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THIS IS AN ANNOUNCEMENT FALLING UNDER RULE 2.4 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE") AND DOES NOT CONSTITUTE AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CODE AND THERE CAN BE NO CERTAINTY THAT ANY FIRM OFFER WILL BE MADE NOR AS TO THE TERMS ON WHICH ANY FIRM OFFER MIGHT BE MADE

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION IN RELATION TO LONDONMETRIC PROPERTY PLC AND LXI REIT PLC

FOR IMMEDIATE RELEASE

18 December 2023

Possible All-Share Merger of

LondonMetric Property plc

and

LXi REIT plc

The boards of LondonMetric Property plc ("LondonMetric") and LXi REIT plc ("LXi") note the recent media speculation and confirm that they are in discussions regarding a possible all-share merger of the two companies, pursuant to which LondonMetric would acquire the entire issued and to be issued ordinary share capital of LXi (the "Possible Merger").

The making of any firm offer by LondonMetric is subject to a number of pre-conditions, waivable at LondonMetric's discretion. These pre-conditions include the completion of mutual due diligence, the provision of certain consents, waivers and approvals by each company's lenders and the recommendation of the Possible Merger to LXi's shareholders by the Board of LXi.

The boards of LondonMetric and LXi see the potential to bring together two companies with complementary strategic approaches and a key focus on delivering compounding income-led total shareholder returns through the cycle. The Possible Merger would result in:

- A UK-focused triple net lease REIT of scale with a pro forma gross asset value of approximately £6.4 billion and market capitalisation of approximately £3.9 billion which is expected to provide improved share liquidity and better access to capital;
- A combined portfolio aligned to structurally supported sectors (with approximately 93% exposure to the logistics, healthcare, convenience, entertainment and leisure sectors) and with income longevity and security; and
- An internally managed REIT delivering economies of scale and operating efficiencies, targeting sustainable earnings and dividend progression.

There can be no certainty that any firm offer will be made nor as to the terms on which any firm offer might be made. A further announcement will be made in due course.

Important Code Notes

In accordance with Rule 2.6(a) of the Code, LondonMetric must by no later than 5.00 pm (London time) on 15 January 2024, either announce a firm intention to make an offer for LXi in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer for LXi, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline can only be extended with the consent of the Panel on Takeovers and Mergers (the "Panel") in accordance with Rule 2.6(c) of the Code.

This announcement has been made with the consent of LondonMetric.

As a consequence of this announcement an offer period (as defined in the Code) has now commenced in respect of LXi and the attention of shareholders is drawn to the disclosure requirements of Rule 8 of the Code which are summarised below.

The bases and sources for certain financial and other information contained in this announcement are set out below.

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Inside information

The information contained within this announcement is deemed by LondonMetric and LXi to constitute inside information as stipulated under the Market Abuse Regulation (EU) No.596/2014 (as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018) (“MAR”). On the publication of this announcement via a Regulatory Information Service, such information is now considered to be in the public domain.

For the purposes of MAR, this announcement is being made on behalf of LondonMetric by Jadzia Duzniak, Company Secretary, and on behalf of LXi by Nicola Lambourne, Company Secretary.

Notices related to financial advisers

Barclays Bank PLC (“Barclays”), acting through its investment bank, which is authorised by the PRA and regulated in the United Kingdom by the FCA and the Prudential Regulation Authority (the “PRA”), is acting exclusively as financial adviser to LondonMetric and no one else in connection with the matters set out in this announcement and will not be responsible to anyone other than LondonMetric for providing the protections afforded to clients of Barclays nor for providing advice in relation to the matters set out in this announcement.

In accordance with the Code, normal United Kingdom market practice and Rule 14e-5(b) of the Exchange Act, Barclays and its affiliates will continue to act as exempt principal trader in LondonMetric and LXi securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

Peel Hunt LLP (“Peel Hunt”), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for LondonMetric and for no one else in connection with the matters referred to in this announcement and will not be responsible to any person other than LondonMetric for providing the protections afforded to clients of Peel Hunt, nor for providing advice in relation to the matters referred to herein. Neither Peel Hunt nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Peel Hunt in connection with the matters referred to in this announcement, or otherwise.

J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove (“J.P. Morgan Cazenove”), is authorised in the United Kingdom by the PRA and regulated in

the United Kingdom by the PRA and the FCA. J.P. Morgan Cazenove is acting as financial adviser and corporate broker exclusively to LondonMetric and no one else in connection with the Possible Merger and will not regard any other person as its client in relation to the Possible Merger and will not be responsible to anyone other than LondonMetric for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to the Possible Merger or any other matter or arrangement referred to herein.

Lazard & Co., Limited (“Lazard”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority (the “FCA”), is acting exclusively as financial adviser to LXi and no one else in connection with the Possible Merger and will not be responsible to anyone other than LXi for providing the protections afforded to clients of Lazard nor for providing advice in relation to the Possible Merger or any other matters referred to in this announcement. Neither Lazard nor any of its 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 Lazard in connection with the Possible Merger, this announcement, any statement contained herein or otherwise.

