

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**PART 2 OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT. THIS DOCUMENT CONTAINS PROPOSALS WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF THE ADMISSION OF THE HIGHCROFT SHARES TO TRADING ON TISE.**

**If you are in any doubt about the Acquisition, the contents of this document or the action you should take, you are recommended to seek your own personal financial, legal and tax advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.**

If you sell, have sold or otherwise transferred all of your Highcroft Shares, please forward this document, together with the accompanying documents (other than documents or forms personalised to you), at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward delivery to the purchaser or transferee. However, neither this document nor any accompanying document should be forwarded, distributed, or transmitted in, into or from, any jurisdiction where to do so may constitute a violation of local securities laws or regulations. If you sell or have sold or otherwise transferred only part of your registered holding of Highcroft Shares, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected. If you have recently purchased or otherwise been transferred Highcroft Shares in certificated form, notwithstanding receipt of this document and any accompanying documents from the transferor, you should contact the Registrar through the Highcroft Shareholder helpline details of which appear on page 11 of this document to obtain personalised Forms of Proxy and any other replacement documents.

The release, publication or distribution of this document and/or the accompanying documents (in whole or in part) in, into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore this document and/or the accompanying documents may not be distributed or published in any jurisdiction except under circumstances which result in compliance with applicable laws and regulations. Therefore, persons into whose possession this document and/or 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 and regulations of any such jurisdiction.

Neither this document nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Acquisition or the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This document is not a prospectus or prospectus equivalent document. None of the securities referred to in this document shall be sold, issued, exchanged or transferred in any jurisdiction in contravention of applicable law.

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**Recommended all-share acquisition of**

**HIGHCROFT INVESTMENTS PLC (“HIGHCROFT”)**

**by**

**LONDONMETRIC PROPERTY PLC (“LONDONMETRIC”)**

**by means of a**

**Scheme of Arrangement**

**under Part 26 of the Companies Act 2006**

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Highcroft Shareholders should read the whole of this document (including all information incorporated into this document by reference to another source) and the accompanying Forms of Proxy. Highcroft Shareholders may request hard copies of this document. Please see the section entitled “Publication on Websites and Right to Receive Hard Copies” on page 7 of this document for further details.

Application will be made by LondonMetric for the New LondonMetric Shares to be admitted to the equity shares (commercial companies) category of the Official List and to trading on the Main Market.

Your attention is drawn to the letter from the Chair set out in Part 1 (*Letter from the Chair of Highcroft*) of this document, which contains the unanimous recommendation of the Highcroft Board that you vote in favour of the Scheme at the Court Meeting and in favour of the Resolution to be proposed at the General Meeting. A letter from Shore Capital explaining the Scheme appears in Part 2 (*Explanatory Statement*) of this document and constitutes an explanatory statement in compliance with Section 897 of the Companies Act.

## NOTICES

Shore Capital and Corporate Limited ("**Shore Capital**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("**FCA**"), is acting exclusively as financial adviser and Rule 3 adviser to Highcroft and no one else in connection with the Acquisition and will not be responsible to anyone other than Highcroft for providing the protections afforded to clients of Shore Capital nor for providing advice in connection with the Acquisition or any matter referred to in this document. Neither Shore Capital 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 Shore Capital in connection with the Acquisition, this document, any statement contained herein or otherwise. Shore Capital has given, and not withdrawn, its consent to the inclusion in this document of the references to its name and the advice it has given to Highcroft in the form and context in which they appear.

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 document 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 document, or otherwise.

## OVERSEAS JURISDICTIONS

The release, publication or distribution of this document in or into jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document comes who are not resident in the United Kingdom or who are subject to the laws of other jurisdictions should inform themselves about, and observe, any applicable restrictions. Highcroft Shareholders who are in any doubt regarding such matters should consult an appropriate independent adviser in the relevant jurisdiction without delay. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Unless otherwise determined by LondonMetric or required by the Takeover Code, and permitted by applicable law and regulation, participation in the Acquisition will not be made available, and the New LondonMetric Shares to be issued pursuant to the Acquisition will not be issued, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and no person may vote in favour of the Acquisition by any such use, means, instrumentality or form from within a Restricted Jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this document and all documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this document and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from any Restricted Jurisdictions where to do so would violate the laws in that jurisdiction. Any person (including, without limitation, any custodian, nominee and trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this document and/or any other related document to any jurisdiction other than the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction.

If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made, directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, without limitation, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction, and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities from within any Restricted Jurisdiction.

The availability of the New LondonMetric Shares under the Acquisition to Highcroft Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident (which may also affect the ability of such Highcroft Shareholders to vote their Highcroft Shares with respect to the Scheme and the Acquisition at the Highcroft Meetings, or to execute and deliver Forms of Proxy appointing another to vote at the Highcroft Meetings on their behalf). Persons who are not resident in the United Kingdom or who are subject to the laws and/or regulations of another jurisdiction should inform themselves of, and should observe, any applicable legal and/or regulatory requirements.

Each Highcroft Shareholder is urged to consult his or her independent professional adviser immediately regarding the tax consequences of the Acquisition.

The statements contained in this document are not to be construed as legal, business, financial or tax advice.

## **NOTES TO HIGHCROFT SHAREHOLDERS IN THE UNITED STATES**

Highcroft Shareholders located in the United States should note that the Acquisition relates to the securities of an English company with a listing on TISE and is proposed to be implemented pursuant to a scheme of arrangement provided for under English law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Scheme is subject to procedural and disclosure requirements and practices applicable to a scheme of arrangement involving a target company in England listed on TISE, which are different from the disclosure requirements of the US tender offer and proxy solicitation rules.

The Acquisition may, in circumstances described in this document, instead be carried out by way of a Takeover Offer under English law. If in the future LondonMetric exercises its right to implement the Acquisition by way of a Takeover Offer, such Takeover Offer will be made in compliance with applicable US tender offer and securities laws and regulations, including the exemptions therefrom. Such Takeover Offer would be made in the United States by LondonMetric and no one else. In addition to any such Takeover Offer, in accordance with normal practice in the United Kingdom, LondonMetric, certain affiliated companies, and their nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, Highcroft Shares outside the United States, other than pursuant to the Takeover Offer, until the date on which such Takeover Offer would become effective, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made, they would be made outside the United States and would comply with applicable law, including the US Exchange Act. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed, as required in the United Kingdom, will be reported to a Regulatory Information Service of the FCA and to TISE, and will be available on the London Stock Exchange website: [www.LondonStockExchange.com](http://www.LondonStockExchange.com) and on the TISE website: <https://tisegroup.com>.

The financial information included in this document and other documentation related to the Acquisition has been or will have been prepared in accordance with IFRS and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The New LondonMetric Shares to be issued under the Scheme have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States absent registration or an available exemption from the registration requirements under the US Securities Act and applicable US state securities laws. If LondonMetric effects the Acquisition by way of a scheme of arrangement under English law, the New LondonMetric Shares to be issued in the Acquisition will be issued in reliance on the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. Highcroft will advise the Court that the Court's sanctioning of the Scheme will be relied upon by LondonMetric as an approval of the scheme of arrangement following a hearing on its fairness to Highcroft Shareholders at which hearing all such Highcroft Shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all Highcroft Shareholders.

The New LondonMetric Shares to be issued to Highcroft Shareholders in the Acquisition pursuant to a scheme of arrangement under English law may generally be resold without restriction under the US Securities Act, except for resales by persons who are or will be affiliates (within the meaning of Rule 144 under the US Securities Act). "Affiliates" of a company are generally defined as persons who directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, that company. Whether a person is an affiliate of a company for purposes of the US Securities Act depends on the circumstances, but affiliates can include certain officers, directors and significant shareholders. Highcroft Shareholders who are or will be affiliates of LondonMetric or Highcroft prior to, or of LondonMetric after, the Effective Date will be subject to certain US transfer restrictions relating to the New LondonMetric Shares received pursuant to the Scheme. Highcroft Shareholders who believe that they may be or will be affiliates for purposes of the US Securities Act should consult their own legal advisors prior to any resale of New LondonMetric Shares received under the Scheme.

None of the securities referred to in this document have been approved or disapproved by the SEC or any US state securities commission, nor have any such authorities passed judgment upon the fairness or the merits of the Acquisition or the Scheme or determined if this document is accurate or complete. Any representation to the contrary is a criminal offence in the United States.

US holders of Highcroft Shares also should be aware that the transaction contemplated herein may have tax consequences in the United States and that such consequences, if any, are not described herein, as well as foreign and other tax consequences. US holders of Highcroft Shares are urged to consult with independent professional advisors regarding the legal, tax and financial consequences of the Acquisition applicable to them.

It may be difficult for US holders of Highcroft Shares to enforce their rights and claims arising out of the US federal securities laws since LondonMetric and Highcroft are organized in countries other than the United States and some or all of their officers and directors may be residents of, and some or all of their assets may be located in, jurisdictions other than the United States. US holders of Highcroft Shares may have difficulty effecting service of process within the United States upon those persons or recovering against judgments of US courts, including judgments based upon the civil liability provisions of the US federal securities laws. US holders of Highcroft Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

## **IMPORTANT INFORMATION**

Neither this document nor any of the accompanying documents do or are intended to constitute an offer or an invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this document or otherwise in any jurisdiction in which such offer or solicitation is unlawful.

This document and the accompanying documents have been prepared in connection with proposals in relation to a scheme of arrangement pursuant to and for the purpose of complying with English law, the Takeover Code, the UK Listing Rules and the TISE Listing Rules, and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside the United Kingdom. Nothing in this document or the accompanying documents should be relied on for any other purpose.

The release, publication or distribution of this document (in whole or in part) in jurisdictions outside the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. All Highcroft Shareholders or other persons (including nominees, trustees and custodians) who would otherwise intend to, or may have a contractual or legal obligation to, forward this document and the accompanying documents to a jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such requirements by any person.

No person has been authorised to make any representations on behalf of any member of the Highcroft Group or the LondonMetric Group concerning the Acquisition which are inconsistent with the statements contained in this document and such representations, if made, may not be relied upon as having been so authorised by Highcroft, LondonMetric, the Highcroft Directors, the LondonMetric Directors, Shore Capital, Peel Hunt or any other person involved in the Acquisition.

The summary of the principal provisions of the Scheme contained in this document is qualified in its entirety by reference to the Scheme itself, the full text of which is set out in Part 3 (*The Scheme of Arrangement*) of this document. Each Scheme Shareholder is advised to read and consider carefully the text of the Scheme itself. This document and in particular, the Letter from the Chair of Highcroft Investments plc (Part 1 (*Letter from the Chair of Highcroft*)) of this document) and the Explanatory Statement (Part 2 (*Explanatory Statement*)) of this document) have been prepared solely to assist Highcroft Shareholders in respect of voting on the Scheme.

Highcroft Shareholders should not construe the contents of this document as legal, taxation or financial advice, and should consult with their own advisers as to the matters described in this document.

The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set forth in this document since such date.

## **CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS**

This document (including information incorporated by reference into this document), any oral statements made by Highcroft or LondonMetric in relation to the Acquisition, and other information published by Highcroft or LondonMetric may contain statements about Highcroft and/or LondonMetric and/or the Combined Group that are or may be forward-looking statements. All statements other than statements of historical facts included in this document may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “goals”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “estimates”, “projects”, “hopes”, “continues”, “would”, “could”, “should” 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; (ii) business and management strategies and the expansion and growth of Highcroft’s or LondonMetric’s or the Combined Group’s operations and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on Highcroft’s or LondonMetric’s or the Combined Group’s business.

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/or the operations of Highcroft, LondonMetric or the Combined Group and are based on certain assumptions and assessments made by Highcroft and LondonMetric in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate. Many of these risks and uncertainties relate to factors that are beyond the entities’ ability to control or estimate precisely.

There are several factors which could cause actual results to differ materially from those projected, expressed or implied in forward looking statements. Among the factors that could cause actual results to differ materially from those described in the forward looking statements are the satisfaction of or failure to satisfy all or any of the conditions to the Acquisition, as well as additional factors, such as changes in the global, political, economic, business, competitive, market and regulatory forces, fluctuations in exchange and interest rates, changes in tax rates and future business acquisitions or disposals, the success of business and operating initiatives and restructuring objectives and the outcome of any litigation. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Except as expressly provided in this document, they have not been reviewed by the auditors of Highcroft or LondonMetric.



Neither Highcroft or LondonMetric, nor any of their respective 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 document will actually occur. 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 document. All subsequent oral or written forward-looking statements attributable to Highcroft or LondonMetric or any of their respective members, directors, officers, employees or advisers or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Highcroft and LondonMetric disclaim any obligation to update any forward-looking or other statements contained in this document, 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.

## **NO PROFIT FORECAST, ESTIMATE OR QUANTIFIED BENEFITS STATEMENT**

No statement in this document or incorporated by reference into this document is intended to constitute a profit forecast or profit estimate or quantified benefits statement for the future financial performance of Highcroft or LondonMetric or the Combined Group for any period, nor should any statement in this document or incorporated by reference into this document be interpreted to mean that the earnings or future earnings per ordinary share or dividend per ordinary share or future dividends per share of Highcroft and/or LondonMetric and/or the Combined Group, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per ordinary share or dividend per share of Highcroft or LondonMetric or the Combined Group, as appropriate.

## **RULE 8 DISCLOSURE REQUIREMENTS**

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. 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 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (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 Takeover Code, any person who is, or becomes, interested in 1 per cent. 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 p.m. (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 of the Takeover Code.

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 of the Takeover Code).

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 Takeover Panel's website at [www.TheTakeoverPanel.org.uk](http://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.

## **RIGHT TO SWITCH TO A TAKEOVER OFFER**

LondonMetric reserves the right to elect, with the consent of the Panel, to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued share capital of Highcroft as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms or, if LondonMetric so decides, on such other terms being no less favourable (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendments referred to in paragraph 10 of Part B of Part 4 (*Conditions and Certain Further Terms of the Acquisition*) of this document.

## **ROUNDING**

Certain figures included in this document have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables or paragraphs may vary slightly and figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures that precede them.

## **ELECTRONIC COMMUNICATIONS**

Please be aware that addresses, electronic addresses and certain information provided by Highcroft Shareholders, persons with information rights and other relevant persons for the receipt of communications from Highcroft may be provided to LondonMetric during the Offer Period as required by Section 4 of Appendix 4 to the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

## **PUBLICATION ON WEBSITES AND RIGHT TO RECEIVE HARD COPIES**

A copy of this document (together with any document incorporated by reference) and the documents required to be published pursuant to Rules 26.1 and 26.2 of the Takeover Code will be made available, free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Highcroft's website at <https://www.highcroftplc.com> and on LondonMetric's website at <https://www.londonmetric.com> by no later than 12.00 p.m. (London time) on the Business Day following the publication of this document.

In accordance with Rule 30.3 of the Takeover Code, Highcroft Shareholders and any persons with information rights may request a hard copy of this document, announcements and information relating to the Acquisition (including information incorporated by reference into such documents by reference to another source) free of charge, by contacting Highcroft's registrars, MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom or by calling MUFG Corporate Markets on +44 (0) 371 664 0321. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between

9.00 a.m. and 5.30 p.m. (London time), Monday to Friday (except public holidays in England and Wales). Alternatively, Highcroft Shareholders and any persons with information rights can email MUFG Corporate Markets at [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com). Please note that MUFG Corporate Markets cannot provide any financial, legal or tax advice. Calls may be recorded and monitored for security and training purposes. For persons who receive a copy of this document in electronic form or via a website notification, a hard copy of this document will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.

Save as expressly referred to in this document, the contents of the aforementioned websites, and any websites accessible from hyperlinks on those websites, are not incorporated into and do not form part of this document.

## SCHEME PROCESS

In accordance with Section 5 of Appendix 7 to the Takeover Code, Highcroft will announce, through a Regulatory Information Service and on the TISE website: <http://www.tisegroup.com>, key events in the Scheme process, including the outcomes of the Highcroft Meetings and the Court Hearing.

Unless otherwise consented to by the Panel and (if required) by the Court, any modification or revision to the Scheme will be made no later than the day which is 14 days prior to the Highcroft Meetings (or any later date to which such Highcroft Meetings are adjourned).

## DEFINITIONS AND INTERPRETATION

Definitions used in this document are as defined in Part 8 (*Definitions*) unless defined elsewhere herein or the context requires otherwise.

Unless otherwise indicated, all references in this document to “**pounds**”, “**pounds Sterling**”, “**Sterling**”, “**£**”, “**pence**”, “**penny**” and “**p**” are to the lawful currency of the UK.

A reference to “**includes**” shall mean “**includes without limitation**”, and references to “**including**” and any other similar term shall be construed accordingly.

All the times referred to in this document are London times unless otherwise stated.

Words importing the singular shall include the plural and vice versa. Words importing the masculine gender shall include the feminine or neutral gender and vice versa.

In this document, “**subsidiary**”, “**subsidiary undertaking**”, “**undertaking**” and “**associated undertaking**” have the respective meanings given thereto by the Companies Act.

All references to a statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

This document is dated 24 April 2025.



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## ACTION TO BE TAKEN

This section should be read in conjunction with the rest of this document, the accompanying Forms of Proxy and any document incorporated by reference herein.

### Documents

All Highcroft Shareholders should have received the following with this document:

- a pink Form of Proxy for use in respect of the Court Meeting to be held on 15 May 2025;
- a blue Form of Proxy for use in respect of the General Meeting to be held on 15 May 2025; and
- a pre-paid envelope addressed to MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL for return of the Forms of Proxy from within the United Kingdom only.

If you have not received all of these documents, please contact the Registrar on the telephone number or the email address set out in the section headed “Highcroft Shareholder Helpline” below.

### Voting at the Court Meeting and the General Meeting

The Court Meeting and the General Meeting will be held at the offices of Bryan Cave Leighton Paisner LLP at Governor’s House, 5 Laurence Pountney Hill, London EC4R 0BR, on 15 May 2025 at 10.00 a.m. and 10.15 a.m. respectively (or, in the case of the General Meeting, as soon thereafter as the Court Meeting has been concluded or adjourned). The Scheme requires approval of the Scheme Shareholders at the Court Meeting, and the implementation of the Scheme requires approval of the Highcroft Shareholders at the General Meeting.

**IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST (WHETHER IN PERSON OR BY PROXY) SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF THE OPINION OF SCHEME SHAREHOLDERS. YOU ARE THEREFORE STRONGLY URGED TO SIGN AND RETURN YOUR FORMS OF PROXY BY POST OR APPOINT AN ELECTRONIC OR CREST PROXY AS SOON AS POSSIBLE.**

If the Scheme becomes Effective, it will be binding on Highcroft and all Scheme Shareholders, including those Scheme Shareholders who did not attend or vote (or procure a vote) at the Court Meeting and/or the General Meeting or who voted (or procured a vote) against the Scheme at the Court Meeting and/or the Resolution at the General Meeting.

Whether or not you plan to attend the Highcroft Meetings, **PLEASE COMPLETE AND SIGN** both the enclosed pink and blue Forms of Proxy and return them to the Registrar (together, if appropriate, with the power of attorney or other written authority under which it is signed or a notarially certified copy of such power of attorney or authority) in accordance with the instructions provided thereon, as soon as possible, but in any event so as to be received by no later than:

- 10.00 a.m. on 13 May 2025 in the case of the pink Form of Proxy in respect of the Court Meeting; and
- 10.15 a.m. on 13 May 2025 in the case of the blue Form of Proxy in respect of the General Meeting,

(or, in the case of adjournment, no later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any non-Business Days)).

This will enable your votes to be counted at the Highcroft Meetings in the event of your absence.

If the pink Form of Proxy for use at the Court Meeting is not lodged by 10.00 a.m. on 13 May 2025 (or, in the case of adjournment, no later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any non-Business Days)), it may be handed to the chair of the Court Meeting or to the Registrar on behalf of the chair at the Court Meeting before the taking of the poll and will still be valid.

However, in the case of the General Meeting, unless the blue Form of Proxy is lodged so as to be received by 10.15 a.m. on 13 May 2025 (or, in the case of adjournment, no later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any non-Business Days)), it will be invalid.

Both Forms of Proxy should be returned in the pre-paid envelope provided for use in the United Kingdom for your convenience in returning them. A Highcroft Shareholder may appoint more than one proxy in relation to each of the Highcroft Meetings provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Highcroft Shareholder.

You can also submit your proxy vote via the internet through the share portal service at [www.SignalShares.com](http://www.SignalShares.com). To do so, you will need to log on to your share portal account or register for the share portal service if you have not already done so. Once registered, you will be able to vote. Proxies submitted via the share portal service must be received by the Registrar no later than 48 hours (excluding any non-Business Days) before the appointed time for the relevant Highcroft Meeting or, in the case of an adjournment, no later than 48 hours (excluding any non-Business Days) before the time fixed for the holding of the adjourned meeting.

The completion and return of a Form of Proxy, proxy appointment via the share portal service or appointment via the CREST electronic proxy appointment service will not prevent you from attending and voting at the Court Meeting or the General Meeting, or any adjournment thereof, in person should you wish to do so and be so entitled.

### **Highcroft Shares held in uncertificated form**

If you hold your Highcroft Shares in CREST you may vote using the CREST proxy voting service in accordance with the procedures set out in the CREST Manual (please also refer to the notices of the Highcroft Meetings and the accompanying notes to the notice of the General Meeting set out at the end of this document). Proxies submitted via CREST (under CREST participant ID RA10) must be received by the Registrar, MUFG Corporate Markets, no later than 10.00 a.m. on 13 May 2025 in the case of the Court Meeting and by no later than 10.15 a.m. on 13 May 2025 in the case of the General Meeting (or, in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting (excluding any non-Business Days)).

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting system providers, are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The submission of a proxy via CREST will not prevent you from attending and voting at either the Court Meeting or the General Meeting, or any adjournment thereof, in person should you wish to do so and be so entitled.

### **Highcroft Shareholder Helpline**

If you have any queries, please contact MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL or by calling MUFG Corporate Markets on +44 (0) 371 664 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. Lines are open between 9.00 a.m. and 5.30 p.m. (London time), Monday to Friday (except public holidays in England and Wales). Alternatively, you can email MUFG Corporate Markets at [shareholderenquiries@cm.mpms.mufig.com](mailto:shareholderenquiries@cm.mpms.mufig.com). Please note that the Registrar cannot provide any financial, legal or tax advice. Calls may be recorded and monitored for security and training purposes.

This section should be read in conjunction with the rest of this document.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<i>Event</i>	<i>Time and/or date</i>
Date of publication of this document	24 April 2025
Latest time for receipt of a proxy appointment via the share portal service or CREST or for lodging a Form of Proxy for the Court Meeting ( <b>pink form</b> )	10.00 a.m. on 13 May 2025 <sup>2</sup>
Latest time for receipt of a proxy appointment via the share portal service or CREST or for lodging a Form of Proxy for the General Meeting ( <b>blue form</b> )	10.15 a.m. on 13 May 2025 <sup>3</sup>
Scheme Voting Record Time for the Court Meeting and record time for the General Meeting	6.00 p.m. on 13 May 2025 <sup>4</sup>
Court Meeting	10.00 a.m. on 15 May 2025
General Meeting	10.15 a.m. on 15 May 2025 <sup>5</sup>

***Certain of the following dates are subject to change (please see note 1 below):***

Last day for dealings in, and for registration of transfers of, Highcroft Shares on TISE	19 May 2025
Suspension of listing of, and dealings in, Highcroft Shares on TISE	5.00 p.m. on 19 May 2025
Scheme Record Time	6.00 p.m. on 19 May 2025
Court hearing to sanction the Scheme	20 May 2025
Effective Date	21 May 2025
New LondonMetric Shares issued to Highcroft Shareholders	8.00 a.m. on 22 May 2025
Admission and commencement of dealings in New LondonMetric Shares	8.00 a.m. on 22 May 2025
Cancellation of admission to trading on TISE of Highcroft Shares	8.00 a.m. on 22 May 2025
CREST accounts of Highcroft Shareholders credited with New LondonMetric Shares	on or after 8.00 a.m. on 22 May 2025
Latest date for despatch of share certificates for New LondonMetric Shares or settlement through CREST	within 14 days of 21 May 2025
Long-stop Date	27 July 2025 <sup>6</sup>

All references to time throughout this document are to London time

***Notes:***

- (1) These times and dates are indicative only and will depend, *inter alia*, on the date upon which the Court sanctions the Scheme and the date on which the Conditions are satisfied or, if capable of waiver, waived. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to Highcroft Shareholders by announcement through a Regulatory Information Service and on the TISE website: <http://www.tisegroup.com> and, if required by the Panel, posting notice(s) of the change(s) to Highcroft Shareholders and persons so entitled. All Scheme Shareholders have the right to attend the Court Hearing.
- (2) The pink Form of Proxy for the Court Meeting, if not returned by the time stated above, or, if the Court Meeting is adjourned, by no later than 48 hours (excluding any non-Business Days) before the time fixed for the holding of the adjourned meeting, may be handed to the Registrar or to the chair of the Court Meeting before the taking of the poll at the Court Meeting and will still be valid.
- (3) The blue Form of Proxy for the General Meeting must be lodged by the time stated above in order to be valid or, if the General Meeting is adjourned, by no later than 48 hours (excluding any non-Business Days) before the time fixed for the holding of the adjourned meeting. Blue Forms of Proxy that are not so lodged may NOT be handed to the chair of the General Meeting or the Registrar before the start of or at the General Meeting.
- (4) If either the Court Meeting or the General Meeting is adjourned, the record time of the adjourned meeting(s) will be 6.00 p.m. on the second Business Day before the day fixed for the adjourned meeting.
- (5) The General Meeting will commence at 10.15 a.m. on the day of the Court Meeting or as soon thereafter as the Court Meeting has been concluded or adjourned.
- (6) The Long-stop Date is the latest date by which the Scheme may become Effective. However, the Long-stop Date may be extended to such later date as Highcroft and LondonMetric may agree in writing (with the Panel's consent and as the Court may approve (should such approval(s) be required)).

