surveys in order to ascertain the site conditions or other environmental conditions of the property. Unless stated to the contrary within the report, our valuation assumes that there are no unusual features that may be harmful to people or property, or that would inhibit the actual or assumed use or development of the property. This includes, inter alia: ground conditions and load bearing qualities, subterranean structures or services, contamination, pollutants, mining activity, sink holes, archaeological remains, radon gas, electromagnetic fields and power lines, invasive plants and protected species.

We do not undertake any investigations into flooding, other than is available from public sources or professional reports provided to us. Our findings are outlined in the report for information only, without reliance or warranty. We assume in our valuation that appropriate insurance is in place and may be renewed to any owner of the property by reputable insurers at reasonable market rates. If, for any reason, insurance would be difficult to obtain or would be subject to an abnormally high premium, it may have an effect on value.

Should our enquiries or any reports indicate the existence of environmental issues or other matters as described above, we expect them to contain appropriate actions and costings to address the issue. We rely on this information and use it as an assumption in our valuation. If such information is not available, we may not be able to provide an opinion of value.

We assume that the information and opinions we are given in order to prepare our valuation are complete and correct and that further investigations would not reveal more information sufficient to affect value. However, a purchaser in the market may undertake further investigations, and if these were unexpectedly to reveal issues, then this might reduce the values reported. We recommend that appropriately qualified and experienced specialists are instructed to review our report and revert to us if our assumptions are incorrect.

Plant And Machinery, Fixtures And Fittings

We disregard the value of all process related plant, machinery, fixtures and fittings, and those items which are in the nature of occupiers' trade fittings and equipment. We have regard to landlords' fixtures such as lifts, escalators, central heating and air conditioning forming an integral part of the buildings.

Where properties are valued as an operational entity and includes the fixtures and fittings, it is assumed that these are not subject to any hire purchase or lease agreements or any other claim on title.

No equipment or fixtures and fittings are tested in respect of Electrical Equipment Regulations and Gas Safety Regulations and we assume that where appropriate all such equipment meets the necessary legislation. Unless otherwise specifically mentioned the valuation excludes any value attributable to plant and machinery.

Operational Entities

Where the properties are valued as an operational entity and reference is made to the trading history or trading potential of the property, we place reliance on information supplied to us. Should this information

subsequently prove to be inaccurate or unreliable, the valuations reported could be adversely affected. Our valuations do not make any allowance for goodwill.

Title, Tenure, Occupational Agreements And Covenants

Unless otherwise stated, we do not inspect the Land Registry records, title deeds, leases or related legal documents and, unless otherwise disclosed to us, we assume good and marketable title that is free from onerous or restrictive covenants, rights of way and easements, and any other encumbrances or outgoings that may affect value. We disregard any mortgages (including regulated mortgages), debentures or other charges to which the property may be subject.

We assume that any ground rents, service charges other contributions are fair and proportionate, and are not subject to onerous increases or reviews.

Where we have not been supplied with leases, unless we have been advised to the contrary, we assume that all the leases are on a full repairing and insuring basis and that all rents are reviewed in an upwards direction only, at the intervals notified to us, to market rent. We assume that no questions of doubt arise as to the interpretation of the provisions within the leases giving effect to the rent reviews. We assume that wherever rent reviews or lease renewals are pending, all notices have been served validly within the appropriate time limits, and they will be settled according to the assumptions we set out within the reports.

Unless informed otherwise, we assume that all rents and other payments payable by virtue of the leases have been paid to date and there are no arrears of rent, service charge or other breaches in the obligations of occupation.

In the case of property that is let, our opinion of value is based on our assessment of the investment market's perception of the covenant strength of the occupier(s). This is arrived at in our capacity as valuation surveyors on the basis of information that is publicly available. We are not accountants or credit experts and we do not undertake a detailed investigation into the financial status of the tenants. Our valuations reflect the type of tenants actually in occupation or responsible for meeting lease commitments, or likely to be in occupation, and the market's general perception of their creditworthiness. We provide no warranties as to covenant strength and recommend that you make your own detailed enquiries if your conclusions differ from our own.

Where we are provided with a report on title and/or occupational agreement, we form our opinion of value reflecting our interpretation of that title. Your legal advisers should review our understanding of the title and confirm that this is correct.