Jefferies International Limited (“Jefferies”), which is authorised and regulated in the UK by the FCA, is acting exclusively for LXi and no one else in connection with the Possible Merger and shall not be responsible to anyone other than LXi for providing the protections afforded to clients of Jefferies, nor for providing advice in connection with the Possible Merger or any matter referred to herein. Neither Jefferies nor any of its affiliates (nor any of its or their respective directors, officers, employees, representatives or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct, indirect, consequential, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Jefferies in connection with the Possible Merger, this announcement, any statement contained herein or otherwise.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel’s website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel’s Market Surveillance Unit on +44 (0) 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Forward-looking statements

This announcement and certain oral statements made regarding the Possible Merger and other information published by LondonMetric or LXi containing statements about LondonMetric, LXi and/or the combined group are or may be deemed to be forward-looking statements. All statements other than statements of historical facts included in this announcement, may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “hopes”, “continues”, “would”, “could”, “should”, “will”, “may”, “anticipates”, “estimates”, “projects” or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; and (ii) business and management strategies and the expansion and growth of LondonMetric, LXi or the combined group's operations and potential cost and operating synergies resulting from the Possible Merger. These forward-looking statements are not based on historical fact and are not guarantees of future performance. By their nature, such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the entities' ability to control or estimate precisely. These factors include, but are not limited to, changes in political and economic conditions, changes in levels of capital investment, success of business and operating initiatives, the impact of any acquisitions or similar transactions, changes in tenants' strategies and stability, changes in the regulatory environment and fluctuations of rates, and changes in tax rates. Except as expressly provided in this announcement, they have not been reviewed by the auditors of LondonMetric or LXi. Neither LondonMetric, LXi, nor any of their respective members, associates or directors, officers, employees or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Neither LondonMetric, LXi, nor any of their respective members, associates or directors, officers, employees or advisers assumes any obligation to update or correct the information contained in this announcement except as required by applicable law (including as required by the Takeover Code, the Listing Rules and the Disclosure Guidance and Transparency Rules). Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this announcement. LondonMetric and LXi disclaim any obligation to correct or update any forward-looking or other statements contained in this announcement, except as required by applicable law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.

Rule 26.1 disclosure

In accordance with Rule 26.1 of the Code, a copy of this announcement will be made available, subject to certain restrictions relating to persons resident in restricted jurisdictions, free of charge on LondonMetric's website at www.londonmetric.com and on LXi's website at www.lxireit.com by no later than 12 noon (London time) on the business day following the date of this announcement.

For the avoidance of doubt, the content of the website referred to in this announcement is not incorporated into, and does not form part of, this announcement.

Rule 2.9 disclosure

In accordance with Rule 2.9 of the Code, as at the close of business on 15 December 2023 (being the business day prior to the date of this announcement), LondonMetric confirms that it had in issue 1,089,596,222 ordinary shares of 10 pence per share, each with voting rights and admitted to trading on the Main Market of the London Stock Exchange under the ISIN code GB00B4WFW713.

In accordance with Rule 2.9 of the Code, as at the close of business on 15 December 2023 (being the business day prior to the date of this announcement), LXi confirms that it had in issue 1,714,473,236 ordinary shares of 1 pence per share, each with voting rights and admitted to trading on the Main Market of the London Stock Exchange under the ISIN code GB00BYQ46T41.

Additional Information

This announcement is for information purposes only and is not intended to, and does not, constitute, represent or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to this announcement or otherwise. Any offer, if made, will be made solely by certain offer documentation which will contain the full terms and conditions of any offer, including details of how it may be accepted. The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom and the availability of any offer to shareholders of LXi who are not resident in the United Kingdom may be affected by the laws of other relevant jurisdictions. Therefore, any persons who are subject to the laws of any jurisdiction other than the United Kingdom or shareholders of LXi who are not resident in the United Kingdom will need to inform themselves about,

and observe, any applicable requirements. Any failure to comply with the restrictions may constitute a violation of the securities law of any such jurisdiction.

This announcement does not constitute a prospectus or prospectus equivalent document. Neither LondonMetric nor LXi shareholders should make any investment decision in relation to the Possible Merger except on the basis of the scheme document or combined circular and prospectus published by LondonMetric in due course. If a firm offer is made for LXi, LondonMetric and LXi urge both LondonMetric and LXi shareholders to read the whole of the scheme document and combined circular and prospectus once available, as each will contain important information relating to the Possible Merger.

This announcement has been prepared in accordance with English law and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside of the United Kingdom.

Profit forecasts and estimates

No statement in this announcement is intended to constitute a profit forecast or profit estimate and no statement in this announcement should be interpreted to mean that the earnings or future earnings per share of or dividends or future dividends per share of LondonMetric and/or LXi for current or future financial years will necessarily match or exceed the historical or published earnings or dividends per share of LondonMetric or LXi, as appropriate.

Bases and sources

In this announcement, unless otherwise stated or the context otherwise requires, the following bases and sources have been used.

- The pro forma market capitalisation is based on the closing share price (being the closing middle market price on a particular trading day as derived from the London Stock Exchange Daily Official List) and issued share capital for each of LondonMetric and LXi as at 15 December 2023, being the last business day prior to the date of this announcement.
- The financial information relating to LondonMetric is extracted from its interim results for the half-year ended 30 September 2023, released on 23 November 2023.
- The financial information relating to LXi is extracted from its interim results for the half-year ended 30 September 2023, released on 30 November 2023.
- Combined portfolio statistics have been derived from figures in the sources referenced above.
- Combined sector exposure statistics have been derived from the reclassification of both LondonMetric's and LXi's historic asset classes (each as set out in the interim results of each company for the period ended 30 September 2023) into revised asset classes using criteria which LondonMetric would propose to use for the combined portfolio following a Possible Merger.
- Certain figures in this announcement have been subject to rounding adjustments.