## PART 1

### LETTER FROM THE CHAIR OF HIGHCROFT

*Directors:*

Charles Butler (Non-Executive Chair)  
Douglas Conn (Non-Executive Director)  
Paul Leaf-Wright (Chief Executive)  
Roberta Miles (Finance Director)  
David Warlow (Non-Executive Director)

*Registered office:*

Lambourne House,  
311-321 Banbury Road  
Oxford  
OX2 7JH

24 April 2025

*To: Highcroft Shareholders (and employees for information only)*

Dear Shareholder,

**Recommended all-share acquisition of Highcroft Investments plc  
("Highcroft") by LondonMetric Property plc ("LondonMetric")**

#### 1 Introduction

On 27 March 2025, the Boards of Highcroft and LondonMetric announced that they had reached agreement on the terms and conditions of a recommended all-share acquisition pursuant to which LondonMetric will acquire the entire issued and to be issued share capital of Highcroft and form the Combined Group. It is intended that the Acquisition will be effected by means of a scheme of arrangement under Part 26 of the Companies Act.

This letter sets out the background to and reasons for the Acquisition and the reasons why the Highcroft Board considers the terms of the Acquisition to be fair and reasonable, and why it is recommending unanimously that Highcroft Shareholders vote in favour of the Scheme at the Court Meeting and in favour of the Resolution to be proposed at the General Meeting. Those Highcroft Directors who hold shares in Highcroft have irrevocably undertaken to do so in respect of their own beneficial holdings, as set out in paragraph 9 below.

In order to approve the Scheme, by which the Acquisition is to be implemented, the requisite majorities of Scheme Shareholders will need to vote in favour of the Scheme at the Court Meeting and the requisite majority of Highcroft Shareholders will need to vote in favour of the Resolution at the General Meeting. The Court Meeting and the General Meeting will be held on 15 May 2025 at 10.00 a.m. and 10.15 a.m. respectively (or, in the case of the General Meeting, as soon as the Court Meeting has concluded or been adjourned, if later). Details of the action you should take are set out on pages 10 and 11 of this document, in paragraph 15 of this letter and paragraph 17 of Part 2 (*Explanatory Statement*) of this document. The recommendation of the Highcroft Directors is set out in paragraphs 4 and 17 of this letter.

This document also contains notices of the Highcroft Meetings at which the Scheme will be put to Highcroft Shareholders.

#### 2 The Acquisition

Pursuant to the terms of the Acquisition, each Highcroft Shareholder will be entitled to receive:

**for each Scheme Share: 4.65 New LondonMetric Shares (the "Exchange Ratio")**

On the basis of the Closing Price per LondonMetric Share of 181.1 pence on 26 March 2025 (being the last Business Day before the Offer Period began), the Acquisition values each Highcroft Share at 842.1 pence and the entire issued and to be issued share capital of Highcroft at approximately £43.8 million and:

- represents a premium of approximately 40.4 per cent. to the Closing Price per Highcroft Share of 600.0 pence on 26 March 2025 (being the last Business Day before the Offer Period began);

- represents a premium of approximately 43.3 per cent. to the closing price per Highcroft Share as derived from the Daily Official List on 19 February 2024, being the last day of trading of the Highcroft Shares on the Official List; and
- implies a discount of 21.7 per cent. to Highcroft's audited net asset value per share of 1075 pence as at 31 December 2024.

Schedules 1, 2, 3 and 4 of this document contain property portfolio valuation reports from the external valuers (as defined by the Royal Institution of Chartered Surveyors' Valuation – Global Standards (2025)) for both Highcroft as at 31 December 2024 and LondonMetric as at 31 March 2025 pursuant to the requirements of Rule 29 of the Takeover Code. Knight Frank has prepared the property portfolio valuation report in respect of the Highcroft portfolio. Each of CBRE, Savills and Knight Frank has prepared a property portfolio valuation report in respect of part of the LondonMetric portfolio. Each of the valuers, being Knight Frank, CBRE and Savills, has given and not withdrawn its written consent to the publication of its valuation report in this document and the inclusion herein to the references to its name, in each case, in the form and context in which it is included.

### **Dividends**

Highcroft Shareholders will be entitled to receive and retain the interim dividend of 35 pence per Highcroft Share announced on 27 March 2025 which is due to be paid on 16 May 2025 to Highcroft Shareholders on the register of members as at the close of business on 25 April 2025.

Additionally, based on the expected timetable for the Acquisition to become Effective, Highcroft Shareholders who retain their New LondonMetric Shares following completion of the Acquisition will also be entitled to receive the LondonMetric Fourth Quarterly Dividend, further details of which are set out in paragraph 4 of Part 2 (*Explanatory Statement*) of this document (provided that they are registered holders of LondonMetric Shares as at the close of business on the finally confirmed record date (expected to be on or about 30 May 2025)).

## **3 Background to and reasons for the Acquisition**

LondonMetric's objective is to own and manage desirable real estate that meets occupiers' demands, delivers reliable, repetitive and growing income-led returns and outperforms over the long term.

The boards of Highcroft and LondonMetric believe that the Acquisition has a compelling strategic and financial rationale for Highcroft Shareholders. In particular:

- the Acquisition provides Highcroft Shareholders with the opportunity to crystallise a significant premium to the current Highcroft share price;
- Highcroft Shareholders will be given the opportunity to remain invested in a highly rated and significantly more liquid company that has a 10-year track record of uninterrupted dividend growth;
- Highcroft Shareholders will benefit from LondonMetric's greater scale, enjoying: (i) exposure to a larger, more diverse portfolio focused on structurally supported sectors and assets that enjoy high barriers to entry; (ii) strong income characteristics with a sector-leading weighted unexpired lease term of 19 years, 99 per cent. occupied portfolio and high quality occupier covenants; (iii) better and cheaper access to financing resulting from LondonMetric's credit rating as an investment grade issuer; (iv) an internal management structure with strong alignment resulting from significant executive share ownership; and (v) an efficient cost structure, with a sector-leading EPRA cost ratio;
- based on LondonMetric's consensus FY26 dividend of 12.4 pence per share, Highcroft Shareholders would receive a dividend of approximately 58 pence per share, in line with Highcroft's last reported full year dividend<sup>†</sup>; and
- the Acquisition will be earnings accretive for the Combined Group<sup>†</sup>.

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<sup>†</sup> This statement is not intended as a profit forecast and should not be construed as such and is not subject to the requirements of Rule 28 of the Takeover Code. This statement should not be interpreted to mean that the earnings per share in any future fiscal period will necessarily match or be greater than those for the relevant preceding financial period.



## 4 Recommendation

The Highcroft Directors, who have been so advised by Shore Capital as to the financial terms of the Acquisition, unanimously consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Highcroft Directors, Shore Capital has taken into account the commercial assessments of the Highcroft Directors. Shore Capital is providing independent financial advice to the Highcroft Directors for the purpose of Rule 3 of the Takeover Code.

Accordingly, the Highcroft Directors recommend unanimously that Highcroft Shareholders vote in favour of the Scheme at the Court Meeting and vote in favour of the Resolution to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer) as they have irrevocably undertaken to do in respect of their beneficial holdings of, in aggregate, 170,019 Highcroft Shares representing approximately 3.27 per cent. of the issued share capital of Highcroft as at the Latest Practicable Date.

Further details of these irrevocable undertakings are set out in paragraph 4 of Part 7 (*Additional Information*) of this document.

## 5 Background to and reasons for the recommendation

On 4 January 2024, Highcroft announced its intention to: (i) cancel its listing on the premium listing segment of the Official List and the main market of the London Stock Exchange; and (ii) seek admission to listing on TISE following a review undertaken by its directors (the “**Review**”). The Review evaluated, *inter alia*, the lack of trading liquidity in Highcroft Shares, the merits of Highcroft remaining publicly listed and the regulatory and financial burden of maintaining a listing on the Official List. The Highcroft Directors concluded, following the Review, that it was in the best interests of Highcroft Shareholders as a whole to cancel Highcroft’s listing on the Official List and for the Highcroft Shares to be admitted to listing on TISE.

Highcroft has two separate concert parties which, in aggregate, hold approximately 65.71 per cent. of its issued share capital. Kingerlee Holdings Limited and other associates (the “**Kingerlee Concert Party**”) and DG & MB Conn and other associates (the “**Conn Concert Party**”, together the “**Concert Parties**”) hold approximately 40.36 per cent. and 25.35 per cent., respectively, of the issued share capital of Highcroft.

One of the principal reasons for Highcroft’s migration from the Official List to TISE was that the combined shareholdings of the Concert Parties had contributed to limited trading in Highcroft Shares. This, combined with the relatively small market capitalisation of Highcroft, provided insufficient liquidity and deterred both existing shareholders and potential investors from trading in Highcroft Shares in meaningful volumes or with sufficient frequency to create an active market in the Highcroft Shares. Highcroft does not have, nor has had in its recent history, any institutional shareholders, which the Highcroft Directors believed further compounded the limited trading liquidity in Highcroft Shares on the Main Market. These factors have not changed in the period since the Highcroft Shares were listed on TISE in February 2024.

The Highcroft Directors believe that the above factors are likely to continue to restrict Highcroft’s access to new equity capital investment from institutional investors for future expansion. The Acquisition will address the issues of limited liquidity for Highcroft Shareholders and also offer Highcroft’s Shareholders continued exposure to a complementary and high-quality property portfolio via a much larger UK REIT that has a strong record of paying and growing dividends and whose shares are liquid.

The weighted average cost of Highcroft’s bank debt is approximately 3.1 per cent. This debt matures between 2026 and 2030 and the Highcroft Directors anticipate any replacement debt facility to be on terms including a materially higher interest rate. As a consequence, the Highcroft Directors expect that from 2026, assuming that Highcroft continues to experience restricted access to material new equity capital investment, Highcroft’s operating costs as a percentage of net income will be significantly higher than they are currently, which in turn is expected to impact Highcroft’s ability to maintain or increase the level of future dividends. Accordingly, the Highcroft Directors recommend unanimously the Acquisition and, in particular, note:

- On the basis of the Closing Price per LondonMetric Share of 181.1 pence on 26 March 2025 (being the last Business Day before the Offer Period began), the Acquisition values each Highcroft Share at 842.1 pence, which:

- represents a premium of approximately 40.4 per cent. to the Closing Price per Highcroft Share of 600.0 pence on 26 March 2025 (being the last Business Day before the Offer Period began);
  - represents a premium of approximately 43.3 per cent. to the closing price of 587.5 pence per Highcroft Share as derived from the Daily Official List on 19 February 2024, being the last day of trading of the Highcroft Shares on the Official List; and
  - implies a discount of 21.7 per cent. to Highcroft's audited net asset value per share of 1075 pence as at 31 December 2024.
- The Acquisition provides Highcroft Shareholders the opportunity to realise a significant premium to the current share price for Highcroft Shares whilst still remaining invested in a highly rated and much larger UK REIT that has a 10-year track record of uninterrupted dividend growth and which will continue to focus on delivering enhanced income-led total returns for its shareholders in accordance with LondonMetric's objectives.
  - The lack of liquidity in Highcroft Shares, as a result of its limited free float, does not offer Highcroft Shareholders the opportunity to trade in meaningful volumes or with any frequency within an active market. Furthermore, the lack of an institutional shareholder base undermines the benefits which many other listed companies enjoy as a result of their listing, including LondonMetric. The Highcroft Directors note that as at the date of the Announcement, Highcroft's 30 day trading volume was 515 Highcroft Shares, which represented approximately 0.01 per cent. of Highcroft's issued share capital. At that 30 day trading volume, it would take 2,528 trading days to trade 25 per cent. of Highcroft's issued share capital compared to LondonMetric's average 30 day trading volume for the same period, where it would take 82 trading days to trade an equivalent portion of its (much larger) issued share capital. The Acquisition will provide Highcroft Shareholders with the opportunity to be part of a company with significantly improved share liquidity allowing Highcroft Shareholders to trade in LondonMetric's Shares more easily and frequently should they wish to do so.
  - The Highcroft Directors view the majority of Highcroft's portfolio as being highly complementary to LondonMetric's and believe that, as shareholders in the Combined Group, Highcroft Shareholders will continue to have access to desirable real estate delivering reliable, repetitive and growing income underpinning a progressive quarterly dividend policy.
  - The Supporting non-director Shareholders, whose shareholdings, in aggregate, represent approximately 56.94 per cent. of the issued share capital of Highcroft, are supportive of the Acquisition and have irrevocably undertaken to vote in favour of the Scheme at the Court Meeting and vote in favour of the Resolution to be proposed at the General Meeting (or in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer). Further details of these irrevocable undertakings are set out in paragraph 9 below and in paragraph 5 of Part 7 (*Additional Information*) of this document.
  - In addition to their consideration of the commercial terms of the Acquisition, the Highcroft Directors have taken into account LondonMetric's intentions for the business, including its intention to consolidate the head office functions of the Combined Group at LondonMetric's existing head office at 1 Curzon Street, London W1J 5HB with contractual arrangements relating to Highcroft's serviced head office in Oxford being terminated in due course. The Highcroft Directors welcome LondonMetric's confirmation that the existing contractual and statutory employment rights of the Highcroft employees will be safeguarded and that LondonMetric does not intend to make any material changes in the conditions of such employees' employment, including pension contributions.

## 6 Intentions for the Combined Group

Your attention is drawn to the statement of LondonMetric's intentions for the Highcroft Group if the Scheme becomes Effective as set out in paragraph 6 of Part 2 (*Explanatory Statement*) of this document.

## 7 Current trading and prospects

### **Highcroft current trading and prospects**

For details of Highcroft's current trading and prospects, please refer to Highcroft's published audited consolidated accounts for the financial year ended 31 December 2024 available from Highcroft's website at <https://www.highcroftplc.com>.

### **LondonMetric current trading and prospects**

For details of LondonMetric's current trading and prospects, please refer to LondonMetric's half year results for the six months ended 30 September 2024 available from LondonMetric's website at <https://www.londonmetric.com>.

In addition, your attention is drawn to the information relating to the Possible Urban Logistics Acquisition set out below in paragraph 10 of this part of this document.

### **8 Dividends and dividend policy**

Your attention is drawn to the information relating to dividends and dividend policy as set out in paragraph 4 of Part 2 (*Explanatory Statement*) of this document.

### **9 Irrevocable undertakings**

To become Effective, the Scheme requires, *inter alia*, the approval of Scheme Shareholders at the Court Meeting convened for 10.00 a.m. on 15 May 2025. The Scheme also requires passing of the Resolution to be proposed at the General Meeting convened for 10.15 a.m. on 15 May 2025 and the sanction of the Court at the Court Hearing.

#### **Highcroft irrevocable undertakings**

LondonMetric has received irrevocable undertakings from each of the Highcroft Directors who is interested in Highcroft Shares to vote in favour of the Scheme at the Court Meeting and vote in favour of the Resolution to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), in respect of, in aggregate, 170,019 Highcroft Shares, representing approximately 3.27 per cent. of the issued share capital of Highcroft as at the Latest Practicable Date.

In addition, LondonMetric has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting, and in favour of the Resolution to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), from the Supporting non-director Shareholders in respect of, in aggregate, 2,964,517 Highcroft Shares, representing approximately 56.94 per cent. of the issued share capital of Highcroft as at the Latest Practicable Date.

In total, therefore, LondonMetric has received irrevocable undertakings in respect of, in aggregate, 3,134,536 Highcroft Shares, representing approximately 60.20 per cent. of the issued share capital of Highcroft as at the Latest Practicable Date.

### **10 Information on LondonMetric**

LondonMetric is a public limited company incorporated in England and Wales and is the holding company of the LondonMetric Group. LondonMetric is the UK's leading triple net lease REIT with a portfolio aligned to structurally supported sectors of logistics, healthcare, convenience, entertainment and leisure. The LondonMetric Group's objective is to own and manage desirable real estate that can deliver reliable, repetitive and growing income-led total returns and outperform over the long term.

As at the Latest Practicable Date, LondonMetric had a market capitalisation of approximately £3.93 billion. As at 31 March 2025, LondonMetric had a property portfolio independently valued at approximately £6.15 billion. LondonMetric's property portfolio valuation, supported by valuation reports which have been prepared pursuant to the requirements of Rule 29 of the Takeover Code, are contained in Schedules 2, 3 and 4 of this document. In addition, LondonMetric's audited balance sheet including the audited net asset and net asset per share figures will be included in LondonMetric's full year results for the year ended 31 March 2025 which will be published on or around 20 May 2025.

The LondonMetric Group is a UK REIT and was formed out of the merger between London & Stamford Property Plc and Metric Property Investments Plc which completed on 25 January 2013. Since 2019, LondonMetric has pursued a strategy of acquisitive growth and has been a principal consolidator in the UK

listed real estate market, having completed the acquisition of A&J Mucklow plc in 2019, CT Property Trust Limited in 2023 and LXi REIT plc in 2024. LondonMetric is continuously assessing similar potential opportunities and has a management team which has deep experience in both executing such transactions and integrating acquired portfolios.

### **Possible Urban Logistics Acquisition**

In addition and separate to the Acquisition, on 14 April 2025, it was announced that LondonMetric had approached Urban Logistics REIT plc ("**Urban Logistics**") (company number 09907096) regarding a possible offer by LondonMetric for the entire issued and to be issued share capital of Urban Logistics (the "**Possible Urban Logistics Acquisition**"). Urban Logistics focuses on a specialist sub-sector of the UK real estate market, investing in mid-sized urban logistics buildings up to 200,000 square feet, and, according to its interim results for the half year ended 30 September 2024, had a portfolio value of £1.14 billion. Under the terms of the Possible Urban Logistics Acquisition, Urban Logistics shareholders would be entitled to receive 0.5612 new LondonMetric Shares and 42.8 pence in cash for each Urban Logistics share (details of the implied premium to share price and discount to EPRA NTA per share represented by the offer price are set out in the 14 April 2025 announcement). If the Possible Urban Logistics Acquisition completed, Urban Logistics shareholders would hold approximately 11.3 per cent. of LondonMetric's issued share capital.

Having carefully considered the LondonMetric proposal with its advisers, the Urban Logistics Board indicated to LondonMetric that, should a firm offer be made on the financial terms set out above, it would be minded to recommend such an offer to Urban Logistics shareholders, subject to agreement on the other terms of the offer. Accordingly, the Urban Logistics Board decided to engage in discussions with LondonMetric in relation to these terms and to allow LondonMetric to undertake a period of confirmatory due diligence.

The Possible Urban Logistics Acquisition is subject to a number of pre-conditions (including the completion of due diligence and the recommendation of any firm offer by the board of Urban Logistics). In accordance with Rule 2.6(a) of the Code, LondonMetric must by no later than 5.00 p.m. (London time) on 9 May 2025 either announce a firm intention to make an offer for Urban Logistics in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer for Urban Logistics, 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 in accordance with Rule 2.6(c) of the Code.

There can be no certainty that any offer for Urban Logistics will be made. A further announcement will be made in due course. Any such announcement will be available from LondonMetric's website at <https://www.londonmetric.com>.

For the avoidance of doubt, the Possible Urban Logistics Acquisition is not subject to, or inter-conditional with, the Acquisition (and *vice versa*).

## **11 Information on Highcroft**

Highcroft is a UK REIT which invests in commercial property in England and Wales. Since 19 February 2024, Highcroft Shares have been listed on TISE and, prior to that, were listed on the premium listing segment of the Official List. Highcroft has a diversified portfolio of 22 properties generating rental income from 28 tenancies which benefits from 94 per cent. occupancy and a 7 year WAULT. 52 per cent. of the assets are logistics assets, predominantly single let to occupiers including Booker, Royal Mail, Ikea and DHL. 27 per cent. are retail warehouses let to occupiers including Wickes, B&Q and M&S with a further 11 per cent. in leisure, 6 per cent. in office and 4 per cent. in retail. Highcroft aims to deliver sustainable long-term income and capital growth for its shareholders through accretive asset management initiatives and recycling of capital in its regionally based property portfolio.

As at the Latest Practicable Date, Highcroft had a market capitalisation of approximately £33.8 million. As at 31 December 2024, Highcroft had net assets of approximately £55.96 million and a property portfolio valued at approximately £82.58 million. Highcroft's property portfolio valuation, supported by a valuation report, which has been prepared pursuant to the requirements of Rule 29 of the Takeover Code, is contained in Schedule 1 of this document.

## **12 Admission of, and commencement of dealings in, the New LondonMetric Shares**

The New LondonMetric Shares will be issued in registered form, credited as fully paid, and will be capable of being held in both certificated and uncertificated form. They will rank *pari passu* in all respects with the existing LondonMetric Shares, including the right to receive all dividends and other distributions (if any) declared, made or paid by LondonMetric by reference to a record date falling after the Effective Date.

Further details of the rights attached to the New LondonMetric Shares are set out in paragraph 6 of Part 7 (*Additional Information*) of this document.

Prior to the Scheme becoming Effective, applications will be made to: (i) the FCA for the New LondonMetric Shares to be admitted to the equity shares (commercial companies) category of the Official List; and (ii) the London Stock Exchange for the New LondonMetric Shares to be admitted to trading on the Main Market.

It is expected that Admission will become effective and that dealings in the New LondonMetric Shares will commence on the London Stock Exchange at 8.00 a.m. (London time) on 22 May 2025 (being the first Business Day following the date on which the Scheme becomes Effective).

No application has been made or is currently intended to be made by LondonMetric for the New LondonMetric Shares to be admitted to listing or trading on any other exchange.

## **13 Cancellation of trading of Highcroft Shares**

The last day of dealings in Highcroft Shares on TISE is expected to be on the Business Day immediately prior to the date of the Court Hearing, and is therefore expected to be 19 May 2025.

Further details are set out in paragraph 9 of Part 2 (*Explanatory Statement*) of this document.

## **14 United Kingdom Taxation on Highcroft Shareholders**

A summary of relevant UK taxation, which is intended as a general guide only, is set out in paragraph 17 of Part 7 (*Additional Information*) of this document. **If you are in any doubt as to your tax position, or you are subject to taxation in any jurisdiction other than the UK, you are strongly advised to consult an appropriate independent professional adviser.**

## **15 Action to be taken**

Your attention is drawn to the sections of this document headed “Action to be Taken” on pages 10 to 11 and in paragraph 17 of Part 2 (*Explanatory Statement*) of this document, which explain the actions to be taken in relation to the Scheme.

Overseas Shareholders holding Highcroft Shares should refer to paragraph 10 of Part 2 (*Explanatory Statement*) of this document. Details relating to settlement are included in paragraph 12 of Part 2 (*Explanatory Statement*) of this document.

**IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST (WHETHER IN PERSON OR BY PROXY) SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF THE OPINION OF SCHEME SHAREHOLDERS. YOU ARE THEREFORE STRONGLY URGED TO SIGN AND RETURN YOUR FORMS OF PROXY BY POST OR APPOINT AN ELECTRONIC OR CREST PROXY AS SOON AS POSSIBLE.**

If you have any queries about voting please contact MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom or by calling MUFG Corporate Markets on +44 (0) 371 664 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. Lines are open between 9.00 a.m. and 5.30 p.m. (London time), Monday to Friday (except public holidays in England and Wales). Alternatively, you can email MUFG Corporate Markets at [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com). Please note that the Registrar cannot provide any financial, legal or tax advice. Calls may be recorded and monitored for security and training purposes.

## **16 Further information**

Please note that the information contained in this letter is not a substitute for reading the remainder of this document.

The attention of Highcroft Shareholders is drawn to the letter from Shore Capital set out in Part 2 (*Explanatory Statement*) of this document (being the Explanatory Statement pursuant to Section 897 of the Companies Act). The terms of the Scheme are set out in full in Part 3 (*The Scheme of Arrangement*) of this document. Your attention is also drawn to the further information contained in this document and, in particular, to the Conditions in Part 4 (*Conditions and Certain Further Terms of the Acquisition*), the financial and other information on the Highcroft Group in Part 5 (*Information on Highcroft*), the financial and other information on LondonMetric in Part 6 (*Information on LondonMetric*) and the additional information in Part 7 (*Additional Information*) of this document.