Planning, Licensing, Rating And Statutory Enquiries

We undertake online planning enquiries to the extent that we consider reasonable and appropriate to the valuation. We do not make formal verbal or written enquiries to local authorities. If a professional planning report is provided to us, we will take the findings into account in our valuation but will not be accountable for the advice provided within it, nor any errors of interpretation or fact within the third party report.

We assume that the property is constructed, used and occupied in full compliance with the relevant planning and building regulation approvals and that there are no outstanding notices, conditions, breaches,

contraventions, non-compliance, appeals, challenges or judicial review. We assume that all consents, licenses and permissions are in place, that there are no outstanding works or conditions required by lessors or statutory, local or other competent authorities, and that no adverse planning conditions or restrictions apply. If we are instructed to value property on the Special Assumption of having the benefit of a defined planning permission or license, we assume that it will not be appealed or challenged at any point prior to, or following, implementation.

Our investigations are limited to identifying material planning applications on the property and observable constraints. We seek to identify any proposals in the immediate vicinity that may have an impact on the property, such as highway proposals, comprehensive development schemes and other planning matters.

We seek to obtain rateable values and council tax banding from the statutory databases, where available. The 2023 rating revaluation has resulted in some increases in rateable values in specific sectors. This may have an impact on the marketability and value of a property, and on vacancy rates or landlord non recoverable costs. However, unless there is evidence to the contrary, we will make the express assumption that any changes are affordable to occupiers, or will be subject to appropriate transitional relief. We do not reflect the impact of any rating appeals in our valuations unless they are formally concluded.

Given that statutory information is obtained from third party sources, we are unable to provide any warranty or reliance as to its accuracy. Your legal advisers should verify our assumptions and revert to us if required.

Valuations Assuming Development, Refurbishment Or Repositioning

Unless specifically instructed to the contrary, where we are provided with development costs and construction schedules by the addressee, a borrower or an independent quantity surveyor, we rely on this information as an assumption in arriving at our opinion of value. It forms an assumption within our valuation and we accept no liability if the actual costs or programme differ from those assumed at the valuation date.

We are not quantity surveyors and provide no reliance as to construction costs or timescale. Irrespective of the source of this information, a professional quantity surveyor should review our assumptions and revert to us if there are any issues of doubt, so that we may review our opinion of value.

We additionally assume that a hypothetical market purchaser will have the necessary resources, skills and experience to deliver the proposed development. It is not within our scope to assess the credentials of any actual purchaser, owner or developer of the property that is subject to our valuation. We accept no liability for any circumstances where a development or refurbishment does not achieve our concluded values.

If a property is in the course of development, our valuation assumes that the interest will be readily assignable to a market purchaser with all contractor and professional team warranties in place. Where an opinion of the completed development value is required, we assume that all works are completed in accordance with appropriate statutory and industry standards, and are institutionally acceptable.

Alternative Investment Funds

In the event that our appointment is from an entity to which the European Parliament and Council Directive 2011/61/EU ('the AIFMD'), which relates to Alternative Investment Fund Managers ('AIFM'), applies, our instructions are solely limited to providing recommendations on the value of particular property assets

(subject to the assumptions set out in our valuation report) and we are therefore not determining the net asset value of either the Fund or the individual properties within the Fund. Accordingly, we are not acting as an 'external valuer' (as defined under the AIFMD) but are providing our service in the capacity of a 'valuation advisor' to the AIFM.

Interpretation And Comprehension Of The Report And Valuation

Real estate is a complex asset class that carries risk. Any addressee to whom we have permitted reliance on our Report and Valuation should have sufficient understanding to fully review and comprehend its contents and conclusions. We strongly recommend that any queries are raised with us within a reasonable period of receiving our Report and Valuation, so that we may satisfactorily address them.