## **17 Recommendation of the Acquisition**

The Highcroft Directors, who have been so advised by Shore Capital as to the financial terms of the Acquisition, unanimously consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Highcroft Directors, Shore Capital has taken into account the commercial assessments of the Highcroft Directors. Shore Capital is providing independent financial advice to the Highcroft Directors for the purpose of Rule 3 of the Takeover Code.

Accordingly, the Highcroft Directors recommend unanimously that Highcroft Shareholders vote in favour of the Scheme at the Court Meeting and vote in favour of the Resolution to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by a Takeover Offer, to accept such Takeover Offer) as they have irrevocably undertaken to do in respect of their beneficial holdings of, in aggregate, 170,019 Highcroft Shares representing approximately 3.27 per cent. of the issued share capital of Highcroft as at the Latest Practicable Date.

Yours faithfully

**Charles Butler**

*Non-Executive Chair*



## PART 2

### EXPLANATORY STATEMENT

(in compliance with Section 897 of the Companies Act 2006)

Shore Capital and Corporate Limited  
Cassini House  
57 St James's Street  
London  
SW1A 1LD

24 April 2025

*To: Highcroft Shareholders (and employees for information only)*

Dear Sir/Madam,

#### 1 Introduction

On 27 March 2025, the Boards of Highcroft and LondonMetric announced that they had reached agreement on the terms and conditions of a recommended all-share acquisition pursuant to which LondonMetric will acquire the entire issued and to be issued share capital of Highcroft and form the Combined Group.

The Highcroft Directors have been advised by Shore Capital in connection with the Acquisition. Shore Capital has been authorised by the Highcroft Directors to write to you and set out the terms of the Acquisition and to provide you with other relevant information. In giving its advice, Shore Capital is advising the Highcroft Directors in relation to the Acquisition and is not acting for any Highcroft Director in their personal capacity or for any Highcroft Shareholder in relation to the Acquisition. Shore Capital will not be responsible to any such person for providing the protections afforded to their respective clients or for advising any such person in relation to the Acquisition. In particular, Shore Capital will not owe any duties or responsibilities to any particular Highcroft Shareholder concerning the Acquisition. Please note that dates and timings set out in this document are indicative only and may be subject to change.

The Acquisition is to be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act, which requires the approval of the Scheme Shareholders and the sanction of the Court. The terms of the Scheme are set out in full in Part 3 (*The Scheme of Arrangement*) of this document.

Your attention is drawn to the Letter from the Chair of Highcroft set out in Part 1 (*Letter from the Chair of Highcroft*) of this document which forms part of this Explanatory Statement. That letter contains, *inter alia*, the background to and reasons for the recommendation of the Highcroft Directors and states that the Highcroft Directors, who have been so advised by Shore Capital as to the financial terms of the Acquisition, unanimously consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Highcroft Directors, Shore Capital has taken into account the commercial assessments of the Highcroft Directors. The Highcroft Directors recommend unanimously that Highcroft Shareholders vote in favour of the Scheme at the Court Meeting and in favour of the Resolution to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), as they have irrevocably undertaken to do in respect of their beneficial holdings of, in aggregate, 170,019 Highcroft Shares representing approximately 3.27 per cent. of the issued share capital of Highcroft as at the Latest Practicable Date.

Statements made in this letter regarding: (i) the background to the recommendation of the Highcroft Directors; and/or (ii) the business of Highcroft, represent the views of the Highcroft Directors. Statements made in this letter regarding: (i) LondonMetric's plans for Highcroft and/or the Combined Group; and/or (ii) the businesses of LondonMetric, represent the views of the LondonMetric Directors.

#### 2 The Acquisition

Pursuant to the terms of the Acquisition, Highcroft Shareholders will be entitled to receive:

**for each Scheme Share: 4.65 New LondonMetric Shares (the "Exchange Ratio")**

On the basis of the Closing Price per LondonMetric Share of 181.1 pence on 26 March 2025 (being the last Business Day before the Offer Period began), the Acquisition values each Highcroft Share at 842.1 pence and the entire issued and to be issued share capital of Highcroft at approximately £43.8 million and:

- represents a premium of approximately 40.4 per cent. to the Closing Price per Highcroft Share of 600.0 pence on 26 March 2025 (being the last Business Day before the Offer Period began);
- represents a premium of approximately 43.3 per cent. to the closing price per Highcroft Share as derived from the Official List on 19 February 2024, being the last day of trading of the Highcroft Shares on the Official List; and
- implies a discount of 21.7 per cent. to Highcroft's audited net asset value per share of 1075 pence as at 31 December 2024.

Schedules 1, 2, 3 and 4 of this document contain property portfolio valuation reports from the external valuers (as defined by the Royal Institution of Chartered Surveyors' Valuation – Global Standards (2025)) for both Highcroft as at 31 December 2024 and LondonMetric as at 31 March 2025 pursuant to the requirements of Rule 29 of the Takeover Code. Knight Frank has prepared the property portfolio valuation report in respect of the Highcroft portfolio. Each of CBRE, Savills and Knight Frank has prepared a property portfolio valuation report in respect of part of the LondonMetric portfolio. Each of the valuers, being Knight Frank, CBRE and Savills, has given and not withdrawn its written consent to the publication of its valuation report in this document and the inclusion herein to the references to its name, in each case, in the form and context in which it is included.

### **Dividends**

Highcroft Shareholders will be entitled to receive the interim dividend of 35 pence per Highcroft Share announced on 27 March 2025 which is due to be paid on 16 May 2025 to Highcroft Shareholders on the register of members as at the close of business on 25 April 2025.

Additionally, based on the expected timetable for the Acquisition to become Effective, Highcroft Shareholders who retain their New LondonMetric Shares following completion of the Acquisition and who are registered holders of LondonMetric Shares as at the close of business on the finally confirmed record date (expected to be on or about 30 May 2025) will also be entitled to receive and retain the LondonMetric Fourth Quarterly Dividend.

Further information regarding entitlements to dividends is set out in paragraph 4 below.

### **3 Structure of the Scheme**

The Scheme is an arrangement made between Highcroft and the Scheme Shareholders under Part 26 of the Companies Act, which requires the approval of the Scheme Shareholders and the sanction of the Court. The purpose of the Scheme is to provide for LondonMetric to become the holder of the entire issued and to be issued share capital of Highcroft.

In order to achieve this, it is proposed that all Highcroft Shares will be transferred to LondonMetric, in consideration for which Highcroft Shareholders whose names appear on the register of members of Highcroft at the Scheme Record Time will be entitled (subject to certain terms and conditions) to receive New LondonMetric Shares on the basis set out in paragraph 2 above.

The Scheme is subject to the Conditions and to certain further terms referred to in Part 4 (*Conditions and Certain Further Terms of the Acquisition*) of this document. In particular, it requires the approval of Scheme Shareholders for the Scheme at the Court Meeting, which has been convened for 10.00 a.m. on 15 May 2025. The Scheme must be approved by a majority in number of Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting representing not less than 75 per cent. in value of the Scheme Shares voted by such holders.

Implementation of the Scheme will also require the passing at the General Meeting (which will be held immediately after the Court Meeting) of the Resolution. The Resolution will be proposed as a special resolution. The Resolution is a resolution: to (a) authorise the Highcroft Directors to take all actions as they may consider necessary or appropriate to give effect to the Scheme; (b) amend the articles of association of Highcroft by the adoption and inclusion of a new article under which any Highcroft Shares issued or transferred after the Scheme Record Time (other than to LondonMetric and/or its nominees) shall be

automatically transferred to LondonMetric (and, where applicable, for consideration to be paid to the transferee or to the original recipient of the Highcroft Shares so transferred or issued) on the same terms as the Acquisition (other than terms as to timings and formalities); and (c) subject to the Scheme becoming Effective, approve the re-registration of Highcroft as a private limited company. The Resolution (as a special resolution) will require the approval of Highcroft Shareholders representing at least 75 per cent. of the votes cast on the Resolution at the General Meeting (either in person or by proxy). In respect of the Resolution, each Highcroft Shareholder (eligible to vote on the relevant resolutions) will be entitled to cast one vote for each Highcroft Share held.

Following the Highcroft Meetings, the Scheme must be sanctioned by the Court and will only become Effective upon delivery to the Registrar of Companies of the Court Order. Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted, or whether they voted in favour of or against the Scheme at the Court Meeting or whether they voted in favour of or against the Resolution at the General Meeting.

Highcroft will not issue or register the transfer of any Highcroft Shares after the Scheme Record Time until the Scheme has become Effective.

## **4 Dividends**

### ***Highcroft dividends***

As set out above, Highcroft Shareholders will be entitled to receive Highcroft's interim dividend of 35 pence per Highcroft Share (the "**Highcroft Interim Dividend**"), which was announced on 27 March 2025 and is expected to be paid on 16 May 2025 to Highcroft Shareholders on the register of members as at the close of business on 25 April 2025.

Additionally, if the Effective Date has not occurred before the record date for the LondonMetric Fourth Quarterly Dividend, Highcroft Shareholders will also be entitled to receive and retain a single dividend announced, declared or paid by Highcroft which does not exceed an amount per Highcroft Share equal to 4.65 times the aggregate amount per LondonMetric Share of the LondonMetric Fourth Quarterly Dividend. Any dividend that is permissible under this criteria is a "**Highcroft Permitted Dividend**".

Other than the Highcroft Interim Dividend and any Highcroft Permitted Dividend, if any dividend, distribution or other return of value is authorised, declared, made or paid in respect of Highcroft Shares on or after the date of the Announcement and with a record date on or before the Effective Date, LondonMetric reserves the right to reduce the consideration payable for each Scheme Share under the Acquisition accordingly by reference to the amount per Highcroft Share of all or part of any such dividend, distribution or other return of value.

To the extent that such a dividend, distribution or other return of value has been declared but not paid prior to the Effective Date, and such dividend, distribution or return of value is cancelled, then the Exchange Ratio shall not be subject to change in accordance with this paragraph.

Any exercise of rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Acquisition.

### ***LondonMetric dividends***

On 27 February 2025, LondonMetric announced its third quarterly interim dividend in respect of the quarter ended 31 December 2024 of 3.0 pence per LondonMetric Share (the "**LondonMetric Third Quarterly Dividend**") which was paid on 11 April 2025 to LondonMetric Shareholders on LondonMetric's register of members on 7 March 2025. Only existing LondonMetric Shareholders received the LondonMetric Third Quarterly Dividend.

LondonMetric Shareholders will be entitled to receive and retain LondonMetric's fourth quarterly dividend in respect of the quarter ended 31 March 2025 to be announced on or about 20 May 2025 and due to be paid by mid-July 2025 to LondonMetric Shareholders on LondonMetric's register of members on the finally confirmed record date (expected to be on or about 30 May 2025). Based on the expected timetable for the Acquisition to become Effective, Scheme Shareholders who retain their New LondonMetric Shares following

completion of the Acquisition and who are registered holders of LondonMetric Shares as at the close of business on the finally confirmed record date will receive the LondonMetric Fourth Quarterly Dividend.

In addition, if: (i) the Effective Date has not occurred by the Long-stop Date; and (ii) the Long-stop Date is extended beyond LondonMetric's customary quarterly dividend record date, LondonMetric Shareholders will also be entitled to receive and retain any quarterly dividend announced, declared or paid by LondonMetric in respect of such period in the ordinary course and consistent with past practice of LondonMetric as to amount. Any dividend that is permissible under these criteria is a "**LondonMetric Permitted Dividend**".

Save in respect of the LondonMetric Third Quarterly Dividend, the LondonMetric Fourth Quarterly Dividend and any LondonMetric Permitted Dividend, LondonMetric has agreed not to authorise, declare, make or pay any dividend or other distribution on or after the date of the Announcement and prior to the Effective Date.

Following the Effective Date, LondonMetric will continue to adopt a progressive dividend policy, increasing the level of dividends paid as its earnings grow. The LondonMetric Directors expect that dividends will continue to be paid quarterly and that a scrip alternative will continue to be offered.

## **5 Irrevocable undertakings**

To become Effective, the Scheme requires, *inter alia*, the approval of Scheme Shareholders at the Court Meeting convened for 10.00 a.m. on 15 May 2025. The Scheme also requires the passing of the Resolution to be proposed at the General Meeting convened for 10.15 a.m. on 15 May 2025 and the sanction of the Court at the Court Hearing.

### **Highcroft irrevocable undertakings**

LondonMetric has received irrevocable undertakings from each of the Highcroft Directors who is interested in Highcroft Shares to vote in favour of the Scheme at the Court Meeting and vote in favour of the Resolution to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), in respect of, in aggregate, 170,019 Highcroft Shares, representing approximately 3.27 per cent. of the issued share capital of Highcroft as at the Latest Practicable Date.

In addition, LondonMetric has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting, and in favour of the Resolution to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), from the Supporting non-director Shareholders in respect of, in aggregate, 2,964,517 Highcroft Shares, representing approximately 56.94 per cent. of the issued share capital of Highcroft as at the Latest Practicable Date.

In total, therefore, LondonMetric has received irrevocable undertakings in respect of, in aggregate, 3,134,536 Highcroft Shares, representing approximately 60.20 per cent. of the issued share capital of Highcroft as at the Latest Practicable Date.

Further details of these irrevocable undertakings are set out in paragraphs 4 and 5 of Part 7 (*Additional Information*) of this document.

## **6 Intentions for Highcroft**

### **Board of Highcroft Directors**

LondonMetric intends to de-list Highcroft from TISE following completion of the Acquisition. It is intended that each of the Highcroft Directors will step down from the board of Highcroft and any of its subsidiaries (as applicable) upon completion of the Acquisition.

The board of LondonMetric will remain unchanged following the Acquisition and will continue to provide the complementary skills necessary to drive the Combined Group forward following completion of the Acquisition.

### ***LondonMetric's strategic plans for Highcroft***

Prior to release of the Announcement, and consistent with market practice, LondonMetric was granted access to Highcroft's senior management for the purposes of confirmatory due diligence, which has enabled LondonMetric to conclude that the Combined Group will continue to be well placed to deliver reliable, repetitive and growing income-led returns that outperform over the long term through its programme of prudent financing, active asset management and capital recycling.

The Combined Group will own and manage UK property specialising in the logistics, healthcare, convenience and leisure sectors with no material exposure to legacy retail and office segments of the market which have recently performed poorly. Immediately following completion of the Acquisition, LondonMetric will begin to integrate the Highcroft portfolio and work towards disposing of approximately 20 per cent. of the assets that are deemed non-core.

### ***Employees, management and pensions***

The Combined Group intends to safeguard existing statutory and contractual employment rights following completion of the Acquisition and LondonMetric does not intend to make any material changes in the conditions of employment of existing Highcroft employees, including pension contributions. Each of the Chair, Chief Executive and Non-Executive Directors of Highcroft will step down from the Combined Group upon completion of the Acquisition. The Finance Director of Highcroft will remain with the Combined Group for a short period of approximately three to six months following completion of the Acquisition to ensure an orderly handover.

LondonMetric has completed a comprehensive review of Highcroft's portfolio and operations and notes that Highcroft manages its property portfolio through a third party property and asset management structure. Following completion of the Acquisition, the Highcroft property portfolio will be integrated into the LondonMetric portfolio and managed exclusively by the existing LondonMetric platform.

In addition, corporate functions relating to Highcroft's status as a listed and publicly traded company will no longer be required by the Combined Group.

Highcroft has one other part-time employee, who is expected to remain with the Combined Group following completion of the Acquisition.

It is not envisaged that any changes will arise in relation to LondonMetric's existing employees and employee headcount as a result of the Acquisition.

Neither Highcroft nor LondonMetric has an existing defined benefit pension scheme.

### ***Headquarters and headquarter functions, locations and fixed assets***

LondonMetric intends to consolidate the head office functions of LondonMetric and Highcroft so that the Combined Group will operate from LondonMetric's existing head office at 1 Curzon Street, London W1J 5HB. Contractual arrangements at Highcroft's serviced head office at Lambourne House, 311-321 Banbury Road, Oxford OX2 7JH, will be cancelled in due course.

Save as set out above, LondonMetric does not otherwise intend any redeployment of Highcroft's fixed asset base.

### ***Research and development***

Owing to the nature of its business, Highcroft has no research and development function.

### ***Listing***

Following completion of the Acquisition, the Combined Group will remain listed on the Main Market. It is intended that dealings in, and registration of transfers of, Highcroft Shares (other than the registration of the transfer of the Scheme Shares to LondonMetric pursuant to the Scheme) will be suspended from 5.00 p.m. on 19 May 2025, the Business Day immediately prior to the date of the Court Hearing. It is further intended that TISEA will be notified of the cancellation of trading for Highcroft Shares with effect from or shortly following the Effective Date. Further details about the de-listing and cancellation of trading of Highcroft Shares can be found in paragraph 13 below.

Both the LondonMetric Group and the Highcroft Group fall within the UK REIT regime and benefit from the tax efficiencies provided by that regime. The Combined Group is expected to fall within the UK REIT regime and the relevant tax efficiencies will continue to apply to the Combined Group.

#### **Arrangements with Highcroft's Chair, Chief Executive Officer and Finance Director**

On completion of the Acquisition, Highcroft has agreed to pay Charles Butler (Chair) £131,000 and Paul Leaf-Wright (Chief Executive Officer) £47,500, in each case in recognition of the significant role they have played in the Acquisition. On completion of the Acquisition, Highcroft has also agreed to pay Roberta Miles (Finance Director) £100,000 in respect of her contractual employment rights and the significant role she has played in the Acquisition.

As required by, and solely for the purposes of, Rule 16.2 of the Takeover Code, Shore Capital has reviewed the terms of the above-mentioned payments and confirmed that, in its opinion, such payments are fair and reasonable. In providing its advice, Shore Capital, has taken into account the commercial assessments of the Highcroft Directors (excluding Charles Butler, Paul Leaf-Wright and Roberta Miles who, it is anticipated, will be the beneficiaries of the payments). Shore Capital is acting as financial adviser to Highcroft for the purposes of Rule 3 of the Takeover Code.

No statements in this paragraph 6 are "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

### **7 The Highcroft Directors and the effect of the Scheme on their interests**

The names of the Highcroft Directors and the details of their interests (for the purposes of Sections 820 to 825 of the Companies Act) in Highcroft Shares are set out in paragraph 3 of Part 7 (*Additional Information*) of this document. Highcroft Shares held by the Highcroft Directors as at the Scheme Record Time will be subject to the Scheme.

Details of the irrevocable undertakings given by the Highcroft Directors are set out in paragraph 4 of Part 7 (*Additional Information*) of this document. Particulars of the letters of appointment and service contracts (including termination provisions) of the Highcroft Directors are set out in paragraphs 8 and 9 of Part 7 (*Additional Information*) of this document.

Save as disclosed in this document, the effect of the Scheme on such interests of the Highcroft Directors does not differ from its effect on the like interests of any other holder of Scheme Shares.

### **8 Financial effects of the Acquisition**

The table below compares the capital value of the relevant proportion of New LondonMetric Shares relative to one Highcroft Share. In assessing the financial effects of the Acquisition, no account has been taken of any potential liability to taxation of a Highcroft Shareholder.

	<i>Closing Price of a LondonMetric Share and a Highcroft Share on 26 March 2025</i>	<i>Closing Price of a LondonMetric Share and a Highcroft Share on the Latest Practicable Date</i>
Market Value of 4.65 New LondonMetric Shares <sup>(1)</sup>	approximately 842.12 pence	888.15 pence
Market Value of one Highcroft Share	600 pence	650 pence
Illustrative increase / (decrease) in capital value <sup>(1)</sup>	approximately 242.12 pence	238.15 pence
Representing an increase / (decrease) in capital value of approximately	40.4%	36.6%



The table below compares the gross dividend income on 4.65 New LondonMetric Shares and one Highcroft Share.

Gross dividend income on 4.65 New LondonMetric Shares <sup>(2)</sup>	approximately 57.66 pence
Gross dividend income on one Highcroft Share <sup>(3)</sup>	58 pence

- (1) No account has been taken of any costs associated with the Acquisition or other potential effects of the Acquisition. In assessing the financial effects on the capital position of the Highcroft Shareholders, no account has been taken of any potential liability to taxation of a Highcroft Shareholder, or a beneficial owner of Highcroft Shares. The attention of beneficial owners of Highcroft Shares and Highcroft Shareholders is drawn to paragraph 17 of Part 7 (*Additional Information*) of this document. The tax implications of the financial effects of the Acquisition will depend on the individual circumstances of each beneficial owner of Highcroft Shares and Highcroft Shareholders. If they are in any doubt as to their tax position or are subject to taxation in any jurisdiction other than the UK, beneficial owners of Highcroft Shares and Highcroft Shareholders are strongly advised to consult an appropriate independent professional adviser.
- (2) Being the consensus dividend expected to be paid by LondonMetric in respect of its financial year ended 31 March 2026 on 4.65 LondonMetric Shares.
- (3) Being the aggregate of the 23 pence per share interim dividend paid by Highcroft on 25 October 2024 and the 35 pence per share dividend announced by Highcroft on 27 March 2025 and expected to be paid on 16 May 2025 to Highcroft Shareholders on the register of members as at the close of business on 25 April 2025.

## 9 Listing of the New LondonMetric Shares and delisting of the Highcroft Shares

### ***Admission of, and commencement of dealings in, the New LondonMetric Shares***

Prior to the Effective Date, applications will be made to: (i) the FCA for the New LondonMetric Shares to be issued in consideration for the Acquisition to be admitted to the equity shares (commercial companies) category of the Official List and; (ii) the London Stock Exchange for the New LondonMetric Shares to be admitted to trading on the Main Market subject to, *inter alia*, the Acquisition becoming Effective. The Scheme is conditional on, *inter alia*, the satisfaction of the Condition in respect of Admission.

It is expected that Admission will become effective and that unconditional dealings in the New LondonMetric Shares will commence on the London Stock Exchange, at 8.00 a.m. (London time) on 22 May 2025 (being the first Business Day following the date on which the Scheme becomes Effective) and dealings for normal settlement in the New LondonMetric Shares will commence at or shortly after that time.

No application has been made or is currently intended to be made by LondonMetric for the New LondonMetric Shares to be admitted to listing or trading on any other exchange.

Details of how Highcroft Shareholders can hold, access and trade in LondonMetric Shares are set out in this Scheme Document. Highcroft Shareholders resident in the United Kingdom will be able to hold their LondonMetric Shares through any of the ways currently available to LondonMetric Shareholders, including through an intermediary of their own choice should they wish to do so.

### ***De-listing of Highcroft Shares***

Prior to the Scheme becoming Effective, an application will be made to TISE and TISEA will be notified of the de-listing and cancellation of trading of Highcroft Shares on TISE which will, in each case, take effect from or shortly after the Effective Date.

The last day of dealings in Highcroft Shares on TISE is expected to be on the Business Day immediately prior to the date of the Court Hearing and no transfers will be registered after 5.00 p.m. on that date.

On the Effective Date, Highcroft will become a wholly-owned subsidiary of LondonMetric and share certificates in respect of Highcroft Shares will cease to be valid and should be destroyed. In addition, entitlements to Highcroft Shares held within the CREST system will be cancelled on the Effective Date.

Upon the Scheme becoming Effective, LondonMetric (and/or its nominee(s)) will acquire the Highcroft Shares fully paid and free from all liens, equitable interests, charges, encumbrances and other third-party rights of any nature whatsoever and together with all rights attaching to them including the right to receive and retain all dividends and distributions (if any) declared after the Effective Date.

## **10 Overseas Shareholders**

### **General**

The implications of the Scheme for Overseas Shareholders may be affected by the laws of their relevant jurisdictions. Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of each Overseas Shareholder to satisfy himself/herself as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

This document does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for shares in any jurisdiction in which such offer or solicitation is unlawful.

This document has been prepared for the purposes of complying with English law, the Takeover Code, the UK Listing Rules and the TISE Listing Rules and the 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 any other jurisdiction.

LondonMetric's obligations to allot and issue the New LondonMetric Shares pursuant to the Scheme shall be subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if any Scheme Shareholder has a registered address in a jurisdiction outside the United Kingdom and LondonMetric is advised that the allotment and/or issue of the New LondonMetric Shares to that Scheme Shareholder under the Scheme would or may infringe the laws of such jurisdiction or would or may require LondonMetric to observe any governmental or other consent or any registration, filing or other formality with which LondonMetric is unable to comply or which Highcroft and LondonMetric agree is unduly onerous to comply with, LondonMetric may in its absolute discretion:

- (i) determine that the New LondonMetric Shares shall not be allotted and/or issued to such Scheme Shareholder, but shall instead be allotted and issued to a nominee appointed by LondonMetric as bare trustee for such Scheme Shareholder on terms that the nominee shall, as soon as practicable following the Effective Date, sell the New LondonMetric Shares so allotted and issued at the best price which can reasonably be obtained at the time of sale and account for the net proceeds of such sale (after the deduction of all expenses and commissions, including without limitation any tax or foreign exchange conversion fees payable on the proceeds of sale and any amounts in respect of value added tax payable thereon) to such Scheme Shareholder within 14 days of the Effective Date (or such other period as may be approved by the Panel). In the absence of bad faith or wilful default, none of Highcroft, LondonMetric or the nominee shall have any liability for any loss or damage arising as a result of the timing or terms of such sale; or
- (ii) determine that the New LondonMetric Shares shall not be allotted, issued and delivered to such Scheme Shareholder but instead a cash amount equal to the value of the New LondonMetric Shares which would otherwise have been attributable to such Scheme Shareholder under the terms of the Acquisition shall be paid to the Scheme Shareholder.