Appendix

Property Details and Valuations

PORTFOLIO SUMMARY
Regional REIT
Valuation as at
21/6/2024

Property Code	Property	Tenure Sector	Market Value as at 21 June 2024
915025	**Aberdeen** North Esplanade West, Aberdeen	**Leasehold**	**£20,000**
920003	**Aberdeen** Southview & Southstar	**Leasehold**	**£25,000**
924003	**Almondsbury** Beaufort Office Park	**Freehold**	**£3,950,000**
915003	**Almondsbury** Equinox North, Almondsbury	**Freehold**	**£4,300,000**
805001	**Almondsbury** St James Court, Bristol	**Freehold**	**£6,250,000**
915002	**Almondsbury** Woodlands Court	**Freehold**	**£4,400,000**
915009	**Altrincham** Century Park	**Freehold**	**£2,700,000**
942010	**Ashby De La Zouch** Ashby Park	**Freehold**	**£11,700,000**
922001	**Aylesbury** Building 2, Bear Brook Office Park	**Freehold**	**£10,450,000**
942047	**Basingstoke** Cromwell Place, Basingstoke	**Freehold**	**£3,200,000**
919001	**Basingstoke** Northern Cross	**Leasehold**	**£500,000**
901029	**Basingstoke** Rosalind House	**Leasehold**	**£3,100,000**
942004	**Bedford** Clearblue Innovation Centre	**Freehold**	**£8,200,000**
920011 **920012**	**Beeston** Beeston Business Park	**Freehold**	**£15,200,000**
101001	**Bellshill** Bellhaven House, Bellshill	**Freehold**	**£950,000**
101002	**Bellshill** Braidhurst House, Bellshill	**Freehold**	**£1,200,000**
101004	**Bellshill** Coltness House, Bellshill	**Freehold**	**£775,000**

PORTFOLIO SUMMARY
Regional REIT
Valuation as at
21/6/2024

Property Code	Property	Tenure Sector	Market Value as at 21 June 2024
101005	**Bellshill** Dalziel House, Phoenix Cres	**Freehold**	**£680,000**
101006	**Bellshill** Murdostoun House	**Freehold**	**£850,000**
915027	**Belper** 27/29 King St, Belper	**Leasehold**	**£590,000**
901021	**Birmingham** 2800 The Crescent, Solihull	**Freehold**	**£5,900,000**
924002	**Birmingham** Aqueous One	**Freehold**	**£2,600,000**
915008	**Birmingham** Birmingham Business Park	**Leasehold**	**£1,900,000**
942037	**Birmingham** Eagle Court, Coventry Road	**Leasehold**	**£18,250,000**
920007	**Birmingham** Norfolk House, Smallbrook Queensway	**Freehold**	**£17,200,000**
942039	**Bracknell** Origin (Office)	**Freehold**	**£2,300,000**
942040	**Bracknell** Origin (Residential)	**Freehold**	**£2,900,000**
920005	**Bristol** 1&2 Rivermead Court Buildings	**Freehold**	**£3,725,000**
920008	**Bristol** 2410 Aztec West, Bristol	**Freehold**	**£2,600,000**
942033	**Bristol** 550 Bristol Business Park	**Freehold**	**£2,775,000**
921004	**Bristol** 800 Aztec West	**Freehold**	**£16,150,000**
901032	**Bristol** Park House	**Freehold**	**£3,850,000**
901002	**Bromley** Donegal House, Tweedy Road	**Freehold**	**£2,150,000**
924004	**Cardiff** Cardiff Gate Business Park	**Freehold**	**£2,300,000**
915040	**Cardiff**	**Freehold**	**£6,150,000**

Property Code	Property	Tenure Sector	Market Value as at 21 June 2024
	Global Reach, Cardiff		
920014	**Cardiff** Trinity Court	**Freehold**	**£4,500,000**
915026	**Chatham** Victory House Meeting House Lane	**Freehold**	**£4,650,000**
901013	**Chelmsford** Wren House	**Freehold**	**£2,400,000**
924005	**Chester** The Foundation	**Freehold**	**£4,250,000**
915024	**Clydebank** Bering House/Timor House,Mariner Court	**Freehold**	**£1,000,000**
701003A	**Clydebank** Tasman House/Caspian House/Mariner Court	**Leasehold**	**£425,000**
701003B	**Clydebank** Tasman House/Caspian House/Mariner Court	**Leasehold**	**£325,000**
940001	**COLWYN BAY** Mochdre Commerce Park	**Freehold**	**£7,800,000**
931007	**COVENTRY** 31 Foleshill Road	**Leasehold**	**£800,000**
901022	**Coventry** Columbus House, Coventry	**Freehold**	**£6,900,000**
920017	**Crawley** Origin 1 & 2	**Freehold**	**£10,075,000**
901014	**Deeside** Parkway Business Centre	**Freehold**	**£1,400,000**
942048	**Derby** Orbis 1, 2 & 3, Pride Park	**Freehold**	**£13,650,000**
701004B	**Dumfries** High Street/Bank Street, Dumfries	**Freehold**	**£120,000**
701004A	**Dumfries** High Street/Bank Street, Dumfries	**Freehold**	**£800,000**
942011	**Dundee** Compass House	**Freehold**	**£3,750,000**
931010	**Dundee**	**Freehold**	**£9,550,000**

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Property Code	Property	Tenure Sector	Market Value as at 21 June 2024
	Kingscourt Leisure Complex		
901012	**Dundee** Quadrant House	**Freehold**	**£2,900,000**
915010	**Durham** City West Business Park	**Freehold**	**£1,000,000**
915013	**Durham** Mandale Business Park	**Freehold**	**£4,850,000**
919008 **919009**	**Eastleigh** Hampshire Corporate Park, Hampshire House	**Freehold**	**£17,775,000**
915039	**Edinburgh** 2 Lochside Avenue, Edinburgh	**Freehold**	**£2,250,000**
942019	**Edinburgh** Calton House, Edinburgh	**Freehold**	**£2,500,000**
901019	**Edinburgh** Gyleview House, Edinburgh	**Freehold**	**£1,700,000**
942042	**Edinburgh** Quantum Court	**Leasehold**	**£4,650,000**
942015	**Edinburgh** Vantage Point	**Freehold**	**£4,100,000**
818002	**Ellesmere Port** 14/16 Rossmore Bus. Village, Ellesmere Port	**Freehold**	**£450,000**
933008	**FELIXSTOWE** York House	**Freehold**	**£1,070,000**
931001	**Fleet** Integration House	**Freehold**	**£1,600,000**
931002	**Fleet** Waterfront Business Park - Logic House	**Freehold**	**£3,100,000**
942022	**Glasgow** 133 Finnieston Street	**Freehold**	**£10,100,000**
740001	**Glasgow** 300 Bath Street	**Leasehold**	**£17,450,000**
924007	**Glasgow** Finnieston Business Park	**Freehold**	**£2,850,000**
701009A	**Glasgow**	**Leasehold**	**£1,200,000**

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Property Code	Property	Tenure Sector	Market Value as at 21 June 2024
	Legal House		
701009B	**Glasgow** Legal House (Commercial Centre)	**Leasehold**	**£325,000**
701007A	**Glasgow** Templeton On The Green, Corner House	**Freehold**	**£1,150,000**
701007B	**Glasgow** Templeton On The Green, Doges	**Freehold**	**£3,600,000**
701007C	**Glasgow** Templeton On The Green, Mill House	**Freehold**	**£1,550,000**
701007D	**Glasgow** Templeton On The Green, Templeton House	**Freehold**	**£1,300,000**
701007E	**Glasgow** Templeton On The Green, White Studios	**Freehold**	**£2,700,000**
701005A	**Glasgow** Virginia Street/Miller Street, Glasgow	**Freehold**	**£600,000**
701005B	**Glasgow** Virginia Street/Miller Street, Glasgow	**Freehold**	**£2,200,000**
915011	**Gloucester** Elmbridge Court	**Freehold**	**£7,850,000**
817022 **817025**	**Harefield** Salamander Quay	**Freehold**	**£3,500,000**
915016	**Hemel Hempstead** Quadtech	**Freehold**	**£3,250,000**
915041	**High Wycombe** Peregrine Business Park	**Freehold**	**£6,500,000**
942017	**High Wycombe** Units 1-3, The Chilterns, Ibstone Road	**Freehold**	**£1,000,000**
901015	**Hull** The Mash, The Maltings, Jarratt Street	**Freehold**	**£3,700,000**
920006	**Ipswich** Felaw Maltings, 44 Felaw Street	**Freehold**	**£6,750,000**
942021	**Kilmarnock** Loreny Industrial Estate	**Freehold**	**£3,350,000**
915042	**Leeds**	**Freehold**	**£7,275,000**

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Property Code	Property	Tenure Sector	Market Value as at 21 June 2024
	1175 Thorpe Park, Leeds		
942049	**Leeds** 84 Albion Street	**Freehold**	**£6,000,000**
942028	**Leeds** Capitol Park	**Freehold**	**£10,900,000**
942029	**Leeds** Central Park, New Lane	**Freehold**	**£8,450,000**
901027	**Leeds** Century Way, Thorpe Park, Leeds	**Freehold**	**£5,900,000**
915034	**Leeds** Lisbon Court, 120 Wellington St	**Leasehold**	**£4,000,000**
808001	**Leeds** The Coachworks One & Two	**Freehold**	**£10,450,000**
942046	**Leeds** Victoria Park / Great Wilson Street	**Leasehold**	**£5,000,000**
942008	**LINCOLN** Witham Park House	**Freehold**	**£2,600,000**
942026	**Linwood** St James Business Centre	**Freehold**	**£900,000**
920015	**Liverpool** 5 Temple Square	**Freehold**	**£3,650,000**
942003	**Macclesfield** The Courtyard, Macclesfield	**Freehold**	**£2,000,000**
809001	**Manchester** 9 Portland Street	**Freehold**	**£11,500,000**
924006	**Manchester** Dovecote House	**Freehold**	**£3,600,000**
942045	**Manchester** Manchester Green	**Leasehold**	**£15,200,000**
919005	**Manchester** Oakland House	**Freehold**	**£12,900,000**
901031	**Manchester** The Lighthouse	**Freehold**	**£8,250,000**
942030	**Manchester**	**Freehold**	**£5,500,000**