To give effect to any such sale referred to in (i) above, the person so appointed shall be authorised as agent on behalf of such Scheme Shareholder to execute and deliver as transferor a form of transfer or other instrument or instruction and to give such instructions and to do all other things which he may consider necessary or expedient in connection with such sale. In the absence of bad faith or wilful default, none of Highcroft, LondonMetric or the person(s) so appointed shall have any liability for any loss or damage arising as a result of the timing or terms of such sale.

### **US Securities law**

Highcroft Shareholders located in the United States should note that the Acquisition relates to the securities of an English company with a listing on TISE and is proposed to be implemented pursuant to a scheme of arrangement provided for under English law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Scheme is subject to procedural and disclosure requirements and practices applicable to a scheme of arrangement involving a target company in England listed on TISE, which are different from the disclosure requirements of the US tender offer and proxy solicitation rules.

The Acquisition may, in circumstances described in this document, instead be carried out by way of a Takeover Offer under English law. If in the future LondonMetric exercises its right to implement the Acquisition by way of a Takeover Offer, such Takeover Offer will be made in compliance with applicable US tender offer and securities laws and regulations, including the exemptions therefrom. Such Takeover Offer would be made in the United States by LondonMetric and no one else. In addition to any such Takeover Offer, in accordance with normal practice in the United Kingdom, LondonMetric, certain affiliated companies, and their nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, Highcroft Shares outside the United States, other than pursuant to the Takeover Offer, until the date on which such Takeover Offer would become effective, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made, they would be made outside the United States and would comply with applicable law, including the US Exchange Act. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed, as required in the United Kingdom, will be reported to a Regulatory Information Service of the FCA and to TISE and will be available on the London Stock Exchange website: [www.LondonStockExchange.com](http://www.LondonStockExchange.com) and on the TISE website: <http://www.tisegroup.com>.

The financial information included in this document and other documentation related to the Acquisition has been or will have been prepared in accordance with IFRS and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The New LondonMetric Shares to be issued under the Scheme have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States absent registration or an available exemption from the registration requirements under the US Securities Act and applicable US state securities laws. If LondonMetric effects the Acquisition by way of a scheme of arrangement under English law, the New LondonMetric Shares to be issued in the Acquisition will be issued in reliance on the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. Highcroft will advise the Court that the Court's sanctioning of the Scheme will be relied upon by LondonMetric as an approval of the scheme of arrangement following a hearing on its fairness to Highcroft Shareholders, at which hearing all such Highcroft Shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all Highcroft Shareholders.

The New LondonMetric Shares to be issued to Highcroft Shareholders in the Acquisition pursuant to a scheme of arrangement under English law may generally be resold without restriction under the US Securities Act, except for resales by persons who are or will be affiliates (within the meaning of Rule 144 under the US Securities Act). "Affiliates" of a company are generally defined as persons who directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, that company. Whether a person is an affiliate of a company for purposes of the US Securities Act depends on the circumstances, but affiliates can include certain officers, directors and significant shareholders. Highcroft Shareholders who are or will be affiliates of LondonMetric or Highcroft prior to, or of LondonMetric after, the Effective Date will be subject to certain US transfer restrictions relating to the New LondonMetric Shares received pursuant to the Scheme. Highcroft Shareholders who believe that they may be or will be affiliates for purposes of the US Securities Act should consult their own legal advisors prior to any resale of New LondonMetric Shares received under the Scheme.

None of the securities referred to in this document have been approved or disapproved by the SEC or any US state securities commission, nor have any such authorities passed judgment upon the fairness or the merits of the Acquisition or the Scheme or determined if this document is accurate or complete. Any representation to the contrary is a criminal offence in the United States.

US holders of Highcroft Shares also should be aware that the transaction contemplated herein may have tax consequences in the United States and that such consequences, if any, are not described herein, as well as foreign and other tax consequences. US holders of Highcroft Shares are urged to consult with independent professional advisors regarding the legal, tax and financial consequences of the Acquisition applicable to them.

It may be difficult for US holders of Highcroft Shares to enforce their rights and claims arising out of the US federal securities laws since LondonMetric and Highcroft are organised in countries other than the United States and some or all of their officers and directors may be residents of, and some or all of their assets

may be located in, jurisdictions other than the United States. US holders of Highcroft Shares may have difficulty effecting service of process within the United States upon those persons or recovering against judgments of US courts, including judgments based upon the civil liability provisions of the US federal securities laws. US holders of Highcroft Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

## **11 United Kingdom taxation consequences for Highcroft Shareholders**

A summary of relevant UK taxation, which is intended as a general guide only, is set out in paragraph 17 of Part 7 (*Additional Information*) of this document. **If you are in any doubt as to your tax position, or you are subject to taxation in a jurisdiction other than the United Kingdom, you are strongly advised to consult an appropriate independent professional adviser.**

## **12 Settlement, mandates and communication preferences**

### **(a) *Scheme Shares held in certificated form***

New LondonMetric Shares will be allotted and issued in certificated form to those Highcroft Shareholders who hold their Highcroft Shares in certificated form at the Scheme Record Time and are not treated as Restricted Persons. Pending the despatch of share certificates for New LondonMetric Shares, issues of New LondonMetric Shares will be certified against the register of members of LondonMetric.

In the case of Highcroft Shareholders who hold Highcroft Shares in certificated form at the Scheme Record Time and are treated as Restricted Persons, please see the fourth sub-paragraph under the heading "General" of paragraph 10 above for details of settlement.

All documents and remittances sent through the post will be sent at the risk of the person(s) entitled thereto.

### **(b) *Scheme Shares held in uncertificated form through CREST***

The LondonMetric Directors will apply for the New LondonMetric Shares to be admitted to CREST so that settlement of transactions in New LondonMetric Shares following Admission can take place in uncertificated form within the CREST system. For Highcroft Shareholders who held their Highcroft Shares in uncertificated form at the Scheme Record Time and are not treated as Restricted Persons, New LondonMetric Shares to which a Highcroft Shareholder is entitled will be issued in uncertificated form through CREST. The ISIN number for the New LondonMetric Shares will be GB00B4FW713. LondonMetric will procure that Euroclear is instructed to credit the appropriate stock account in CREST of the relevant Highcroft Shareholder with such Highcroft Shareholder's entitlement to such New LondonMetric Shares as soon as practicable after the Scheme becomes Effective and in any event within 14 days of the Effective Date.

Highcroft Shares held in uncertificated form will be disabled in CREST as at the Scheme Record Time, being 6.00 p.m. on the Business Day immediately prior to the date of the Court Hearing.

In the case of Highcroft Shareholders who hold Highcroft Shares in uncertificated form at the Scheme Record Time and who are entitled to payment in respect of fractions of New LondonMetric Shares (other than any Highcroft Shareholders who are treated as Restricted Persons), LondonMetric shall procure that Euroclear is instructed to create an assured payment obligation in favour of the payment bank of the persons entitled thereto in accordance with the CREST assured payment arrangements for the sums payable to them respectively, provided that LondonMetric reserves the right to make payment of the said sums by cheque as set out in the paragraph below if, for reasons outside its reasonable control, it is not able to effect settlement within the CREST system in accordance with this paragraph.

In the case of Highcroft Shareholders who hold Highcroft Shares in uncertificated form at the Scheme Record Time and are treated as Restricted Persons, please see the fourth subparagraph under the heading "General" of paragraph 10 above for details of settlement.

LondonMetric reserves the right to issue New LondonMetric Shares to any Scheme Shareholders holding their Highcroft Shares in CREST in the manner referred to in paragraph 12(b) above if, for any reason, it wishes to do so.

All remittances sent through post will be sent at the risk of the person(s) entitled thereto.

(c) ***Fractional entitlements***

Fractions of New LondonMetric Shares will not be allotted or issued pursuant to the Acquisition and entitlements of Scheme Shareholders will be rounded down to the nearest whole number of New LondonMetric Shares. All fractional entitlements to New LondonMetric Shares will be aggregated and sold in the market as soon as practicable after the Effective Date. The net proceeds of such sale (after deduction of all expenses and commissions incurred in connection with the sale) will be distributed by LondonMetric in due proportions to Scheme Shareholders who would otherwise have been entitled to such fractions provided that individual entitlements to amounts of less than £5.00 will not be paid to Scheme Shareholders but will be retained for the benefit of the Combined Group.

(d) ***Mandates and communication preferences***

Under the terms of the Scheme, all mandates and other instructions, including communication preferences given to Highcroft by Highcroft Shareholders and in force at the Scheme Record Time shall, unless and until revoked, be deemed as from the Effective Date to be valid and effective mandates or instructions to LondonMetric in relation to the New LondonMetric Shares, except to the extent that a Highcroft Shareholder already holds LondonMetric Shares at the Scheme Record Time (and the Registrar is able to match such holdings), in which case any mandates and instructions in relation to those existing LondonMetric Shares will also apply to the New LondonMetric Shares received by that Highcroft Shareholder under the terms of the Scheme. If you do not wish any mandates and other instructions, including communications preferences that you have given to Highcroft, to apply to your New LondonMetric Shares, please contact the Registrar on the shareholder helpline details of which appear on page 11 of this document before the Scheme Record Time to amend or withdraw such mandates or instructions.

### **13 The Highcroft Meetings and the Court Hearing**

Before the Court's sanction of the Scheme can be sought, the Scheme will require approval by the Scheme Shareholders at the Court Meeting, the passing at the General Meeting of the Resolution by Highcroft Shareholders to authorise the Highcroft Directors to implement the Scheme and approve, subject to the Scheme becoming Effective, certain amendments to the articles of association of Highcroft and the re-registration of Highcroft as a private limited company. Notices of the Highcroft Meetings are set out in Part 9 (*Notice of Court Meeting*) and Part 10 (*Notice of General Meeting*) of this document. Highcroft Shareholders' entitlement to attend and vote at the Highcroft Meetings and the number of votes which may be cast at them will be determined by reference to the register of members of Highcroft at the Scheme Voting Record Time or, if such Highcroft Meetings are adjourned, on the register of members as at 6.00 p.m. on the day that is two Business Days before the relevant adjourned Highcroft Meeting. If the Scheme becomes Effective, it will be binding on all Scheme Shareholders including those who did not vote or who voted against the Scheme or the Resolution.

(a) ***The Court Meeting***

You will find in Part 9 (*Notice of Court Meeting*) of this document the notice of the Court Meeting of the Scheme Shareholders which has been convened at the direction of the Court for the purpose of the Scheme Shareholders considering and, if thought fit, approving the Scheme.

The Court Meeting has been convened for 10.00 a.m. on 15 May 2025 at the offices of Bryan Cave Leighton Paisner LLP at Governor's House, 5 Laurence Pountney Hill, London EC4R 0BR. At the Court Meeting, voting will be by way of poll and not a show of hands and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held. The approval required at the Court Meeting is a majority in number of those Scheme Shareholders present and voting, whether in person or by proxy, at the Court Meeting representing not less than 75 per cent. of the Scheme Shares voted by such Scheme Shareholders.



Scheme Shareholders have the right to raise any objections they may have to the Scheme at the Court Meeting.

**IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST (WHETHER IN PERSON OR BY PROXY) SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF THE OPINION OF SCHEME SHAREHOLDERS. YOU ARE THEREFORE STRONGLY URGED TO SIGN AND RETURN YOUR FORMS OF PROXY BY POST OR APPOINT AN ELECTRONIC OR CREST PROXY AS SOON AS POSSIBLE, AND, IN ANY EVENT, SO AS TO BE RECEIVED BY 10.00 A.M. ON 13 MAY 2025 FOR THE COURT MEETING. A FORM OF PROXY FOR THE COURT MEETING NOT LODGED AT THE RELEVANT TIME MAY BE HANDED IN TO THE CHAIR OF THE COURT MEETING OR THE REGISTRAR BEFORE THE TAKING OF THE POLL AT THE COURT MEETING.**

(b) ***The General Meeting***

In addition to the Court Meeting, the General Meeting has been convened at the offices of Bryan Cave Leighton Paisner LLP at Governor's House, 5 Laurence Pountney Hill, London EC4R 0BR at 10.15 a.m. on 15 May 2025 (or as soon thereafter as the Court Meeting is concluded or adjourned) to consider and, if thought fit, pass the Resolution to:

- (i) authorise the Highcroft Directors to take all actions as they may consider necessary or appropriate to give effect to the Scheme;
- (ii) approve certain amendments to the articles of association of Highcroft to ensure that any Highcroft Shares issued to any person (other than to LondonMetric and/or its nominees) at or after the Scheme Record Time will be compulsorily acquired by, or to the order of, LondonMetric, in consideration of (subject to certain terms and conditions) the issue of New LondonMetric Shares or payment of cash consideration on the same basis as under the Scheme; and
- (iii) subject to the Scheme becoming Effective, approve the re-registration of Highcroft as a private limited company.

Voting on the Resolution will be held by way of poll and not a show of hands and each Highcroft Shareholder present in person or by proxy and eligible to vote on the relevant resolution will be entitled to one vote for every ordinary share held. The Resolution will be a special resolution which requires a vote in favour of not less than 75 per cent. of the votes cast either in person or by proxy.

You will find the notice of the General Meeting set out in Part 10 (*Notice of General Meeting*) of this document. The quorum for the General Meeting will be two or more Highcroft Shareholders present in person or by proxy.

Due to the length of time anticipated to be required to calculate the result of the poll, the result may not be announced at the General Meeting. The result of the vote at the General Meeting will be publicly announced by Highcroft via a Regulatory Information Service and on the TISE website: <http://www.tisegroup.com> as soon as practicable after it is known and, in any event, by no later than 8.00 a.m. on the Business Day following the General Meeting.

(c) ***The Court Hearing***

Under the Companies Act, the Scheme also requires the sanction of the Court. The Court Hearing to sanction the Scheme is currently expected to be held on 20 May 2025, subject to the prior satisfaction or waiver of the other Conditions set out in Part 4 (*Conditions and certain further terms of the Acquisition*) of this document.

All Scheme Shareholders are entitled to attend the Court Hearing in person or to be represented by counsel to support or oppose the sanctioning of the Scheme.

LondonMetric has confirmed that, subject to the prior satisfaction or, where applicable, waiver of the other Conditions set out in Part 4 (*Conditions and certain further terms of the Acquisition*) of



this document it will be represented by counsel at the Court Hearing so as to consent to the Scheme and to undertake to the Court to be bound by the Scheme.

The Scheme will become Effective in accordance with its terms on delivery of the Court Order to the Registrar of Companies.

(d) **Modifications to the Scheme**

The Scheme contains a provision for Highcroft and LondonMetric jointly to consent on behalf of all persons affected to any modification of, or addition to, the Scheme or to any condition approved or imposed by the Court. The Court would be unlikely to approve any modification of, or addition to, or impose a condition to the Scheme which might be material to the interests of the Scheme Shareholders, unless Scheme Shareholders were informed of any modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in those circumstances for the purpose of approving any such modification, addition or condition.

(e) **Conditions of the Scheme**

The implementation of the Scheme will be subject to the Conditions and further terms which are set out in full in Part 4 (*Conditions and certain further terms of the Acquisition*) of this document and **it is important that Highcroft Shareholders read Part 4 (Conditions and certain further terms of the Acquisition) in its entirety**. The Scheme will only become Effective if, among other things, the following events occur on or before the Long-stop Date:

- a resolution to approve the Scheme is passed by a majority in number of the Scheme Shareholders who are present and vote (and are entitled to vote), either in person or by proxy, at the Court Meeting or at any adjournment thereof and who represent not less than 75 per cent. in value of the Scheme Shares held by such Scheme Shareholders;
- the Resolution is passed by the requisite majority (whether in person or by proxy) at the General Meeting;
- the FCA having acknowledged to LondonMetric, or its agent (and such acknowledgement not having been withdrawn), that the application for the admission of the New LondonMetric Shares to the equity shares (commercial companies) category of the Official List has been approved, and (after satisfaction of any conditions to which such approval is expressed to be subject ("**Listing Conditions**")) admission will become effective as soon as a dealing notice has been issued by the FCA and any Listing Conditions having been satisfied;
- the London Stock Exchange having acknowledged to LondonMetric or its agent (and such acknowledgement not having been withdrawn) that the New LondonMetric Shares will be admitted to trading on the Main Market;
- following the Highcroft Meetings, the Scheme is sanctioned by the Court (without modification, or with modification on terms agreed by LondonMetric and Highcroft with the consent of the Panel); and
- following the sanction of the Scheme, a copy of the Court Order is delivered to the Registrar of Companies.

The Scheme will lapse and the Acquisition will not take place if:

- (a) either the Court Meeting or the General Meeting are not held by the 22nd day after the expected date of such meeting (or such later date(s): (1) as may be agreed between LondonMetric and Highcroft; or (2) (in a competitive situation) as may be specified by LondonMetric with the consent of the Panel and in each case (if so required) with the approval of the Court); or
- (b) the Court Hearing to approve the Scheme is not held by the 22nd day after the expected date of the Court Hearing (or such later date(s): (1) as may be agreed between LondonMetric and Highcroft; or (2) (in a competitive situation) as may be specified by LondonMetric with the consent of the Panel and in each case (if so required) with the approval of the Court); or
- (c) the Scheme does not become Effective on or before 11.59 p.m. on the Long-stop Date,

provided, however, that the deadlines for the timing of the Court Meeting, the General Meeting and the Court Hearing may be waived by LondonMetric, and the Long-stop Date may be extended by agreement in writing between LondonMetric and Highcroft (with the Panel's consent and as the Court may allow, if such consent and/or approval is/are required). If any of the deadlines for the timing of the Court Meeting or the General Meeting change, the revised dates and/or times will be notified to Highcroft Shareholders by announcement through a Regulatory Information Service and on the TISE website: <http://www.tisegroup.com>, with such announcement being made available on Highcroft's website at <https://www.highcroftplc.com>.

Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and if they attended and voted, whether they voted in favour of the resolutions proposed at such meetings).

## **14 Alternative Means of Implementing the Acquisition**

LondonMetric reserves the right to elect (with the consent of the Panel) to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, the Acquisition will be implemented on the same terms and conditions (subject to appropriate amendments to reflect the change in method of effecting the Acquisition, including (without limitation) an acceptance condition set at 90 per cent. of the issued share capital of Highcroft (or such lower percentage (being more than 50 per cent.) of the issued share capital of Highcroft as LondonMetric may, subject to the rules of the Takeover Code and with the consent of the Panel, decide) as those which would apply to the Scheme (the **"Takeover Offer Acceptance Condition"**). Further, if sufficient acceptances of such Takeover Offer are received and/or sufficient Highcroft Shares are otherwise acquired, it is the intention of LondonMetric to apply the provisions of Chapter 3 of Part 28 of the Companies Act to compulsorily acquire any outstanding Highcroft Shares to which such Takeover Offer relates.

In the event that the Acquisition is implemented by way of a Takeover Offer, the issued share capital of Highcroft acquired shall be acquired with full title guarantee, fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them.

## **15 New LondonMetric Shares**

The New LondonMetric Shares will be issued in registered form and will be capable of being held in certificated and uncertificated form. The New LondonMetric Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the LondonMetric Shares in issue at the time the New LondonMetric Shares are issued pursuant to the Acquisition, including in relation to the right to receive notice of, and to attend and vote at, general meetings of LondonMetric, and the right to receive and retain any dividends and other distributions announced, declared, made or paid by reference to a record date falling after the Effective Date and to participate in the assets of LondonMetric upon a winding-up of LondonMetric.

## **16 Return of Documents of Title**

If the Scheme is withdrawn or lapses, any document(s) of title submitted and other document(s) lodged with either Form of Proxy will be returned to the relevant Highcroft Shareholder as soon as practicable and in any event within 14 days of such lapse or withdrawal.

## **17 Action to Be Taken**

You will find enclosed with this document:

- a pink Form of Proxy for use in respect of the Court Meeting to be held on 15 May 2025;
- a blue Form of Proxy for use in respect of the General Meeting to be held on 15 May 2025; and
- a pre-paid envelope addressed to, MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom for return of the Forms of Proxy from within the United Kingdom only.

If you have not received all of these documents, please contact MUFG Corporate Markets on the relevant telephone number set out in the section headed “Highcroft Shareholder helpline” below.

Highcroft Shareholders who have elected to receive this document in electronic form will find both the pink Form of Proxy for use in connection with the Court Meeting and the blue Form of Proxy for use in connection with the General Meeting on the Company’s website at <https://www.highcroftplc.com>.

**IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST (WHETHER IN PERSON OR BY PROXY) SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF THE OPINION OF THE SCHEME SHAREHOLDERS. YOU ARE THEREFORE STRONGLY URGED TO SIGN AND RETURN YOUR FORMS OF PROXY BY POST OR APPOINT AN ELECTRONIC OR CREST PROXY AS SOON AS POSSIBLE.**

(a) ***Sending Forms of Proxy by post or by hand***

Whether or not you plan to attend either or both of the Highcroft Meetings, please:

- complete and sign each of the accompanying Forms of Proxy and return them in accordance with the instructions printed thereon, as soon as possible, but in any event, so as to be received by post or by hand (during normal business hours only) to MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom by 10.00 a.m. on 13 May 2025 in the case of the Court Meeting and by 10.15 a.m. on 13 May 2025 in the case of the General Meeting (or, in the case of adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any non-business days, in accordance with the articles of association of Highcroft)).
- If the pink Form of Proxy for use at the Court Meeting is not lodged by 10.00 a.m. on 13 May 2025, it may be handed to the chair of the meeting or the Registrar on behalf of the chair at the Court Meeting before the taking of the poll at the Court Meeting and will still be valid. However, in the case of the General Meeting, unless the blue Form of Proxy is lodged so as to be received by 10.15 a.m. on 13 May 2025, it will be invalid.
- A Highcroft Shareholder may appoint more than one proxy in respect of the General Meeting and/or the Court Meeting provided that in respect of each Highcroft Meeting each proxy is appointed to exercise the rights attached to different shares held by that Highcroft Shareholder.
- Highcroft Shareholders’ attention is drawn to the fact that where they return Forms of Proxy without denoting their voting preference, the proxy will vote or abstain from voting in their discretion.
- The completion and return of a Form of Proxy, proxy appointment via the share portal service or appointment via the CREST electronic proxy appointment service will not prevent you from attending and voting at either the Court Meeting or the General Meeting, or any adjournment thereof, in person should you wish to do so and be so entitled.

(b) ***Electronic appointment of proxies through CREST or via [www.SignalShares.com](https://www.SignalShares.com)***

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Highcroft Meetings and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer’s agent (ID RA10) by not later than 48 hours before the time fixed for the holding of the meeting or the adjourned meeting (excluding any non-Business Days). 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

the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CREST does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Highcroft may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

You can submit your proxy vote via the internet through the share portal service at [www.SignalShares.com](http://www.SignalShares.com). To do so, you will need to log on to your share portal account or register for the share portal service if you have not already done so. Once registered, you will immediately be able to vote. Proxies submitted via the share portal service must be received by the Registrar no later than 48 hours (excluding any non-Business Days) before the appointed time for the relevant Highcroft Meeting or, in the case of an adjournment, no later than 48 hours (excluding any non-Business Days) before the time fixed for the holding of the adjourned meeting.

#### *Highcroft Shareholder helpline*

If you have any queries about voting please contact MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom or by calling MUFG Corporate Markets on +44 (0) 371 664 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. Lines are open between 9.00 a.m. and 5.30 p.m. (London time), Monday to Friday (except public holidays in England and Wales). Alternatively, you can email MUFG Corporate Markets at [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com). Please note that the Registrar cannot provide any financial, legal or tax advice. Calls may be recorded and monitored for security and training purposes.

## **18 Further Information**

The terms of the Scheme are set out in full in Part 3 (*The Scheme of Arrangement*) of this document. Your attention is also drawn to the letter from your Chair set out in Part 1 (*Letter from the Chair of Highcroft*) of this document, and the further information contained in this document, all of which forms part of this Explanatory Statement, and in particular, to the Conditions and further terms set out in Parts A and B of Part 4 (*Conditions and Certain Further Terms of the Acquisition*) of this document, and the additional information set out in Part 7 (*Additional Information*) of this document.