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	The Royals, Altrincham Rd		
920016	**Milton Keynes** Linford Wood Business Park	**Freehold**	**£12,050,000**
942038	**Newcastle** Gateway West (Newburn Riverside)	**Leasehold**	**£4,275,000**
919007	**Nottingham** 30-34 Hounds Gate	**Freehold**	**£4,650,000**
942034	**Nottingham** Aspect Business Centre	**Leasehold**	**£6,450,000**
820001 **820002**	**Nottingham** One Newstead Court	**Freehold**	**£6,400,000**
920013	**Paisley** Lightyear	**Freehold**	**£12,100,000**
920001	**Paisley** Phoenix Business Park	**Freehold**	**£1,350,000**
942024	**Paisley** St James Business Park	**Freehold**	**£2,050,000**
942027	**Paisley** Tim Hortons, St James Business Park	**Freehold**	**£1,500,000**
942031	**Peterborough** Southgate Park	**Freehold**	**£8,900,000**
915005	**Preston** Albert Edward House	**Leasehold**	**£2,800,000**
901033	**Redhill** Betchworth House	**Freehold**	**£5,400,000**
920004	**Rotherham** Cyan Building	**Freehold**	**£1,750,000**
818005	**Rugby** 15 Davy Court, Rugby	**Freehold**	**£1,100,000**
931009	**RUGELEY** Shrewsbury Arms Shopping Mall	**Freehold**	**£550,000**
920018	**Sheffield** One North Bank	**Leasehold**	**£7,050,000**
921006	**Sheffield**	**Freehold**	**£1,000,000**

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Property Code	Property	Tenure Sector	Market Value as at 21 June 2024
	Units A & B Forge Street		
915014	**South Shields** Market Dock	**Freehold**	**£850,000**
942035	**St Helens** Mere Grange - St Helens	**Freehold**	**£4,775,000**
942012	**St Helens** Wilkinson Building	**Freehold**	**£575,000**
901024	**Stafford** Broad St, Stafford	**Leasehold**	**£725,000**
942023	**Stepps** 2 and 7 Buchanan Gate	**Freehold**	**£3,450,000**
813001	**Stoke-on-Trent** Bennett House	**Freehold**	**£4,800,000**
915017	**Stoke-on-Trent** Ridge House	**Freehold**	**£570,000**
942043	**Sunderland** Admiral House, Doxford International Business Park	**Leasehold**	**£3,650,000**
942044	**Sunderland** Endeavour House, Victory Way, Doxford	**Leasehold**	**£10,150,000**
901026	**Swansea** 1-4 Llansamlet Retail Park, Nantyffin Rd	**Leasehold**	**£10,500,000**
920009	**Swansea** Waterside Business Park, Swansea	**Leasehold**	**£6,200,000**
901020	**Swindon** Delta 1200, Delta Business Park, Swindon	**Freehold**	**£3,475,000**
804001	**Swindon** Minton Place, Swindon	**Freehold**	**£2,325,000**
901017	**Wakefield** 1 Burgage Square, Merchant Square	**Freehold**	**£3,150,000**
812001	**Wallington** Leo House, Wallington	**Leasehold**	**£2,350,000**
942036	**Warrington** Centre Park, Warrington	**Freehold**	**£4,000,000**
921005	**Warrington**	**Freehold**	**£6,000,000**

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Property Code	Property	Tenure Sector	Market Value as at 21 June 2024
	The Genesis Centre		
933001	**Welwyn Garden City** 1-6 Silver Court	**Freehold**	**£4,400,000**
901018	**Wolverhampton** Fairfax House	**Freehold**	**£1,300,000**
	Portfolio Summary:		**£647,750,000**

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