Yours faithfully,

**T.O.R Griffiths**

for and on behalf of  
Shore Capital and Corporate Limited

**PART 3**

**THE SCHEME OF ARRANGEMENT**

**IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES  
COMPANIES COURT (ChD)**

**No. CR-2025-001523**

**IN THE MATTER OF HIGHCROFT INVESTMENTS PLC**

**- and -**

**IN THE MATTER OF THE COMPANIES ACT 2006**

**SCHEME OF ARRANGEMENT**

*(under Part 26 of the Companies Act 2006)*

**between**

**HIGHCROFT INVESTMENTS PLC**

**and**

**THE SCHEME SHAREHOLDERS**

*(as hereinafter defined)*

## **Preliminary**

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions shall bear the following meanings:

<b>Acquisition</b>	means the proposed acquisition by LondonMetric of the entire issued and to be issued share capital of Highcroft (other than the Excluded Shares), to be implemented by means of this Scheme (or, should LondonMetric so elect, with the consent of the Panel, by way of a Takeover Offer) and, where the context requires, any subsequent revision, variation, extension or renewal thereof.
<b>Announcement</b>	means the announcement made by LondonMetric on 27 March 2025 of its firm intention to make an offer to acquire Highcroft in accordance with Rule 2.7 of the Takeover Code.
<b>Business Day</b>	means a day (other than Saturdays, Sundays and public holidays in the UK) on which banks are generally open for normal business in the City of London.
<b>certificated or in certificated form</b>	means a share or other security which is not in uncertificated form (that is, not in CREST).
<b>Combined Group</b>	means the LondonMetric Group as enlarged by the Highcroft Group following completion of the Acquisition.
<b>Companies Act</b>	means the Companies Act 2006 (as amended from time to time).
<b>Conditions</b>	means the conditions to the implementation of this Scheme and the Acquisition which are set out in Part 4 ( <i>Conditions and Certain Further Terms of the Acquisition</i> ) of the Scheme Document.
<b>Consideration</b>	means the consideration due to Scheme Shareholders pursuant to Clause 2(a) of this Scheme.
<b>Court</b>	means the High Court of Justice in England and Wales.
<b>Court Hearing</b>	means the Court hearing at which Highcroft will seek an order sanctioning the Scheme.
<b>Court Meeting</b>	means the meeting or meetings of the Scheme Shareholders to be convened pursuant to Section 896 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment approved or imposed by the Court and agreed to by LondonMetric and Highcroft), including any adjournment, postponement or reconvening of any such meeting, notice of which is contained in Part 9 ( <i>Notice of Court Meeting</i> ) of the Scheme Document.
<b>Court Order</b>	means the order of the Court sanctioning this Scheme under Section 899 of the Companies Act.
<b>Court Sanction Date</b>	means the date on which the Court Order is made.
<b>CREST</b>	means the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear, in accordance with the CREST Regulations.
<b>CREST Regulations</b>	means the Uncertificated Securities Regulations 2001 (SI 2001/3755).



<b>Effective</b>	means this Scheme having become effective pursuant to its terms.
<b>Effective Date</b>	means the date on which this Scheme becomes Effective in accordance with its terms.
<b>Encumbrances</b>	means liens, equities, charges, security interests, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever.
<b>Euroclear</b>	means Euroclear UK & International Limited.
<b>Excluded Shares</b>	means any Highcroft Shares which are: (i) registered in the name of, or beneficially owned by, LondonMetric or any other member of the LondonMetric Group or any of their respective nominees; or (ii) held as treasury shares (unless such Highcroft Shares cease to be so held), in each case at any relevant time.
<b>FCA or Financial Conduct Authority</b>	means the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the UK Financial Services and Markets Act 2000, as amended from time to time.
<b>Highcroft or the Company</b>	means Highcroft Investments plc, a public company limited by shares incorporated in England and Wales with registered number 00224271 and which has its registered office at Lambourne House, 311-321 Banbury Road, Oxford OX2 7JH.
<b>Highcroft Group</b>	means Highcroft and its subsidiaries and subsidiary undertakings from time to time and, where the context permits, each of them.
<b>Highcroft Interim Dividend</b>	the interim dividend of 35 pence per Highcroft Share announced on 27 March 2025 and which is due to be paid on 16 May 2025 to Highcroft Shareholders on the register of members as at the close of business on 25 April 2025.
<b>Highcroft Permitted Dividend</b>	means any dividend satisfying the criteria of a “Highcroft Permitted Dividend” in paragraph 4 of Part 2 ( <i>Explanatory Statement</i> ) of the Scheme Document.
<b>Highcroft Shareholders</b>	means the holders of Highcroft Shares from time to time.
<b>Highcroft Shares</b>	means ordinary shares of 25 pence each in the capital of Highcroft and each being a “Highcroft Share”.
<b>holder</b>	means a registered holder, including any person entitled by transmission.
<b>Latest Practicable Date</b>	means 22 April 2025 (being the latest practicable date prior to the publication of the Scheme Document).
<b>LondonMetric</b>	means LondonMetric Property plc, a public company limited by shares incorporated in England and Wales with registered number 07124797 and which has its registered office at 1 Curzon Street, London W1J 5HB.
<b>LondonMetric Group</b>	means LondonMetric and its subsidiaries and subsidiary undertakings from time to time and, where the context permits, each of them.

<b>LondonMetric Permitted Dividend</b>	means any dividend satisfying the criteria of a “LondonMetric Permitted Dividend” in paragraph 4 of Part 2 ( <i>Explanatory Statement</i> ) of the Scheme Document.
<b>LondonMetric Shareholders</b>	means the holders of LondonMetric Shares from time to time.
<b>LondonMetric Shares</b>	means the ordinary shares of 10 pence each in the share capital of LondonMetric and each being a “LondonMetric Share”.
<b>Long-stop Date</b>	means 27 July 2025 or such later date (if any) as LondonMetric and Highcroft may (with the consent of the Panel) agree and (if required) the Court may allow.
<b>MUFG Corporate Markets or Registrar</b>	means a trading name of MUFG Corporate Markets (UK) Limited, a division of MUFG Pension & Market Services, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom, registrar of Highcroft and LondonMetric.
<b>New LondonMetric Shares</b>	means the LondonMetric Shares proposed to be allotted and issued to Scheme Shareholders in accordance with Clause 2(a) of this Scheme.
<b>Panel</b>	means the Panel on Takeovers and Mergers.
<b>Registrar of Companies</b>	means the Registrar of Companies for England and Wales.
<b>Regulatory Information Service</b>	means any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements.
<b>Scheme</b>	means this scheme of arrangement under Part 26 of the Companies Act between Highcroft and Scheme Shareholders to implement the Acquisition, in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Highcroft and LondonMetric.
<b>Scheme Document</b>	means the document dated 24 April 2025 sent by Highcroft to Highcroft Shareholders of which this Scheme forms a part.
<b>Scheme Record Time</b>	means 6.00 p.m. on the Business Day immediately before the Court Hearing or such later time as Highcroft and LondonMetric may agree.
<b>Scheme Shareholders</b>	means a holder of Scheme Shares from time to time.
<b>Scheme Shares</b>	<p>means all Highcroft Shares:</p> <ul style="list-style-type: none"> <li>(a) in issue as at the date of the Scheme Document;</li> <li>(b) (if any) issued after the date of the Scheme Document and before the Scheme Voting Record Time; and</li> <li>(c) (if any) issued at or after the Scheme Voting Record Time but on or before the Scheme Record Time either on terms that the original or any subsequent holders thereof are bound by this Scheme or in respect of which such holders are, or shall have agreed in writing to be, so bound by the Scheme,</li> </ul> <p>in each case which remain in issue at the Scheme Record Time and excluding any Excluded Shares.</p>

<b>Scheme Voting Record Time</b>	means 6.00 p.m. on 13 May 2025, or, if the Court Meeting is adjourned, 6.00 p.m. on the day that is two Business Days before the date of such adjourned meeting.
<b>subsidiary undertaking</b>	shall be construed in accordance with the Companies Act.
<b>Takeover Code</b>	means the City Code on Takeovers and Mergers, as issued from time to time by or on behalf of the Panel.
<b>Takeover Offer</b>	means if (with the consent of the Panel as applicable) LondonMetric elects to implement the Acquisition by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of LondonMetric to acquire the entire issued and to be issued share capital of Highcrocft including, where the context admits, any subsequent revision, variation, extension or renewal of such offer.
<b>uncertificated or in uncertificated form</b>	means in relation to a share or other security, a share or other security which is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST.
<b>United Kingdom or UK</b>	means the United Kingdom of Great Britain and Northern Ireland.
<b>US Securities Act</b>	means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

And where the context so admits or requires, the plural includes the singular and vice versa. References to Clauses are to clauses of this Scheme.

- (B) As at the Latest Practicable Date, the issued share capital of Highcrocft was £1,301,664.75 divided into 5,206,659 Highcrocft Shares of 25 pence each, all of which were credited as fully paid. Highcrocft did not hold any Highcrocft Shares in treasury as at the Latest Practicable Date.
- (C) LondonMetric has agreed, subject to the satisfaction or (where applicable) waiver of the Conditions, to appear by counsel at the Court Hearing and to undertake to the Court to be bound by the provisions of the Scheme and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to this Scheme.
- (D) The New LondonMetric Shares to be issued in the Acquisition pursuant to the Scheme are expected to be issued in reliance on the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. LondonMetric will rely upon the Court's sanctioning of the Scheme as an approval of the Scheme (following a hearing on its fairness to Highcrocft Shareholders at which hearing all such Highcrocft Shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all Highcrocft Shareholders) for the purposes of qualifying for the exemption provided by Section 3(a)(10).

## THE SCHEME

### 1 Transfer of Scheme Shares

- (a) On the Effective Date, LondonMetric (and/or its nominee(s)) shall acquire all of the Scheme Shares fully paid up, with full title guarantee, free from all Encumbrances and together with all rights attaching or accruing to them as at the Effective Date or thereafter, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, paid or made by Highcrocft or any return of capital (whether by reduction of share capital or share premium account or otherwise).

- (b) For the purposes of such acquisition, the Scheme Shares shall be transferred from the Scheme Shareholders to LondonMetric (and/or its nominee(s)) by means of a form of transfer or other instrument or instruction of transfer and, to give effect to such transfers, any person may be appointed by LondonMetric as attorney and/or agent and is hereby authorised as such attorney and/or agent on behalf of the relevant Scheme Shareholder to execute and deliver as transferor a stock transfer form or other instrument or instruction of transfer, in respect of such Scheme Shares and that every stock transfer form, instrument or instruction of transfer so executed shall be effective as if it had been executed by the holder or holders of the Scheme Shares to which such stock transfer form or other instrument or instruction of transfer relates. Such stock transfer form or other instrument or instruction of transfer shall constitute the principal instrument for the purposes of Section 61(2) of the Stamp Act 1891 and the Scheme Shares shall only be transferred to LondonMetric (and/or its nominee(s)) pursuant to such stock transfer form or other instrument or instruction of transfer.
- (c) From the Effective Date and pending the transfer of the Scheme Shares to LondonMetric (and/or its nominee(s)) pursuant to Clause 1(b), each Scheme Shareholder irrevocably appoints LondonMetric (and/or its nominee(s)) as their attorney and/or agent and/or otherwise to exercise (in place of and to the exclusion of the relevant Scheme Shareholder) any and all rights and privileges attaching to the Scheme Shares (including but not limited to any voting rights attached to the Scheme Shares or the right to requisition the convening of a general meeting of the Company or of any of its shareholders), to sign on behalf of such Scheme Shareholder such documents, and do such things, as may in the opinion of LondonMetric and/or any one or more of its directors or agents be necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to the Scheme Shares, including without limitation, any consent to short notice of a general or separate class meeting and on their behalf to execute a form of proxy in respect of such shares appointing any person nominated by LondonMetric and/or any one or more of its directors or agents to attend general and separate class meetings of Highcroft (or any adjournment thereof) and to exercise or refrain from exercising the votes attaching to the Scheme Shares on such Scheme Shareholder's behalf and authorises Highcroft to send to LondonMetric (and/or its nominee(s)) any notice, circular, warrant or other document or communication which may be required to be sent to them as a member of Highcroft, such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares.

## **2 Consideration for the transfer of the Scheme Shares**

- (a) Subject to and in consideration for the transfer of the Scheme Shares to LondonMetric (and/or its nominee(s)) as provided in Clause 1, LondonMetric shall (subject to, and in accordance with, the remaining provisions of this Scheme), allot and issue New LondonMetric Shares to or for the account or benefit of the Scheme Shareholders (as appearing in the register of members of Highcroft at the Scheme Record Time) on the following basis:

### **for each Scheme Share                      4.65 New LondonMetric Shares**

- (b) Other than the Highcroft Interim Dividend and any Highcroft Permitted Dividend, if any dividend, distribution or other return of value is authorised, declared, made or paid in respect of Highcroft Shares on or after the date of the Announcement and with a record date on or before the Effective Date, LondonMetric reserves the right to reduce the consideration payable for each Scheme Share under the Acquisition accordingly by reference to the amount per Highcroft Share of all or part of any such dividend, distribution or other return of value (calculated, for the avoidance of doubt, on a per Scheme Share basis) in which case: (a) any reference in this Scheme to the consideration payable for the Highcroft Shares will be deemed to be a reference to the consideration payable as so reduced; and (b) the relevant eligible Highcroft Shareholders will be entitled to receive and retain such dividend, distribution or return of value. To the extent that any such dividend, distribution or other return of value announced, declared, made or paid is: (x) transferred pursuant to this Scheme on a basis which entitles LondonMetric to receive the dividend or distribution or return of value and to retain it; or (y) cancelled, the consideration payable will not be subject to change in accordance with this paragraph. Any exercise by LondonMetric of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Acquisition.

- (c) The New LondonMetric Shares to be allotted and issued in accordance with this Scheme shall be issued and credited as fully paid and free from all Encumbrances and shall rank *pari passu* in all respects with the existing LondonMetric Shares in issue on the Effective Date including the right to receive all dividends, distributions and other entitlements made or paid or declared thereon by reference to a record date after the Effective Date (which excludes, for the avoidance of doubt, any LondonMetric Permitted Dividends).
- (d) The aggregate number of New LondonMetric Shares to which a Scheme Shareholder is entitled under Clause 2(a) shall be rounded down to the nearest whole number. Accordingly, no fraction of a New LondonMetric Share shall be allotted or issued to any Scheme Shareholder pursuant to the Acquisition. All fractional entitlements to New LondonMetric Shares to which a Scheme Shareholder would otherwise have been entitled under Clause 2(a) shall be aggregated and the aggregate of such fractions (rounded down to the nearest whole share) shall be allotted and issued to a person appointed by Highcroft as nominee for all such Scheme Shareholders on terms that the nominee shall be authorised to procure that such New LondonMetric Shares shall as soon as practicable after the Effective Date be sold on behalf of the relevant Scheme Shareholders and the net proceeds of such sale, after deduction of all expenses and commission including any amount in respect of value added tax payable thereon, shall be paid in cash (in pounds sterling) to the relevant Scheme Shareholder in accordance with what would otherwise have been their respective fractional entitlements to New LondonMetric Shares, save that individual entitlements to amounts of less than £5.00 will be retained for the benefit of the Combined Group.
- (e) Save with the consent of the Panel, settlement of the Consideration to which any Scheme Shareholder is entitled under this Scheme will be implemented in full in accordance with the terms of this Scheme free of any lien, right of set-off, counterclaim or other analogous right to which LondonMetric might otherwise be, or claim to be, entitled against such Scheme Shareholder.

### **3 Settlement**

- (a) Not more than 14 calendar days after the Effective Date (or such other period as may be approved by the Panel), LondonMetric shall:
  - (i) in the case of Scheme Shares which at the Scheme Record Time are held in certificated form, subject to the provision of Clause 2(d) (with respect to fractional entitlements) and Clause 4 (with respect to relevant overseas shareholders), allot and issue the New LondonMetric Shares which it is required to allot and issue to Scheme Shareholders pursuant to Clause 2, and despatch or procure the despatch of share certificates for such New LondonMetric Shares to the persons entitled thereto or as they may direct, in accordance with the provisions of Clause 3(b);
  - (ii) in the case of Scheme Shares which at the Scheme Record Time are held in uncertificated form through CREST, subject to the provision of Clause 2(d) (with respect to fractional entitlements) and Clause 4 (with respect to relevant overseas shareholders), allot and issue the New LondonMetric Shares which it is required to allot and issue to Scheme Shareholders pursuant to Clause 2, and procure that Euroclear is instructed to credit the appropriate stock account in CREST of the relevant Scheme Shareholder with such Scheme Shareholder's entitlement to such New LondonMetric Shares, provided that LondonMetric reserves the right to settle all or part of such consideration in the manner set out in Clause 3(a)(i) if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this Clause 3(a)(ii);
  - (iii) in the case of New LondonMetric Shares sold pursuant to this Scheme (including any fractions sold pursuant to Clause 2(d) which are associated therewith), which, at the Scheme Record Time, are in certificated form, procure the despatch to the persons entitled thereto of cheques for the sums payable to them, respectively; and
  - (iv) in the case of New LondonMetric Shares sold pursuant to this Scheme (including any fractions sold pursuant to Clause 2(d) which are associated therewith), which, at the Scheme Record Time, are in uncertificated form, procure that Euroclear is instructed to create an assured payment obligation in favour of the payment bank of the persons entitled thereto in accordance with the CREST assured payment arrangements for the sums payable to them, respectively, provided that LondonMetric reserves the right to make payment of the said sums by cheque as set out in Clause 3(a)(iii) if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this Clause 3(a)(iv).

- (b) All deliveries of notices and cheques and/or certificates for New LondonMetric Shares required to be made pursuant to this Scheme shall be effected by posting the same by first class post (or international standard post, if overseas) in pre-paid envelopes (or by such other method as may be approved by the Panel) addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of Highcroft at the Scheme Record Time (or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in the said register in respect of such joint holding at such time), and none of Highcroft, LondonMetric or their respective agents or the Registrar shall be responsible for any loss or delay in the transmission or delivery of any notice, certificate, cheque or payment sent in accordance with this Clause 3(b) which shall be sent at the risk of the person entitled thereto.
- (c) All cheques shall be in pounds sterling drawn on a UK clearing bank and payments shall be made to the persons entitled thereto or, in the case of joint holders, to that one of the joint holders whose name stands first in the register of members of Highcroft in respect of such joint holding at the Scheme Record Time or to such other persons (if any) as such persons may direct in writing and the encashment of any such cheque or the making of any such CREST assured payment obligation as is referred to in Clause 3(a) shall be a complete discharge of LondonMetric's obligation to pay the monies represented thereby.

#### **4 Overseas Shareholders**

- (a) The provisions of Clause 2 and Clause 3 shall be subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if any Scheme Shareholder has a registered address in a jurisdiction outside the United Kingdom and LondonMetric is advised that the allotment and/or issue of the New LondonMetric Shares to that Scheme Shareholder under Clause 2(a) would or may infringe the laws of such jurisdiction or would or may require LondonMetric to observe any governmental or other consent or any registration, filing or other formality with which LondonMetric is unable to comply or which Highcroft and LondonMetric agree is unduly onerous to comply with, LondonMetric may in its absolute discretion:
  - (i) determine that the New LondonMetric Shares shall not be allotted and/or issued to such Scheme Shareholder, but shall instead be allotted and issued to a nominee appointed by LondonMetric as bare trustee for such Scheme Shareholder on terms that the nominee shall, as soon as practicable following the Effective Date, sell the New LondonMetric Shares so allotted and issued at the best price which can reasonably be obtained at the time of sale and account for the net proceeds of such sale (after the deduction of all expenses and commissions, including without limitation any tax or foreign exchange conversion fees payable on the proceeds of sale and any amounts in respect of value added tax payable thereon) to such Scheme Shareholder within 14 days of the Effective Date (or such other period as may be approved by the Panel). In the absence of bad faith or wilful default, none of Highcroft, LondonMetric or the nominee shall have any liability for any loss or damage arising as a result of the timing or terms of such sale; or
  - (ii) determine that the New LondonMetric Shares shall not be allotted, issued and delivered to such Scheme Shareholder but instead a cash amount equal to the value of the New LondonMetric Shares which would otherwise have been attributable to such Scheme Shareholder under the terms of the Acquisition shall be paid to the Scheme Shareholder.
- (b) To give effect to any such sale under Clause 4(a) above, the person so appointed shall be authorised as agent on behalf of such Scheme Shareholder to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer and to give such instructions and to do all other things which he may consider necessary or expedient in connection with such sale. In the absence of bad faith or wilful default, none of Highcroft, LondonMetric or the person(s) so appointed shall have any liability for any loss or damage arising as a result of the timing or terms of such sale.
- (c) The provisions of this Clause 4 and LondonMetric's obligations to issue the New LondonMetric Shares shall be subject to any condition or prohibition imposed by law.



## **5 Certificates and Cancellations**

With effect from and including the Effective Date:

- (a) Scheme Shareholders shall, in accordance with this Scheme, cease to have any rights with respect to the Scheme Shares, except the right to receive the consideration determined as set out in Clause 2;
- (b) all certificates representing Scheme Shares shall cease to be valid as documents of title to the shares represented thereby and every holder thereof shall be bound at the request of Highcroft to deliver up the same to Highcroft (or any person appointed by Highcroft to receive such certificates) or, as it may direct to destroy the same;
- (c) Euroclear shall be instructed to cancel the entitlements to Highcroft Shares of holders of Highcroft Shares in uncertificated form and following the cancellation of such entitlement Highcroft's Registrar shall be authorised to rematerialise entitlements to such shares; and
- (d) subject to the completion of such forms of transfer or other instruments or instructions of transfer as may be required in accordance with Clause 1 of this Scheme and the payment of any UK stamp duty thereon, appropriate entries will be made in Highcroft's register of members to reflect the transfer of the Scheme Shares to LondonMetric.

## **6 Dividend Mandate**

All mandates relating to the monetary payment of dividends on the Scheme Shares and other instructions, including in respect of shareholder communications preferences (for example, annual reports and accounts), given to Highcroft by Scheme Shareholders in force at the Scheme Record Time relating to their holdings of Scheme Shares will, unless amended or revoked, be deemed from the Effective Date to be valid and effective mandates or instructions to LondonMetric in respect of the corresponding New LondonMetric Shares, except to the extent that a Scheme Shareholder already holds LondonMetric Shares at the Scheme Record Time (and LondonMetric's registrar is able to match such holdings), in which case any mandates and instructions in relation to those existing LondonMetric Shares shall also apply to the New LondonMetric Shares issued to that Scheme Shareholder and any mandates or instructions held in respect of the Scheme Shares will be disregarded.

## **7 The Effective Date**

- (a) This Scheme shall become Effective as soon as a copy of the Court Order shall have been delivered to the Registrar of Companies for registration.
- (b) Unless this Scheme shall become Effective before midnight on the Long-stop Date, this Scheme shall never become Effective.

## **8 Modification**

Highcroft and LondonMetric may jointly consent on behalf of all persons concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose. Any such modification or addition shall require the consent of the Panel where such consent is required under the rules of the Takeover Code. For the avoidance of doubt, no modification may be made to this Scheme once it has taken effect.

## **9 Governing Law**

This Scheme and any dispute or claim arising out of or in connection with it shall be governed by the laws of England and Wales and is subject to the exclusive jurisdiction of the English courts.

Date: 24 April 2025

## **PART 4**

### **CONDITIONS AND CERTAIN FURTHER TERMS OF THE ACQUISITION**

#### **Part A: The Conditions**

##### **Long-stop Date**

- 1 The Acquisition will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Takeover Code, by not later than 11.59 p.m. on the Long-stop Date.

##### **Conditions of the Scheme**

- 2 The Scheme will be conditional upon:

(a)

- (i) its approval by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders (or the relevant class or classes thereof, if applicable) who are on the register of members of Highcroft at the Scheme Voting Record Time, present and voting (and entitled to vote), whether in person or by proxy, at the Court Meeting, and at any separate class meeting which may be required, or, in each case, at any adjournment of any such meeting; and
- (ii) the Court Meeting and any separate class meeting which may be required or, in each case, any adjournment of any such meeting being held on or before the 22nd day after the expected date of the Court Meeting set out in the expected timetable of principal events on page 12 of this document (or such later date (1) as may be agreed by LondonMetric and Highcroft; or (2) (in a competitive situation) as may be specified by LondonMetric with the consent of the Panel and in each case (if so required), with the approval of the Court);

(b)

- (i) the Resolution being duly passed by the requisite majority at the General Meeting (or at any adjournment of that meeting); and
- (ii) the General Meeting (or any adjournment of that meeting) being held on or before the 22nd day after the expected date of the General Meeting set out in the expected timetable of principal events on page 12 of this document (or such later date (1) as may be agreed by LondonMetric and Highcroft; or (2) (in a competitive situation) as may be specified by LondonMetric with the consent of the Panel and in each case (if so required), with the approval of the Court);

(c)

- (i) the sanction of the Scheme (with or without modification, but subject to any such modification being on terms acceptable to LondonMetric and Highcroft) by the Court and the delivery of a copy of the Court Order to the Registrar of Companies; and
- (ii) the Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing set out in the expected timetable of principal events on page 12 of this document (or such later date (1) as may be agreed by LondonMetric and Highcroft; or (2) (in a competitive situation) as may be specified by LondonMetric with the consent of the Panel and in each case (if so required), with the approval of the Court).

##### **General Conditions to the Scheme**

- 3 In addition, subject to (i) the terms of Part B of this Part 4 (*Conditions and Certain Further Terms of the Acquisition*), and (ii) the requirements of the Panel in accordance with the Takeover Code, LondonMetric and Highcroft have agreed that the Acquisition will be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived prior to the Scheme being sanctioned by the Court:

## **FCA and London Stock Exchange**

- (a) the FCA having acknowledged to LondonMetric or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the New LondonMetric Shares to the equity shares (commercial companies) category of the Official List has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject ("**Listing Conditions**")) admission will become effective as soon as a dealing notice has been issued by the FCA and any Listing Conditions having been satisfied;
- (b) the London Stock Exchange having acknowledged to LondonMetric or its agent (and such acknowledgement not having been withdrawn) that the New LondonMetric Shares will be admitted to trading on the Main Market;

## **General regulatory**

- (c) no Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and, in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision or order, or change to published practice and there not continuing to be outstanding any statute, regulation, decision or order which in each case would or would reasonably be expected to:
  - (i) make the Acquisition, its implementation or the acquisition or the proposed acquisition by LondonMetric or any member of the Wider LondonMetric Group of any shares or other securities (or the equivalent) in, or control or management of, Highcroft or any member of the Wider Highcroft Group void, illegal or unenforceable under the laws of any jurisdiction, or otherwise directly or indirectly restrain, prohibit, prevent, restrict, delay or otherwise materially interfere with the same or impose additional adverse conditions or obligations or require material amendment to the terms with respect thereto to an extent which is or could be material in the context of the Combined Group taken as a whole or material in the context of the Acquisition;
  - (ii) limit or delay the ability of any member of the Wider LondonMetric Group to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or other securities (or the equivalent) in any member of the Wider Highcroft Group or the Wider LondonMetric Group, or to hold or exercise, directly or indirectly, voting or management control over, any member of the Wider Highcroft Group or any member of the Wider LondonMetric Group, as the case may be, to the extent which, in any such case, is or could be material in the context of the Combined Group taken as a whole or material in the context of the Acquisition;
  - (iii) require, prevent or materially delay any divestiture or alter the terms envisaged for any proposed divestiture, by any member of the Wider LondonMetric Group or by any member of the Wider Highcroft Group of all or any part of their respective businesses, assets or properties or impose any limitation on the ability of all or any of them to conduct their respective businesses (or any part thereof) or to own or control or manage any of their respective assets or properties or any part thereof, to an extent which, in any such case, is material in the context of the Wider LondonMetric Group or the Wider Highcroft Group taken as a whole;
  - (iv) except pursuant to the implementation of the Acquisition or, if applicable, Sections 974 to 991 of the Companies Act, require any member of the Wider LondonMetric Group or of the Wider Highcroft Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) in or any interest in any of the assets owned by, any member of the Wider Highcroft Group or the Wider LondonMetric Group owned by any third party or to sell, or offer to sell, any shares or other securities (or their equivalent) or any interest in any of the assets owned by any member of the Wider LondonMetric Group or the Wider Highcroft Group;
  - (v) limit the ability of any member of the Wider LondonMetric Group or any member of the Wider Highcroft Group to conduct, integrate or co-ordinate its business, or any part of it, with all or any part of the businesses of any other members of the Wider LondonMetric Group and/or of the Wider Highcroft Group which is material in the context of, the Wider LondonMetric Group and/or the Wider Highcroft Group, as the case may be, taken as a whole or in the context of the Acquisition;

- (vi) result in any member of the Wider LondonMetric Group ceasing to be able to carry on business under any name under which it presently does so; or
- (vii) otherwise adversely affect any or all of the business, assets, profits, financial or trading position of any member of the Wider LondonMetric Group or of any member of the Wider Highcroft Group to an extent which is material in the context of the Wider LondonMetric Group or the Wider Highcroft Group in either case, taken as a whole,

and all applicable waiting and other time periods (including any extensions thereof) during which any such antitrust regulator or Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under any applicable legislation or regulation of any relevant jurisdiction in respect of the Acquisition or the acquisition of Highcroft Shares or otherwise intervene having expired, lapsed or been terminated (as the case may be);

### **Notifications, waiting periods and Authorisations**

- (d) all material notifications, filings or applications which are deemed necessary by LondonMetric having been made, all necessary waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any relevant jurisdiction having been complied with, in each case in connection with the Acquisition or the acquisition, or proposed acquisition, of any shares or other securities (or the equivalent) in, or of control of, any member of the Wider Highcroft Group by any member of the Wider LondonMetric Group;
- (e) all Authorisations which are deemed necessary by LondonMetric in any relevant jurisdiction for or in respect of the Acquisition (or its implementation) or required for the acquisition or proposed acquisition of any shares or other securities (or the equivalent) in, or of control or management of, Highcroft or any other member of the Wider Highcroft Group by LondonMetric or any member of the Wider LondonMetric Group having been obtained, in terms and in a form satisfactory to LondonMetric, from all necessary Third Parties or any persons or bodies with whom any member of the Wider Highcroft Group has entered into contractual arrangements or other material business relationships and all such Authorisations together with all Authorisations deemed necessary by LondonMetric to carry on the business of any member of the Wider Highcroft Group remaining in full force and effect and all filings necessary for such purpose having been made, and there being no notice or other intimation of any intention to revoke, suspend, restrict, modify or not to renew any of the same at the time at which the Acquisition becomes otherwise unconditional and all necessary statutory or regulatory obligations in any jurisdiction having been complied with in each case which is or could be material in the context of the Combined Group taken as a whole or material in the context of the Acquisition;

### **Certain matters arising as a result of any arrangement, agreement, etc.**

- (f) save as Disclosed, there being no provision of any arrangement, agreement, lease, licence, permit, or other instrument to which any member of the Wider Highcroft Group is a party, or by or to which any such member or any of its assets is or may be bound, entitled or subject, or any circumstance which, in each case as a consequence of the Scheme, the Acquisition (or its implementation) or the acquisition or proposed acquisition by LondonMetric or any member of the Wider LondonMetric Group of any shares or other securities (or the equivalent) in Highcroft, or because of a change of control or management of, Highcroft or any member of the Wider Highcroft Group, would or would reasonably be expected to, result in any of the following (in any case, to an extent which is material in the context of the Wider Highcroft Group taken as a whole or in the context of the Acquisition):
  - (i) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or any grant available to any member of the Wider Highcroft Group, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date, or the ability of any such member of the Wider Highcroft Group to borrow monies or incur any indebtedness being withdrawn or inhibited or becoming capable of being withdrawn or inhibited;

- (ii) the creation or enforcement of any mortgage, charge or other security interests over the whole or any part of the business, property, assets or interest of any member of the Wider Highcroft Group or any such mortgage, charge, encumbrance or other security interest (wherever and whenever created, arising or having arisen) becoming enforceable;
- (iii) any asset or interest of (or any asset the use of which is enjoyed by) any member of the Wider Highcroft Group being or falling to be disposed of or charged or ceasing to be available to any member of the Wider Highcroft Group or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider Highcroft Group otherwise than in the ordinary course of business;
- (iv) any member of the Wider Highcroft Group ceasing to be able to carry on business under any name under which it presently does so;
- (v) the creation or acceleration of any liability (actual or contingent) by any member of the Wider Highcroft Group other than trade creditors or other liabilities incurred in the ordinary course of business or in connection with the Acquisition;
- (vi) the rights, liabilities, obligations or interests of any member of the Wider Highcroft Group or the business of any such member with any other person, firm, company or body (or any arrangement, agreement, lease, licence, permit, or other instrument relating to any such interests or business) being, or being likely to become terminated, adversely modified or affected or any adverse action being taken or arising thereunder or any onerous obligation or liability arising thereunder; and
- (vii) the value or financial or trading position of any member of the Wider Highcroft Group being prejudiced or adversely affected,

and, save as Disclosed, no event having occurred which, under any provision of any arrangement, agreement, lease, license, permit or other instrument to which any member of the Wider Highcroft Group is a party, or by or to which any such member or any of its assets may be bound, entitled or subject, would or would reasonably be expected to result in any of the events or circumstances which are referred to in sub-paragraphs (i) to (vii) of this Condition 3(f), in each case, to the extent material in the context of the Wider Highcroft Group taken as a whole or in the context of the Acquisition;

#### **Certain events occurring since 30 June 2024**

- (g) save as Disclosed, no member of the Wider Highcroft Group having since 30 June 2024:
  - (i) issued or agreed to issue, or authorised or proposed or announced its intention to authorise or propose the issue of, additional shares or securities of any class (or the equivalent), or securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or the equivalent or convertible securities;
  - (ii) purchased, redeemed or repaid or announced its intention to purchase, redeem or repay any of its own shares or other securities (or their equivalent) or reduced or, save in respect of matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital;
  - (iii) save as between Highcroft and wholly-owned subsidiaries of Highcroft or between such wholly-owned subsidiaries and subsidiary undertakings and save for the Highcroft Interim Dividend and any Highcroft Permitted Dividend, recommended, declared, paid or made, or agreed to recommend, declare, pay or make, any bonus issue, dividend or other distribution, whether payable in cash or otherwise;
  - (iv) save for intra-Highcroft Group transactions, made, authorised, proposed or announced an intention to make, propose or authorise any change in its loan capital other than in the ordinary course of business and to the extent which is material in the context of the Wider Highcroft Group taken as a whole;
  - (v) save for intra-Highcroft Group transactions, merged or demerged with any body corporate, partnership or business or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or announced any intention to effect, implement, authorise or propose any reconstruction, amalgamation, scheme, merger, demerger, disposal, transfer, mortgage, charge or security interest, in any asset or shares or loan capital in each case, to the extent which is material in the context of the Wider Highcroft Group taken as a whole;

- (vi) issued, authorised, proposed or announced its intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or (save for intra-Highcroft Group transactions) incurred or increased any indebtedness (other than trade credit incurred in the ordinary course of business) or become subject to any liability (actual or contingent) to an extent which is material in the context of the Highcroft Group taken as a whole;
- (vii) entered into, varied or authorised, proposed or announced any intention to enter into or vary any agreement, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which:
  - (A) is of a long term, onerous or unusual nature or magnitude or which is reasonably likely to involve an obligation of such nature or magnitude (save in the ordinary course of business); or
  - (B) would, or would reasonably be likely to, restrict the business of any member of the Wider Highcroft Group other than to a nature and extent which is normal in the context of the business concerned,

and, in either case, which is or would or would reasonably be expected to be material and adverse in the context of the Wider Highcroft Group taken as a whole;

- (viii) entered into or materially varied the terms of or made an offer (which remains open for acceptance) to materially vary the terms of any contract, service agreement, letter of appointment, commitment or arrangement with any director of any member of the Wider Highcroft Group or changes or entered into any commitment to change salaries and bonuses which exceed the immediately preceding year's remuneration by more than three per cent. or offer or agree other bonuses of variations of terms which are not in the ordinary course of business;
- (ix) (other than in respect of a member which is dormant and was solvent at the relevant time) taken any corporate action or steps or had any legal proceedings started or threatened against it, or petition presented or order made, in relation to the suspension of payments, a moratorium of any indebtedness, or for its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- (x) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling, putting a moratorium on, compromising or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business to an extent which is material in the context of the Wider Highcroft Group taken as a whole;
- (xi) other than claims between Highcroft and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, waived, settled, abandoned or compromised any claim (otherwise than in the ordinary and usual course of business) which is material in the context of the Wider Highcroft Group taken as a whole;
- (xii) terminated or varied the terms of any agreement or arrangement between any member of the Wider Highcroft Group and any other person in a manner which would or would reasonably be expected to have a material adverse effect on the financial position or prospects of the Wider Highcroft Group taken as a whole other than as directed, required and/or requested by, or with the agreement of, LondonMetric;
- (xiii) made any alteration to its articles of association (other than as required in connection with the Acquisition or the Scheme);
- (xiv) put in place any pension schemes for any director of any member of the Wider Highcroft Group or their dependants or made or agreed or consented to any change to: (A) the contribution payable to any such scheme(s) or to the benefits which accrue, or to the pensions which are payable, thereunder; (C) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; (D) the basis upon which the liabilities (including pensions) of such pensions schemes are funded, valued, made, altered or consented to;
- (xv) proposed or agreed to provide any share option incentive scheme or other benefit relating to the employment or termination of employment of any director of any member of the Wider Highcroft Group;



- (xvi) entered into, implemented or authorised the entry into, of any joint venture, asset or profit-sharing arrangement;
- (xvii) except with the consent of LondonMetric, taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Highcroft Shareholders at a general meeting of Highcroft in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code;
- (xviii) entered into any contract, agreement, commitment or arrangement or passed any resolution or made any offer (which remains open for acceptance) with respect to, or announced, any of the transactions, matters or events referred to in this Condition 3(g);

#### **No material adverse change**

(h) save as Disclosed, since 30 June 2024:

- (i) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider Highcroft Group which, in any such case, is or could be material in the context of the Wider Highcroft Group taken as a whole;
- (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted to which any member of the Wider Highcroft Group is or may become a party (whether as plaintiff, defendant or otherwise) and (other than as a result of, or in connection with the Acquisition) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Highcroft Group having been announced or threatened in writing by or against or remaining outstanding in respect of any member of the Wider Highcroft Group, which in any such case has had or would reasonably be expected to have a material adverse effect on the Wider Highcroft Group taken as a whole;
- (iii) no contingent or other liability of any member of the Wider Highcroft Group having arisen or become apparent or increased (other than in the ordinary course of business), which has had or might reasonably be expected to adversely affect the business, assets, financial or trading position or profits or prospects of any member of the Wider Highcroft Group which in any case is material in the context of the Wider Highcroft Group taken as a whole;
- (iv) no member of the Wider Highcroft Group having conducted its business in breach of any applicable laws and regulations which in any case is material in the context of the Wider Highcroft Group taken as a whole; and
- (v) no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence or permit or consent held by any member of the Wider Highcroft Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which would reasonably be expected to have a material adverse effect on the Wider Highcroft Group taken as a whole;

#### **No discovery of certain matters**

- (i) save as Disclosed, LondonMetric not having discovered that (in each case to an extent which is or could be material in the context of the Wider Highcroft Group taken as a whole or material in the context of the Acquisition):
  - (i) any financial or business or other information concerning the Wider Highcroft Group as contained in the information publicly announced or disclosed, whether publicly or otherwise, at any time to any member of the Wider LondonMetric Group by or on behalf of any member of the Wider Highcroft Group is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which has not been subsequently corrected before 27 March 2025 by disclosure either publicly or otherwise;
  - (ii) any member of the Wider Highcroft Group is subject to any liability (actual or contingent), other than in the ordinary course of business;

- (iii) any past or present member of the Wider Highcroft Group has failed to comply with any applicable legislation, regulations or common law of any jurisdiction or any notice, order or requirement of any Third Party or any Authorisations with regard to the use, treatment, handling, storage, release, disposal, discharge, presence, spillage, leak or emission of any waste or hazardous or harmful substance or any substance likely to impair the environment (including property) or harm human or animal health, or otherwise relating to environmental matters or the health and safety of any person, or that there has otherwise been any such use, treatment, handling, storage, release, disposal, discharge, presence, spillage, leak or emission (whether or not the same constituted a noncompliance by any person with any legislation, regulations or law and wherever the same may have taken place) which, in any case, non-compliance would be reasonably likely to give rise to any liability (whether actual or contingent) or cost (including any penalty) on the part of any member of the Wider Highcroft Group; or
  - (iv) there is, or is reasonably likely to be, any obligation or liability, whether actual or contingent or requirement to make good, repair, reinstate, remedy or clean up any property or controlled waters now or previously owned, occupied, operated or made use of or controlled by any past or present member of the Wider Highcroft Group (or on its behalf) under any environmental legislation, regulation, common law, notice, circular or order or Third Party in any jurisdiction;
- (j) save as Disclosed, LondonMetric not having discovered that:
- (i) any:
    - (A) past or present member, director or officer or employee of the Wider Highcroft Group is or has at any time, in connection with their position in the Wider Highcroft Group, engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the U.S. Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery legislation or regulation; or
    - (B) any person that performs or has performed services for or on behalf of the Wider Highcroft Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the U.S. Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery legislation or regulation;
  - (ii) any asset of any member of the Wider Highcroft Group constitutes criminal property as defined by Section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition) or proceeds of crime under any other applicable law, rule, or regulation concerning money laundering or proceeds of crime or any member of the Wider Highcroft Group is found to have engaged in activities constituting money laundering;
  - (iii) any past or present member, director or officer or employee of the Wider Highcroft Group or any other person for whom any such person may be liable or responsible is or has engaged in any conduct or business which would violate any economic sanctions or dealt with, made any investments in, made any funds or assets available to or received any funds or assets from: (a) any government, entity or individual in respect of which US, UK or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by applicable US or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs in the United Kingdom; or (b) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the UK, the European Union or any of their respective member states;
  - (iv) any past or present member, director or officer or employee of the Wider Highcroft Group or any person for whom any such person may be liable or responsible:
    - (A) has engaged in conduct which would violate any relevant anti-terrorism laws, rules, or regulations, including but not limited to the U.S. Anti-Terrorism Act;
    - (B) has engaged in conduct which would violate any relevant anti-boycott law, rule, or regulation or any applicable export controls, including but not limited to the Export Administration Regulations administered and enforced by the U.S. Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the U.S. Department of State;

- (C) has engaged in conduct which would violate any relevant laws, rules, or regulations concerning human rights, including but not limited to any law, rule, or regulation concerning false imprisonment, torture or other cruel and unusual punishment, or child labour; or
- (D) is debarred or otherwise rendered ineligible to bid for or to perform contracts for or with any government, governmental instrumentality, or international organisation or found to have violated any applicable law, rule, or regulation concerning government contracting or public procurement; or
- (v) any member of the Wider Highcroft Group has been or is engaged in any transaction which would cause the Wider LondonMetric Group to be in breach of any law or regulation upon its acquisition of Highcroft, including but not limited to the economic sanctions of the United States Office of Foreign Assets Control or HM Treasury & Customs in the United Kingdom, or any other relevant government authority.

## **Part B: Waiver of Conditions and Further Terms of the Acquisition and the Scheme**

- 1 Conditions 2(a), 2(b) and 3(a) to 3(j) (inclusive) of Part A of this Part 4 (*Conditions and Certain Further Terms of the Acquisition*) must each be fulfilled or (if capable of waiver) be waived by no later than 11.59 p.m. (London time) on the date immediately preceding the date of the Court Hearing (or such later date as LondonMetric, Highcroft, the Panel and, if required, the Court may allow), failing which the Acquisition will lapse, or if the Acquisition is implemented by way of Takeover Offer, no later than as permitted by the Panel.
- 2 Notwithstanding the paragraph above and subject to the requirements of the Panel in accordance with the Takeover Code, LondonMetric reserves the right, in its sole discretion, to waive:
  - (a) any of the deadlines set out in paragraph 2 of Part A of this Part 4 (*Conditions and Certain Further Terms of the Acquisition*) for the timing of the Court Meeting, General Meeting and the Court Hearing. If any such deadline is not met, LondonMetric shall make an announcement by 8.00 a.m. (London time) on the Business Day following such deadline confirming whether it has invoked or waived the relevant Condition or agreed with Highcroft to extend the relevant deadline; and
  - (b) in whole or in part all or any of the Conditions set out in paragraphs 3(c) to 3(j) inclusive of Part A of this Part 4 (*Conditions and Certain Further Terms of the Acquisition*).
- 3 Conditions 1, 2(a)(i), 2(b)(i), 2(c)(i), 3(a) and 3(b) may not be waived.
- 4 The Acquisition will lapse if the Scheme does not become Effective by no later than 11.59 p.m. (London time) on the Long-stop Date.
- 5 If LondonMetric is required by the Panel to make a Takeover Offer for Highcroft Shares under the provisions of Rule 9 of the Takeover Code, LondonMetric may make such alterations to any of the above Conditions and terms of the Acquisition as are necessary to comply with the provisions of that Rule.
- 6 LondonMetric will be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or fulfilled, or to treat as satisfied or fulfilled any of the Conditions by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that the other Conditions may, at such earlier date, have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any of such Conditions may not be capable of satisfaction or fulfilment.
- 7 The Highcroft Shares will be acquired under the Scheme, fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, on or after the date of the Announcement, save for any Highcroft Interim Dividend and any Highcroft Permitted Dividend.

- 8 Subject to the terms of the Scheme, if, on or after the date of the Announcement and prior to the Acquisition becoming Effective, any dividend (other than the Highcroft Interim Dividend and a Highcroft Permitted Dividend), distribution or other return of value is announced, declared, made, paid or becomes payable by Highcroft in respect of the Highcroft Shares, LondonMetric reserves the right (without prejudice to any right of LondonMetric to invoke Condition 3(g)(iii) in Part A of this Part 4 (*Conditions and Certain Further Terms of the Acquisition*)) to reduce the consideration payable by the amount of any such dividend, distribution or other return of value, in which case: (a) any reference in the Announcement or in this document to the consideration payable for the Highcroft Shares will be deemed to be a reference to the consideration payable as so reduced; and (b) the relevant eligible Highcroft Shareholders will be entitled to receive and retain such dividend, distribution or return of value. To the extent that any such dividend, distribution or other return of value announced, declared, made or paid is: (x) transferred pursuant to the Acquisition on a basis which entitles LondonMetric to receive the dividend or distribution and to retain it; or (y) cancelled, the consideration payable will not be subject to change in accordance with this paragraph. Any exercise by LondonMetric of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Acquisition.
- 9 Under Rule 13.5(a) of the Takeover Code, LondonMetric may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to LondonMetric in the context of the Acquisition. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise. The conditions contained in Conditions 1, 2(a), 2(b), 2(c), 3(a) and 3(b) of Part A of this Part 4 (*Conditions and Certain Further Terms of the Acquisition*) (and, if applicable, any Takeover Offer Acceptance Condition (as defined below) adopted on the basis specified in paragraph 10 of this Part B) are not subject to this provision of the Takeover Code. Any Condition that is subject to Rule 13.5(a) may be waived by LondonMetric.
- 10 LondonMetric reserves the right to elect (with the consent of the Panel) to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, the Acquisition will be implemented on the same terms and conditions (subject to appropriate amendments to reflect the change in method of effecting the Acquisition, including (without limitation) an acceptance condition set at 90 per cent. of the issued share capital of Highcroft (or such lower percentage (being more than 50 per cent.) of the issued share capital of Highcroft as LondonMetric may, subject to the rules of the Takeover Code and with the consent of the Panel, decide) as those which would apply to the Scheme (the **"Takeover Offer Acceptance Condition"**). Further, if sufficient acceptances of such Takeover Offer are received and/or sufficient Highcroft Shares are otherwise acquired, it is the intention of LondonMetric to apply the provisions of Chapter 3 of Part 28 of the Companies Act to compulsorily acquire any outstanding Highcroft Shares to which such Takeover Offer relates.
- 11 In the event that the Acquisition is implemented by way of a Takeover Offer, the issued share capital of Highcroft acquired shall be acquired with full title guarantee, fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, save for any Highcroft Interim Dividend or any Highcroft Permitted Dividend.
- 12 The availability of the Acquisition to Highcroft Shareholders not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements. Further details in relation to overseas shareholders are contained in this document. The New LondonMetric Shares to be issued under the Acquisition have not been and will not be registered under the US Securities Act or under any laws or with any securities regulatory authority of any State or other jurisdiction of the United States or under any of the relevant securities laws of any other Restricted Jurisdiction. Accordingly, the New LondonMetric Shares may not be offered, sold or delivered, directly or indirectly, in or into the United States, or any other Restricted Jurisdiction, except pursuant to exemptions from applicable securities law requirements of any such jurisdictions, including, without limitation, the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof.

- 13 The Acquisition is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction where to do so would violate the laws of that jurisdiction.
- 14 The Acquisition and the Scheme will be governed by the laws of England and be subject to the jurisdiction of the Court and to the conditions and further terms set out in this Part 4 (*Conditions and Certain Further Terms of the Acquisition*). The Acquisition will be subject to the applicable requirements of the Takeover Code, the Panel, the UK Listing Rules, the TISE Listing Rules, the London Stock Exchange and TISEA.
- 15 Fractions of the New LondonMetric Shares will not be allotted or issued pursuant to the Acquisition, but entitlements of Scheme Shareholders will be rounded down to the nearest whole number of New LondonMetric Shares and all fractions of New LondonMetric Shares will be aggregated and sold in the market as soon as practicable after the Acquisition becomes Effective. The net proceeds of such sale (after deduction of all expenses and commissions incurred in connection with the sale) will be distributed in due proportions to Highcroft Shareholders who would otherwise have been entitled to such fractions provided that individual entitlements to amounts of less than £5.00 will not be paid to Scheme Shareholders but will be retained for the benefit of the Combined Group.
- 16 Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

## **PART 5**

### **INFORMATION ON HIGHCROFT**

#### **1 General Information**

Highcroft Investments plc was incorporated under the laws of England and Wales on 7 September 1927 under the name Highcroft Investment Trust, Limited as a company limited by shares, with the registered number 00224271. The Company was re-registered as a public company with the name Highcroft Investment Trust P.L.C. on 28 May 1981 and changed its name to Highcroft Investments plc on 15 June 2001.

The principal place of business and registered office of Highcroft is Lambourne House, 311-321 Banbury Road, Oxford OX2 7JH and its website is <https://www.highcroftplc.com>. Except as referred to in paragraph 2 of this Part 5 (Information on Highcroft), the contents of Highcroft's website do not form part of this document. The principal laws and legislation under which Highcroft operates and the Highcroft Shares have been created are the Companies Act and the regulations made thereunder.

Highcroft is a UK REIT which invests in commercial property in England and Wales. Since 19 February 2024, Highcroft Shares have been listed on TISE and, prior to that, were listed on the premium listing segment of the Official List. Highcroft has a diversified portfolio of 22 properties generating rental income from 28 tenancies which benefits from 94 per cent. occupancy and a 7 year WAULT. 52 per cent. of the assets are logistics assets, predominantly single let to occupiers including Booker, Royal Mail, Ikea and DHL. 27 per cent. are retail warehouses let to occupiers including Wickes, B&Q and M&S with a further 11 per cent. in leisure, 6 per cent. in office and 4 per cent. in retail. Highcroft aims to deliver sustainable long-term income and capital growth for its shareholders through accretive asset management initiatives and recycling of capital in its regionally based property portfolio.

#### **2 Financial Information**

The following sets out financial information in respect of Highcroft as required by Rule 24.3 of the Takeover Code. The documents referred to below (or parts thereof), the contents of which have previously been announced through a Regulatory Information Service whilst Highcroft was listed on the Official List and thereafter announced on TISE, are incorporated by reference into this document pursuant to Rule 24.15 of the Takeover Code:

- the audited accounts of Highcroft for the financial year ended 31 December 2023 are set out on pages 41 - 72 (both inclusive) of Highcroft's Annual Report 2023 available from Highcroft's website at <https://www.highcroftplc.com/investor/financial-reports>; and
- the audited accounts of Highcroft for the financial year ended 31 December 2024 are set out on pages 30 - 58 (both inclusive) of Highcroft's Annual Report 2024 available from Highcroft's website at <https://www.highcroftplc.com/investor/financial-reports>.

#### **3 Ratings**

There are no current ratings or outlooks publicly accorded to Highcroft by any ratings agencies.

#### **4 Share Capital**

As at the Latest Practicable Date, Highcroft's share capital was £1,301,664.75 comprising 5,206,659 ordinary shares of 25 pence each (all of which are fully paid or credited as fully paid).



## PART 6

### INFORMATION ON LONDONMETRIC

#### 1 General Information

LondonMetric was incorporated under the laws of England and Wales on 13 January 2010 as a public company limited by shares, with the registered number 07124797.

The principal place of business and registered office of LondonMetric is 1 Curzon Street, London W1J 5HB, United Kingdom, its LEI number is 213800OCERWWPQDURL87 and its website is <https://www.londonmetric.com>. Except as referred to in paragraph 2 of this Part 6 (*Information on LondonMetric*), the contents of LondonMetric's website do not form part of this document.

LondonMetric is a public limited company incorporated in England and Wales and is the holding company of the LondonMetric Group. The LondonMetric Group is a REIT and was formed out of the merger between London & Stamford Property Plc and Metric Property Investments Plc which completed on 25 January 2013. Since 2019, LondonMetric has pursued a strategy of acquisitive growth and has been a principal consolidator in the UK listed real estate market, having completed the acquisition of A&J Mucklow plc in 2019, CT Property Trust Limited in 2023 and LXi REIT plc in 2024. LondonMetric is continuously assessing similar potential opportunities and has a management team which has deep experience in both executing such transactions and integrating acquired portfolios. LondonMetric is the UK's leading triple-net lease REIT with a portfolio aligned to structurally supported sectors of logistics, healthcare, convenience, entertainment and leisure. The LondonMetric Group's objective is to own and manage desirable real estate that can deliver reliable, repetitive and growing income-led total returns and outperform over the long term. LondonMetric has consistently delivered attractive compound-led returns through monetising assets, reinvestment and intensive asset management.

As at the Latest Practicable Date, LondonMetric had a market capitalisation of approximately £3.93 billion and its property portfolio was independently valued as at 31 March 2025 in aggregate at approximately £6.15 billion.

#### 2 Financial Information

The following sets out financial information in respect of LondonMetric as required by Rule 24.3 of the Takeover Code. The documents referred to below (or parts thereof), the contents of which have previously been announced through a Regulatory Information Service, are incorporated by reference into this document pursuant to Rule 24.15 of the Takeover Code:

- the audited accounts of LondonMetric for the financial year ended 31 March 2023 are set out on pages 175-223 (both inclusive) of LondonMetric's Annual Report 2023 available from LondonMetric's website at <https://www.londonmetric.com>;
- the audited accounts of LondonMetric for the financial year ended 31 March 2024 are set out on pages 160-204 (both inclusive) of LondonMetric's Annual Report 2024 available from LondonMetric's website at <https://www.londonmetric.com>; and
- the unaudited condensed consolidated financial statements of LondonMetric for the six months ended 30 September 2024 are set out on pages 28-58 (both inclusive) of LondonMetric's half year results for the six months ended 30 September 2024 available from LondonMetric's website at <https://www.londonmetric.com>.

#### 3 Ratings

Prior to the Offer Period, LondonMetric had been assigned the following ratings from Fitch Ratings:

- long-term issuer default rating: BBB+ (stable outlook); and
- senior unsecured rating: A-.

#### 4 Share Capital

As at the Latest Practicable Date, LondonMetric's share capital was £205,524,999.50 comprising 2,055,249,995 ordinary shares of 10 each (all of which are fully paid or credited as fully paid).

## PART 7

### ADDITIONAL INFORMATION

#### 1 Responsibility

- (a) The Highcroft Directors, whose names are set out in paragraph 2(a) of this Part 7 (*Additional Information*), accept responsibility for all the information contained in this document (including any expressions of opinion and all information in respect of the Highcroft Group which has been incorporated by reference into this document), except for that information for which the LondonMetric Directors accept responsibility in accordance with paragraph 1(b) below. To the best of the knowledge and belief of the Highcroft Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (b) The LondonMetric Directors, whose names are set out in paragraph 2(c) of this Part 7 (*Additional Information*), accept responsibility for the information (including any expressions of opinion and all information in respect of the LondonMetric Group which has been incorporated by reference into this document) contained in this document relating to LondonMetric, the LondonMetric Group, the LondonMetric Directors, their respective close relatives, related trusts and other connected persons and persons acting in concert with LondonMetric (as such term is used in the Takeover Code). To the best of the knowledge and belief of the LondonMetric Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2 Directors

- (a) The Highcroft Directors and their respective functions are:
- |                  |                               |
|------------------|-------------------------------|
| Charles Butler   | <i>Non-Executive Chair</i>    |
| Douglas Conn     | <i>Non-Executive Director</i> |
| Paul Leaf-Wright | <i>Chief Executive</i>        |
| Roberta Miles    | <i>Finance Director</i>       |
| David Warlow     | <i>Non-Executive Director</i> |
- (b) The registered office of Highcroft, which is also the business address of each of the Highcroft Directors, is, Lambourne House, 311-321 Banbury Road, Oxford OX2 7JH.
- (c) The LondonMetric Directors and their respective functions are:
- |                   |                                    |
|-------------------|------------------------------------|
| Andrew Jones      | <i>Chief Executive</i>             |
| Martin McGann     | <i>Finance Director</i>            |
| Alistair Elliott  | <i>Chair</i>                       |
| Andrew Livingston | <i>Independent Director</i>        |
| Suzanne Avery     | <i>Independent Director</i>        |
| Robert Fowlds     | <i>Independent Director</i>        |
| Kitty Patmore     | <i>Independent Director</i>        |
| Suzy Neubert      | <i>Senior Independent Director</i> |
| Nick Leslau       | <i>Non-Independent Director</i>    |
| Sandy Gumm        | <i>Independent Director</i>        |
- (d) The registered office of LondonMetric, which is also the business address of each of the LondonMetric Directors, is 1 Curzon Street, London W1J 5HB.

### 3 Disclosure of Interests and Dealings

For the purposes of this paragraph 3:

<b>acting in concert</b>	has the meaning given to it in the Takeover Code.
<b>arrangement</b>	has the meaning given to it in Note 11 to the definition of “acting in concert” set out in the Takeover Code.
<b>close relatives</b>	has the meaning given to it in the Takeover Code.
<b>dealing</b>	has the meaning given to it in the Takeover Code.
<b>derivative</b>	has the meaning given to it in the Takeover Code.
<b>Disclosure Date</b>	means the close of business on 22 April 2025, being the Latest Practicable Date.
<b>Disclosure Period</b>	means the period commencing on 27 March 2024, being the date 12 months before the commencement of the Offer Period, and ending on the Disclosure Date.
<b>Interested Persons</b>	means, in relation to a director, other persons (including, without limitation, bodies corporate) whose interests that director is taken as having by virtue of the application of Part 22 of the Companies Act.
<b>relevant securities</b>	means the Highcroft Shares, the LondonMetric Shares and securities convertible into, rights to subscribe for, options (including traded options) in respect of and derivatives referenced to the Highcroft Shares and the LondonMetric Shares (as appropriate) and “Highcroft relevant securities” and “LondonMetric relevant securities” shall be construed accordingly.
<b>short positions</b>	means short positions, 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.

#### ***Interests in Highcroft relevant securities***

- (a) At the close of business on the Disclosure Date, the following Highcroft Directors were directly interested in, or had a right to subscribe for, the following Highcroft relevant securities:

<i>Name</i>	<i>Number of Highcroft relevant securities</i>	<i>Percentage of issued share capital</i>
Douglas Conn	145,838	2.80
Roberta Miles	24,181	0.46

Douglas Conn and Roberta Miles have each irrevocably undertaken, in respect of their own beneficial holdings, to vote in favour of the Acquisition.

- (b) At the close of business on the Disclosure Date, the Interested Persons of the Highcroft Directors were interested in, or had a right to subscribe for, the following Highcroft relevant securities:

<i>Name</i>	<i>Number of Highcroft relevant securities</i>	<i>Percentage of issued share capital</i>
Cosmic Securities Limited	330,126	6.34
Stewart & Wight Limited	51,461	0.99
Trustees of 1 <sup>st</sup> Country Pension Scheme	145,748	2.80
Trustees of Esher House Charitable Trust	127,050	2.44
Trustees of 2 <sup>nd</sup> Country Retirement Scheme	93,700	1.80
Trustees of the Michael Trust	26,550	0.51
Louisa Conn	1,200	0.02

All of such persons are Interested Persons of Douglas Conn.

- (c) At the close of business on the Disclosure Date, persons acting in concert with Highcroft were interested in, or had a right to subscribe for, the following Highcroft relevant securities:

<i>Name</i>	<i>Number of Highcroft relevant securities</i>	<i>Percentage of issued share capital</i>
<b>Parties associated with Douglas Conn</b>		
Cosmic Securities Limited	330,126	6.34
Stewart & Wight Limited	51,461	0.99
Michael Conn	167,663	3.22
Trustees of 1 <sup>st</sup> Country Pension Scheme	145,748	2.80
Trustees of Esher House Charitable Trust	127,050	2.44
Trustees of 2 <sup>nd</sup> Country Retirement Scheme	93,700	1.80
Trustees of Michael Trust	26,500	0.51
Hadassa Conn	142,011	2.73
Nicole Weisz	69,000	1.33
Louisa Conn	1,200	0.02
Nathan Conn	2,707	0.05
Jordan Conn	16,993	0.33

### **Interests in LondonMetric relevant securities**

- (d) At the close of business on the Disclosure Date, LondonMetric and the LondonMetric Directors (together with their Interested Persons) and persons acting in concert with LondonMetric were interested in, or had a right to subscribe for, the following LondonMetric relevant securities:

<i>Name</i>	<i>Number of LondonMetric relevant securities</i>	<i>Percentage of total issued share capital (excl. share options)</i>
Andrew Jones	5,742,363	0.28
Martin McGann	3,134,686	0.15
Alistair Elliott	90,000	<0.01
Andrew Livingston	106,830	0.01
Suzanne Avery	27,050	<0.01
Robert Fowlds	136,780	0.01
Kitty Patmore	15,000	<0.01
Suzy Neubert	39,505	<0.01
Nick Leslau*	26,408,755	1.28
Sandy Gumm	351,640	0.02

\* Of which: 2,042,895 LondonMetric relevant securities are owned by Yoginvest Ltd (in respect of which Nick Leslau is a director and the sole shareholder); and 24,365,860 LondonMetric relevant securities are owned by Prestbury Investment Holdings Limited (in respect of which Nick Leslau is a director and holds a controlling indirect interest and Sandy Gumm is a director and a shareholder).

- (e) At the close of business on the Disclosure Date, persons acting in concert with LondonMetric were interested in, or had a right to subscribe for, the following LondonMetric relevant securities:

<i>Name</i>	<i>Number of LondonMetric relevant securities</i>	<i>Percentage of total issued share capital (excl. share options)</i>
J. P. Morgan Chase Bank, National Association	12	0.00

- (f) At the close of business on the Disclosure Date, the following awards in respect of LondonMetric Shares had been granted to LondonMetric Directors and remained outstanding:

<i>Name</i>	<i>Award</i>	<i>Grant Date</i>	<i>Number of LondonMetric Shares under option**</i>	<i>Performance Period*</i>
Andrew Jones	LTIP	06/06/2022	564,009	01/04/2022 to 31/03/2025
	LTIP	02/06/2023	777,620	01/04/2023 to 31/03/2026
	LTIP	13/06/2024	847,751	01/04/2024 to 31/03/2027
Martin McGann	LTIP	06/06/2022	292,275	01/04/2022 to 31/03/2025
	LTIP	02/06/2023	410,495	01/04/2023 to 31/03/2026
	LTIP	13/06/2024	458,976	01/04/2024 to 31/03/2027

\* Vesting is for a period of at least three years from the date of grant, or such other period as determined by LondonMetric's remuneration committee, subject to performance conditions.

\*\* Figures include the incremental number of shares which the participant is entitled to receive on vesting of the award as a result of the total dividend increases which are accrued during the vesting period.

### Dealings in LondonMetric relevant securities

- (g) During the Disclosure Period LondonMetric and the LondonMetric Directors dealt in the following LondonMetric relevant securities:

Name	Transaction type	Number of LondonMetric relevant securities	Dealing Date	Price per LondonMetric relevant security (p)
Andrew Jones	Grant of awards under LTIP	797,051	13/06/24	Nil
	Vesting of awards under LTIP	508,815	17/06/24	N/A
	Sale of LondonMetric Shares	239,863	17/06/24	194.72
Martin McGann	Purchase of LondonMetric Shares following re-investment of dividend	343	11/04/24	197.27
	Grant of awards under LTIP	431,528	13/06/24	Nil
	Vesting of awards under LTIP	246,662	17/06/24	N/A
	Sale of LondonMetric Shares	116,280	17/06/24	194.7
	Purchase of LondonMetric Shares following re-investment of dividend	429	13/08/24	198.88
	Sale of LondonMetric Shares	500,000	30/09/24	203.7
	Purchase of LondonMetric Shares following re-investment of dividend	412	14/10/24	200.59
	Purchase of LondonMetric Shares following re-investment of dividend	436	12/02/25	190.99
	Scrip Dividend Entitlement	480	11/04/25	177.3
	Purchase of LondonMetric Shares	362	11/04/24	196.3
Suzy Neubert	Purchase of LondonMetric Shares following re-investment of dividend	510	13/08/24	197.83
	Purchase of LondonMetric Shares following re-investment of dividend			
	Purchase of LondonMetric Shares following re-investment of dividend	433	14/10/24	199.56
	Purchase of LondonMetric Shares following re-investment of dividend	460	12/02/25	190.04
	Purchase of LondonMetric Shares following re-investment of dividend	501	15/04/25	185.56
	Purchase of LondonMetric Shares following re-investment of dividend			
Nick Leslau	Sale of LondonMetric Shares*	26,379,367	06/06/24	206.6
	Purchase of LondonMetric Shares**	26,379,367	06/06/24	206.6
	Sale of LondonMetric Shares***	26,379,367	13/03/25	178.72
Sandy Gumm	Sale of LondonMetric Shares****	26,379,367	06/06/24	206.6
	Purchase of LondonMetric Shares*****	26,379,367	06/06/24	206.6
	Sale of LondonMetric Shares*****	26,379,367	13/03/25	178.72

\* This sale was made by Prestbury Incentives Limited to its immediate parent, Prestbury Management Holdings Limited. Nick Leslau and Sandy Gumm are directors and shareholders of Prestbury Management Holdings Limited.

\*\* This purchase was made by Prestbury Management Holdings Limited from its subsidiary undertaking, Prestbury Incentives Limited. Nick Leslau and Sandy Gumm are directors and shareholders of Prestbury Management Holdings Limited.

\*\*\* This sale was made by Prestbury Management Holdings Limited to third parties. Nick Leslau and Sandy Gumm are directors and shareholders of Prestbury Management Holdings Limited.

\*\*\*\* This sale was made by Prestbury Incentives Limited to its immediate parent, Prestbury Management Holdings Limited. Nick Leslau and Sandy Gumm are directors and shareholders of Prestbury Management Holdings Limited.

\*\*\*\*\* This purchase was made by Prestbury Management Holdings Limited from its subsidiary undertaking, Prestbury Incentives Limited. Nick Leslau and Sandy Gumm are directors and shareholders of Prestbury Management Holdings Limited.

\*\*\*\*\* This sale was made by Prestbury Management Holdings Limited to third parties. Nick Leslau and Sandy Gumm are directors and shareholders of Prestbury Management Holdings Limited.



## *General*

- (h) As at the Disclosure Date, neither LondonMetric, the LondonMetric Directors, any of the close relatives and related trusts of the LondonMetric Directors nor any other persons acting in concert with LondonMetric are interested in, or have a right to subscribe for, or holds a short position (whether conditional or absolute and whether in the money or otherwise) in relation to, any Highcroft relevant securities, nor has any such person dealt in any Highcroft relevant securities during the Disclosure Period.
- (i) Save as disclosed above, as at the Disclosure Date, neither LondonMetric, the LondonMetric Directors, any of the close relatives or related trusts of the LondonMetric Directors nor any other persons acting in concert with LondonMetric are interested in, or have a right to subscribe for, or holds a short position (whether conditional or absolute and whether in the money or otherwise) in relation to, any LondonMetric relevant securities, nor has any such person dealt in any LondonMetric relevant securities during the Disclosure Period.
- (j) As at the Disclosure Date, neither LondonMetric nor any person acting in concert with LondonMetric has borrowed or lent any Highcroft relevant securities or any LondonMetric relevant securities (including, in each case, for these purposes any financial collateral arrangements of the kind referred to in Note 4 of Rule 4.6 of the Takeover Code), save for any borrowed shares which have been either on-lent or sold.
- (k) As at the Disclosure Date, no dealings in Highcroft relevant securities by LondonMetric, the LondonMetric Directors, their close relatives and related trusts, other persons acting in concert with LondonMetric or any person with whom LondonMetric or any person acting in concert with LondonMetric has any arrangement of the kind referred to in Note 11 on the definition of 'acting in concert' under the Takeover Code, have taken place during the Disclosure Period.
- (l) Save as disclosed above, as at the Disclosure Date, no dealings in LondonMetric relevant securities by LondonMetric, the LondonMetric Directors, their close relatives and related trusts, other persons acting in concert with LondonMetric or any person with whom LondonMetric or any person acting in concert with LondonMetric has any arrangement of the kind referred to in Note 11 on the definition of 'acting in concert' under the Takeover Code, have taken place during the Disclosure Period.
- (m) As at the Disclosure Date, neither Highcroft, the Highcroft Directors, any of the close relatives and related trusts of the Highcroft Directors nor any other persons acting in concert with Highcroft are interested in, or have a right to subscribe for, or holds a short position (whether conditional or absolute and whether in the money or otherwise) in relation to, any LondonMetric relevant securities, nor has any such person dealt in any LondonMetric relevant securities.
- (n) Save as disclosed above, as at the Disclosure Date, neither Highcroft, the Highcroft Directors, any of the close relatives or related trusts of the Highcroft Directors nor any other persons acting in concert with Highcroft are interested in, or have a right to subscribe for, or holds a short position (whether conditional or absolute and whether in the money or otherwise) in relation to, any Highcroft relevant securities, nor has any such person dealt in any Highcroft relevant securities during the Disclosure Period.
- (o) As at the Disclosure Date, neither Highcroft nor any person acting in concert with Highcroft has borrowed or lent any LondonMetric relevant securities or any Highcroft relevant securities (including, in each case, for these purposes any financial collateral arrangements of the kind referred to in Note 4 of Rule 4.6 of the Takeover Code), save for any borrowed shares which have been either on-lent or sold.
- (p) As at the Disclosure Date, no dealings in Highcroft relevant securities by Highcroft, the Highcroft Directors, their close relatives and related trusts, other persons acting in concert with Highcroft or any person with whom Highcroft or any person acting in concert with Highcroft has any arrangement of the kind referred to in Note 11 on the definition of 'acting in concert' under the Takeover Code, have taken place during the Disclosure Period.
- (q) As at the Disclosure Date, no dealings in LondonMetric relevant securities by Highcroft, the Highcroft Directors, their close relatives and related trusts, other persons acting in concert with Highcroft or any person with whom Highcroft or any person acting in concert with Highcroft has any arrangement of

the kind referred to in Note 11 on the definition of 'acting in concert' under the Takeover Code, have taken place during the Disclosure Period.

- (r) Save as disclosed above and in paragraph 4 below, as at the Disclosure Date, no arrangement of the kind referred to in Note 11 on the definition of acting in concert exists between LondonMetric, or any person acting in concert with LondonMetric, and any other person.

#### **4 Irrevocable undertakings from certain Highcroft Directors in respect of Highcroft Shares**

- (a) Each of the Highcroft Directors who is interested in Highcroft Shares has given an irrevocable undertaking in respect of their own beneficial holdings of Highcroft Shares to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), amounting, in aggregate, to 170,019 Highcroft Shares representing approximately 3.27 per cent. of the issued share capital of Highcroft as at the close of business on the Latest Practicable Date.
- (b) Such irrevocable commitments are in respect of the following Highcroft relevant securities:

<i>Name</i>	<i>Number of Highcroft Shares in respect of which undertaking is given</i>	<i>Percentage of Highcroft Shares in issue at the Latest Practicable Date</i>
Douglas Conn	145,838	2.80
Roberta Miles	24,181	0.46

- (c) These irrevocable undertakings will cease to be binding if:
- (i) the Acquisition terminates or lapses in accordance with its terms; or
  - (ii) the Scheme has not become effective, or the Takeover Offer has not been declared unconditional in all respects (as the case may be), in accordance with the requirements of the Takeover Code by 6.00 p.m. on the Long-stop Date or such later time or date as agreed between LondonMetric and Highcroft with the approval of the Court and/or the Panel, if required.
- (d) Copies of these irrevocable undertakings are available on the Highcroft website at <https://www.highcroftplc.com> and on the LondonMetric website at <https://www.londonmetric.com> and will remain on display until the end of the Offer Period.

#### **5 Irrevocable undertakings from certain Highcroft Shareholders in respect of Highcroft Shares**

- (a) The following Highcroft Shareholders have given irrevocable undertakings in respect of their own beneficial and/or legal holdings of Highcroft Shares to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), amounting in aggregate to 2,964,517 Highcroft Shares, representing approximately 56.94 per cent. of the issued share capital of Highcroft as at the close of business on the Latest Practicable Date.

- (b) Such irrevocable commitments are in respect of the following Highcroft relevant securities:

<i>Name</i>	<i>Number of Highcroft Shares in respect of which undertaking is given</i>	<i>Percentage of Highcroft Shares in issue at the Latest Practicable Date</i>
Kingerlee Limited	515,000	9.89
TH Kingerlee & Sons Limited	494,770	9.50
Kingerlee Homes Limited	411,293	7.90
Cosmic Securities Limited	330,126	6.34
Michael Conn	167,663	3.22
Barnett Waddingham Trustees Limited, Douglas Conn and Nicole Weisz as trustees of 1 <sup>st</sup> Country Pension Scheme	145,748	2.80
Hadassa Conn	142,011	2.73
Douglas Conn as trustee of The Esher House Charitable Trust	127,050	2.44
Janice Kingerlee	95,540	1.83
Douglas Conn as trustee of The 2 <sup>nd</sup> Country Retirement Scheme	93,700	1.80
Clare Campbell	78,126	1.50
David Kingerlee	51,770	0.99
Stewart & Wight Limited	51,461	0.99
Nicole Weisz	50,000	0.96
Thomas Wilsdon	49,228	0.95
Ann Wilsdon	38,256	0.73
Richard Wilsdon	38,158	0.73
Claire Wilsdon	28,899	0.56
Douglas Conn as trustee of The Michael Trust	26,550	0.51
Mariana Kingerlee	19,445	0.37
Henry Kingerlee	9,723	0.19

- (c) These irrevocable undertakings will cease to be binding if:
- (i) the Acquisition terminates or lapses in accordance with its terms; or
  - (ii) the Scheme has not become effective, or the Takeover Offer has not been declared unconditional in all respects (as the case may be), in accordance with the requirements of the Takeover Code by 6.00 p.m. on the Long-stop Date or such later time or date as agreed between LondonMetric and Highcroft with the approval of the Court and/or the Panel, if required.
- (d) Copies of these irrevocable undertakings are available on the Highcroft website at <https://www.highcroftplc.com> and on the LondonMetric website at <https://www.londonmetric.com> and will remain on display until the end of the Offer Period.

## 6 Summary of Rights Attaching to New LondonMetric Shares

In this summary, reference to LondonMetric Shareholders includes Highcroft Shareholders who will hold New LondonMetric Shares following the issue of New LondonMetric Shares to Highcroft Shareholders in accordance with the Scheme:

(a) **Type and class of securities being offered**

In consideration of the Acquisition, LondonMetric intends to issue the New LondonMetric Shares to the Scheme Shareholders. The ISIN of the New LondonMetric Shares is GB00B4WFW713.

(b) **Currency of the securities**

The currency in respect of the LondonMetric Shares and the New LondonMetric Shares is Pounds Sterling.

(c) **Number of shares in issue**

As at the close of business on the Latest Practicable Date, there were 2,055,249,995 fully paid LondonMetric Shares in issue.

(d) **Description of the rights attaching to the securities**

The New LondonMetric Shares will, when issued, rank *pari passu* in all respects with the LondonMetric Shares in issue at the time the New LondonMetric Shares are issued, including the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the Effective Date. For the avoidance of doubt, the New LondonMetric Shares will not rank for any LondonMetric Permitted Dividend.

(e) **Restrictions on the free transferability of the securities**

The LondonMetric Shares are freely transferrable subject to the following restrictions which are contained in the articles of association of LondonMetric: (i) the LondonMetric Board may decline to recognise any instrument or transfer unless it is: (a) in respect of only one class of shares; (b) in favour of not more than four joint transferees; (c) duly stamped (if required); (d) not in favour of a minor, infant, bankrupt or person with mental disorder; and (e) lodged at the registered office of LondonMetric, accompanied by the certificate for the shares to be transferred and such other evidence as the LondonMetric Directors may reasonably require to show the right of the transferor to make the transfer; (ii) the LondonMetric Board may refuse to register any transfer of a certificated share which is not fully paid; and (iii) the LondonMetric Board may, in circumstances permitted by the FCA and the London Stock Exchange, disprove a transfer of any share, provided that exercise of such powers does not disturb the market in the shares. The making of the proposed offer of New LondonMetric Shares to persons located or 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 laws or regulatory requirements of the relevant jurisdiction, which may include restrictions on the free transferability of such New LondonMetric Shares.

(f) **Admission**

The existing LondonMetric Shares are listed on the equity shares (commercial companies) category of the Official List and are admitted to trading on the Main Market. Application will be made to the FCA and to the London Stock Exchange for the New LondonMetric Shares to be admitted to the equity shares (commercial companies) category of the Official List and to trading on the Main Market respectively. It is expected that the New LondonMetric Shares will be admitted to trading on the London Stock Exchange at or shortly after 8.00 a.m. on the first Business Day following the Effective Date and dealings for normal settlement in the New LondonMetric Shares will commence at or shortly after that time. No application is currently intended to be made for New LondonMetric Shares to be admitted to trading or dealt with on any other exchange.

(g) **Dividend policy**

It is the intention of the LondonMetric Directors that LondonMetric will pay dividends from surplus income, to the extent that such income is distributable, in line with its dividend policy. Where opportunities exist that fit the LondonMetric Group's strategy, the LondonMetric Group may reinvest disposal proceeds. LondonMetric is required by the UK REIT rules to meet a minimum distribution test for each year that it is the principal company of a group UK REIT. This minimum distribution test requires LondonMetric to distribute 90 per cent. of the income profits of the qualifying property rental business for each year. The issue of scrip dividends counts towards the minimum distribution test. The LondonMetric Board continues to believe that a continuation of LondonMetric's dividend policy of recent years will enable LondonMetric to continue to meet this minimum distribution requirement. There can be no guarantee as to the amount of any dividend payable by LondonMetric.

## **7 Market Quotations**

The following tables set out the middle market quotations for Highcroft Shares and LondonMetric Shares derived from TISE (in the case of Highcroft) and the Daily Official List (in the case of LondonMetric), for: (i) the first Business Day in each month from 1 November 2024 to 1 April 2025, (ii) 26 March 2025 (the last

Business Day before the commencement of the Offer Period) and (iii) 22 April 2025, being the Latest Practicable Date:

### **Highcroft Shares**

<i>Relevant date</i>	<i>Highcroft Share price (p)</i>
1 November 2024	600
2 December 2024	600
2 January 2025	600
3 February 2025	600
3 March 2025	600
26 March 2025	600
1 April 2025	600
22 April 2025	650

### **LondonMetric Shares**

<i>Relevant date</i>	<i>LondonMetric Share price (p)</i>
1 November 2024	194.4
2 December 2024	190.9
2 January 2025	179.8
3 February 2025	184.8
3 March 2025	185.0
26 March 2025	181.1
1 April 2025	182.3
22 April 2025	191.0

## **8 Non-Executive Highcroft Directors**

- (a) Each of the Non-Executive Highcroft Directors has entered into a letter of appointment with Highcroft. The principal terms of these letters of appointment are as follows:

<i>Name</i>	<i>Date of letter of appointment</i>	<i>Unexpired term</i>	<i>Annual fees</i>
Charles Butler	2 January 2024	20 months (subject to re-election)	£58,000
Douglas Conn	1 May 2024	24 months (subject to re-election)	£11,000
David Warlow	1 August 2022	3 months (subject to re-election)	£11,000

- (b) Each Non-Executive Highcroft Director has a three year fixed term letter of appointment, subject to re-election at Highcroft's annual general meeting and terminable by either party on six months' written notice.
- (c) No Non-Executive Highcroft Director is entitled to commission or profit sharing arrangements. No compensation (beyond entitlement to be paid their notice) is payable by Highcroft to any Non-Executive Highcroft Director upon termination of their appointment.
- (d) There are no service contracts between any member of the Highcroft Group and any Non-Executive Highcroft Director, and no such service contract has been entered into or amended within six months preceding the date of this document.
- (e) All Non-Executive Highcroft Directors' letters of appointment will be terminated with effect from the Effective Date.

## 9 Executive Highcroft Directors

- (a) Each executive Highcroft Director has entered into a service contract with Highcroft.
- (b) The principal terms of these service contracts are as follows:

<i>Name</i>	<i>Date of contract</i>	<i>Mutual notice period</i>	<i>Current annual base salary</i>
Paul Leaf-Wright	3 January 2023	6 months	£75,000
Roberta Miles	7 December 2017	6 months	£180,000

- (c) Each executive Highcroft Director has a rolling contract of employment with no fixed term, which entitles them to the length of notice indicated in the table above, other than for cause. No such service contract has been entered into or amended within six months preceding the date of this document.
- (d) The executive Highcroft Directors' service contracts allow for termination with contractual notice from Highcroft or an enforced period of garden leave or payment in lieu of notice.
- (e) The executive Highcroft Directors are eligible to participate in the Company's bonus plan. The executive Highcroft Directors may be granted a performance-related bonus amount each year, up to the maximum amount set out in the directors' remuneration policy approved by Highcroft's shareholders.
- (f) Each of the executive Highcroft Directors may elect to receive cash payments in lieu of pension contributions equivalent to 3 per cent. of their respective base annual salaries. No other benefits in kind are provided by the Company to the executive Highcroft Directors.
- (g) Paul Leaf-Wright, the Chief Executive of Highcroft, will step down from the Combined Group upon completion of the Acquisition. Roberta Miles, the Finance Director of Highcroft, will remain with the Combined Group for a short period of approximately three to six months following completion of the Acquisition to ensure an orderly handover.

## 10 Material Contracts

(a) **Highcroft**

Neither Highcroft nor any of its subsidiaries has, during the period beginning on 26 March 2023 and ending on 22 April 2025 (being the Latest Practicable Date) entered into any material contract otherwise than in the ordinary course of business.

(b) **LondonMetric**

Save as disclosed below, LondonMetric has not, during the period beginning on 26 March 2023 and ending on 22 April 2025 (being the Latest Practicable Date) entered into any material contract otherwise than in the ordinary course of business.

(i) *£700 million Revolving and Term Facilities Agreement*

On 10 January 2024, LondonMetric entered into a commitment letter (the "**Commitment Letter**") with Barclays Bank Plc, National Westminster Bank Plc, ABN AMRO Bank N.V., Banco Santander, S.A., London Branch, Santander UK Plc and HSBC UK Bank plc as "**Lenders**", under which the Lenders offered, subject to certain conditions, to enter into an English law governed unsecured £700,000,000 revolving and term facilities agreement within five business days of a request of LondonMetric. On 13 March 2024, LondonMetric entered into a revolving and term facilities agreement with, amongst others, the Lenders (the "**Facilities Agreement**").

The Facilities Agreement comprises a £560,000,000 revolving facility and a £140,000,000 term facility. The revolving facility has a term of four years and the term facility has a term of two years, in each case from the date of the Commitment Letter. LondonMetric has the option to extend the term in respect of both the revolving and term facilities by one year, and by a further year in respect of the revolving facility. If the term is extended, LondonMetric must pay an extension fee in an amount to be agreed at the time of the extension request, and which will become payable on the date of extension of the relevant termination date. LondonMetric may, subject to approval



from a Lender, increase the total commitments of the revolving facility by an aggregate maximum amount of £175,000,000. LondonMetric also has the option to draw-down up to £100,000,000 of the revolving facility in Euros. Under the Facilities Agreement, LondonMetric is the borrower and certain subsidiaries act as guarantors. National Westminster Bank Plc is the facility agent, and also acts as co-ordinator alongside Barclays Bank Plc, with HSBC UK Bank Plc as sustainability co-ordinator.

#### *Purpose*

The Facilities Agreement must be used to repay the loans under certain facility arrangements but can also be used for general corporate purposes.

#### *Financial Covenants*

There are financial covenants requiring: interest cover for each period of 12 months ending on the last day of the financial year of LondonMetric to be not less than 1.50:1; the ratio of consolidated total unsecured debt to property value not to exceed 60 per cent.; and the total consolidated net borrowings not to exceed 125 per cent. of consolidated shareholders' funds.

#### *Guarantors*

There is a requirement that: any material subsidiary become a guarantor within 60 days of a compliance certificate identifying it as a material subsidiary; and the gross assets of the guarantors contribute not less than 85 per cent. of the gross assets of the LondonMetric Group.

#### *Events of Default, Prepayment and Termination*

The events of default include, but are not limited to, non-payment, misrepresentation, cross-default and insolvency.

A prepayment event will occur if any person (or group of persons acting in concert) gains control of LondonMetric.

LondonMetric may, on five business days' or RFR banking days' (respectively) prior notice, cancel or voluntarily prepay the whole or any part of the facilities.

#### *Interest*

The rate of interest per annum is calculated as the aggregate of:

- a margin of between 1.45 per cent. and 2.20 per cent. in respect of the revolving facility and between 1.55 per cent. and 2.30 per cent. in respect of the term facility; and
- if the loan is made in pounds sterling, the daily non-cumulative compounded SONIA; or
- if the loan is made in Euros, EURIBOR.

#### *Commitment/utilisation Fee*

LondonMetric is obliged to pay a commitment fee at a rate of 40 per cent. of the relevant margin for the period from the date of the Facilities Agreement until the relevant commitment/utilisation fee payment date which will fall before the end of the availability period for the revolving facility on the last day of such availability period, and if cancelled in full, on the cancelled amount of the revolving facility commitment at the time cancellation is effective.

LondonMetric is also obliged to pay a utilisation fee in respect of the revolving facility on each commitment/utilisation fee payment date, which is calculated at the rate of:

- for each day on which the aggregate amount of the revolving facility loans is less than 67 per cent. of the total revolving facility commitments, 0.15 per cent. per annum; and
- for each day on which the aggregate amount of the revolving facility loans is equal to or greater than 67 per cent. of the total revolving facility commitments, 0.30 per cent. per

annum, in each case, on the amount of each Lender's participation in the revolving facility loans.

If a Lender's revolving facility commitment is cancelled in full, on the date of cancellation the relevant utilisation fee shall be due.

#### *Assignment*

A Lender may assign any of its rights or transfer by novation or sub-participate any of its rights and obligations:

- with LondonMetric's consent, which is not to be unreasonably withheld or delayed unless the assignment is to a restricted assignee, to another bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets;
- to another Lender or affiliate of a Lender; and
- at any time when an event of default is continuing.

#### *Sustainability*

LondonMetric entered into a Sustainability Terms Supplement with the facility agent on 23 December 2024 for the purpose of having the facilities classified as sustainability-linked facilities (subject to LondonMetric continuing to satisfy certain sustainability requirements). The Facilities Agreement contains an adjustment to the margin used to calculate interest which, pursuant to the Sustainability Terms Supplement, is calculated with reference to sustainability performance, which can range from a decrease of 0.020 per cent. to an increase of 0.020 per cent.

#### *Governing Law*

The Facilities Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

## **11 Concert Parties**

- (a) In addition to the LondonMetric Directors (together with their close relative and related trusts) and members of the Wider LondonMetric Group, the persons who, for the purposes of the Takeover Code, are acting in concert with LondonMetric in respect of the Acquisition are:

<i>Name</i>	<i>Registered office</i>	<i>Relationship with LondonMetric</i>
Peel Hunt LLP	100 Liverpool Street London EC2M 2AT	Financial adviser and corporate broker
Barclays Bank plc	1 Churchill Place London E14 5HP	Corporate broker
J.P. Morgan Cazenove	25 Bank Street Canary Wharf, London E14 5JP	Corporate broker

- (b) In addition to the Highcroft Directors (together with their close relatives and related trusts) and members of the Wider Highcroft Group, the persons who, for the purposes of the Takeover Code, are acting in concert with Highcroft in respect of the Acquisition are:

<i>Name</i>	<i>Registered office</i>	<i>Relationship with Highcroft</i>
Shore Capital and Corporate Limited	Cassini House, 57 St James's Street, London SW1A 1LD	Financial Adviser and Rule 3 Adviser
Cube Management Limited	2nd Floor, Gaspé House, St Helier, Jersey JE1 1GH	Property Asset Manager

## **12 Governing Law**

The Scheme shall be governed by and construed in accordance with the laws of England and Wales. The English courts shall have exclusive jurisdiction for determining any matter which may arise under or in connection with the Scheme.

## **13 Post-Offer Undertakings**

No statements in this document constitute “post-offer undertakings” for the purposes of Rule 19.5 of the Takeover Code.

## **14 Offer-Related Arrangements**

### ***Confidentiality Agreement***

LondonMetric and Highcroft entered into the Confidentiality Agreement (which contains confidentiality obligations) pursuant to which LondonMetric has undertaken to keep confidential, and to procure that certain of its representatives keep confidential, information relating to Highcroft and/or to the Acquisition, to use such information solely for the agreed purposes in relation to the Acquisition and not to disclose it to third parties (other than to permitted disclosees) unless required by law or regulation.

## **15 Sources and Bases**

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

- (a) All Closing Prices for: (a) LondonMetric Shares have been derived from the Daily Official List; and (b) Highcroft Shares have been derived from TISE, and in each case represent the Closing Price of the relevant shares on the relevant date;
- (b) As at the close of business on the Latest Practicable Date, there were 2,055,249,995 LondonMetric Shares in issue and admitted to trading on the Main Market of the London Stock Exchange under the ISIN code GB00B4WFW713;
- (c) As at the close of business on the Latest Practicable Date, there were 5,206,659 Highcroft Shares in issue and admitted to trading on TISE under the ISIN code GB0004254875;
- (d) Unless otherwise stated, the financial information relating to LondonMetric is extracted from the unaudited consolidated interim financial statements contained in the interim results of LondonMetric for the period ended 30 September 2024;
- (e) Unless otherwise stated, the financial information relating to Highcroft is extracted from the published audited consolidated accounts of Highcroft for the financial year ended 31 December 2024;
- (f) The consensus estimate for LondonMetric’s dividend per share of 12.4 pence per share in respect of its financial year ended 31 March 2026 has been derived from LSEG Workspace; and
- (g) Certain figures in this document have been subject to rounding adjustments.

## **16 General**

- (a) Save as disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between LondonMetric or any party acting in concert with LondonMetric and any of the Highcroft Directors, recent directors, Highcroft Shareholders or recent shareholders of Highcroft or any person interested or recently interested in shares of Highcroft, having any connection with or dependence on, or which is conditional upon the outcome of, the Acquisition.
- (b) Save as disclosed in this document, no proposal exists in connection with the Acquisition that any payment or other benefit will be made or given to any of the Highcroft Directors as compensation for loss of office or as consideration for, or in connection with, his or her retirement from office.
- (c) Save as disclosed in this document, the emoluments of the Highcroft Directors and the LondonMetric Directors will not be affected by the Acquisition or any associated transaction.

- (d) Save as disclosed in this document, no management incentivisation arrangements, as envisaged by Rule 16.2 of the Takeover Code, have been entered into or are proposed in connection with the Acquisition.
- (e) Save as disclosed in this document, there is no agreement, arrangement or understanding under which any securities acquired pursuant to the Acquisition will be transferred to any other person, save that LondonMetric reserves the right to transfer any such securities to any other member of the Wider LondonMetric Group or its nominee.
- (f) Save for the irrevocable undertakings described in paragraphs 4 and 5 of this Part 7 (*Additional Information*) neither:
- (i) LondonMetric, nor any person acting in concert with LondonMetric; nor
  - (ii) Highcroft, nor any person acting in concert with Highcroft,

has any arrangement (including any indemnity or option arrangement), agreement or understanding, formal or informal, of whatever nature relating to Highcroft relevant securities or LondonMetric relevant securities, which may be an inducement to deal or refrain from dealing, with any other person.

- (g) There is no agreement to which LondonMetric is a party which relates to the circumstances in which it may, or may not, invoke a Condition to the Acquisition.
- (h) The financial information on LondonMetric and Highcroft contained in this document does not constitute statutory accounts within the meaning of Section 434 of the Companies Act.
- (i) The aggregate fees and expenses expected to be incurred by LondonMetric in connection with the Acquisition are estimated to amount to approximately £1,578,000 (exclusive of VAT). This aggregate number consists of the following categories (in each case exclusive of VAT)

(i) Financing arrangements	£Nil
(ii) Financial and corporate broking advice	£375,000
(iii) Legal advice	£518,000
(iv) Accounting advice	£Nil
(v) Public relations advice	£Nil
(vi) Other professional services	£520,000
(vii) Other costs and expenses	£165,000

In addition, stamp duty of 0.5 per cent. on the purchase price of Highcroft Shares acquired pursuant to the Acquisition (amounting approximately to £230,000), will be payable by LondonMetric pursuant to the Acquisition.

- (j) The aggregate fees and expenses expected to be incurred by Highcroft in connection with the Acquisition are estimated to amount to approximately £696,000 (exclusive of VAT) and other taxes. This aggregate number consists of the following categories (in each case exclusive of VAT):
- |                                            |          |
|--------------------------------------------|----------|
| (i) Financial and corporate broking advice | £225,000 |
| (ii) Legal advice <sup>(1)</sup>           | £315,000 |
| (iii) Accounting advice                    | £Nil     |
| (iv) Public relations advice               | £Nil     |
| (v) Other professional services            | £126,000 |
| (vi) Other costs and expenses              | £30,000  |

<sup>(1)</sup> Amount includes counsel's fees for services in connection with the court process relating to the Scheme. The total does not include disbursements.

## 17 UK taxation consequences for Scheme Shareholders

**The information on taxation in this document is intended as a general guide only and is not a substitute for professional tax advice. The tax consequences of the Scheme for a Scheme Shareholder will depend on their particular circumstances. Any Highcroft Shareholders who are in any doubt about their tax position, or who may be subject to tax in a jurisdiction other than the United Kingdom, are strongly advised to contact an appropriate independent professional adviser without delay.**

### **UK taxation**

The following comments are based on current United Kingdom tax law as applied in England and Wales and what is understood to be HM Revenue & Customs (“**HMRC**”) published practice (which may not be binding on HMRC) as at the date of this document. Both the law and HMRC’s published practice can change, and changes can have retrospective effect.

The comments provide a limited summary of the UK tax treatment of the Scheme for Highcroft Shareholders who hold shares in Highcroft as an investment and are the absolute beneficial owner of the shares.

The comments do not apply to certain categories of Highcroft Shareholders, who are subject to special tax rules, including (but not limited to) dealers in securities, those subject to UK tax on the remittance basis, those carrying on certain financial or insurance activities, those who hold their Highcroft Shares through an individual savings account, those that are, or hold for the benefit of, collective investment schemes, those subject to specific tax regimes or benefiting from certain reliefs and exemptions, those connected with Highcroft or the Highcroft Group and those for whom the shares are employment-related securities.

The comments do not address any possible tax consequences relating to an investment in New LondonMetric Shares.

### **UK tax on chargeable gains**

A Scheme Shareholder’s liability to UK tax on chargeable gains will depend on their particular circumstances. A Scheme Shareholder who receives New LondonMetric Shares in exchange for their Highcroft Shares and does not hold (either alone or together with persons connected with such Scheme Shareholder) more than 5 per cent. of, or of any class of, shares in or debentures of Highcroft, will not be treated as having made a disposal of their Highcroft Shares. Instead, the New LondonMetric Shares will be treated as the same asset as those Highcroft Shares acquired at the same time and for the same consideration as those shares.

A Scheme Shareholder who holds (either alone or together with persons connected with such Scheme Shareholder) more than 5 per cent. of, or of any class of, shares in or debentures of Highcroft will be eligible for the above treatment only if the Scheme is effected for *bona fide* commercial reasons and does not form part of a scheme or arrangement of which the main purpose, or one of the main purposes, is an avoidance of liability to UK capital gains tax or corporation tax. Scheme Shareholders are advised that an application has not been made and is not expected to be made to HMRC for clearance under Section 138 of the Taxation of Chargeable Gains Act 1992 to confirm that HMRC is satisfied the Scheme will be effected for *bona fide* commercial reasons and will not form part of any such scheme or arrangements.

If a Scheme Shareholder receives cash (in respect of a fractional entitlement to New LondonMetric Shares) in addition to New LondonMetric Shares, in circumstances where the amount of cash the Scheme Shareholder receives is (i) small in comparison with the value of the Highcroft Shares held by the Scheme Shareholder and (ii) less than the base cost attributable to the Highcroft Shares, the Scheme Shareholder will not be treated as having disposed of the shares in respect of which the cash is received. Instead, the amount of the cash will be deducted from the base cost of the Scheme Shareholders’ New LondonMetric Shares for the purposes of computing any chargeable gain or allowable loss on a future disposal of the New LondonMetric Shares. Under current HMRC practice, a cash payment of £3,000 or less or (if greater) which is 5 per cent. or less of the market value of a Scheme Shareholder’s holding of Highcroft Shares should generally be treated as small for these purposes.

In any other cases, a Scheme Shareholder receiving cash in respect of a fractional entitlement to New LondonMetric Shares will be treated as having made a part disposal of their Highcroft Shares. Any

chargeable gain will be computed on a basis that apportions the allowable cost of the Scheme Shareholder's holding of Highcroft Shares by reference to the market value at the time of the disposal.

Subject to any available exemption or relief:

- (a) any gain made by an individual Scheme Shareholder (whether resident for tax purposes in the United Kingdom or elsewhere) will be charged to capital gains tax at rates of up to 24 per cent.; and
- (b) any gains made by a Scheme Shareholder that is a company (whether resident for tax purposes in the United Kingdom or elsewhere) will be charged to corporation tax at rates of up to 25 per cent.

### ***UK stamp duty and stamp duty reserve tax ("SDRT")***

No UK stamp duty or SDRT should generally be payable by Scheme Shareholders on the exchange of their Scheme Shares for New LondonMetric Shares under the Scheme.

## **18 Valuation**

- (a) For the purposes of Rule 29.5 of the Takeover Code, the Highcroft Directors confirm that Knight Frank has confirmed to Highcroft that the value of Highcroft's property portfolio as at the date of this document would not be materially different to the valuation given by Knight Frank as at 31 December 2024 and contained in the Knight Frank valuation report set out in Schedule 1 of this document.
- (b) For the purposes of Rule 29.5 of the Takeover Code, the LondonMetric Directors confirm that CBRE has confirmed to LondonMetric that an updated valuation as at the date of this document of that part of LondonMetric's property portfolio valued by CBRE would not be materially different to the valuation given by CBRE as at 31 March 2025 and contained in the CBRE valuation report set out in Schedule 2 of this document.
- (c) For the purposes of Rule 29.5 of the Takeover Code, the LondonMetric Directors confirm that Savills has confirmed to LondonMetric that an updated valuation, as at the date of this document, of that part of LondonMetric's property portfolio valued by Savills would not be materially different to the valuation given by Savills as at 31 March 2025 and contained in the Savills valuation report set out in Schedule 3 of this document.
- (d) For the purposes of Rule 29.5 of the Takeover Code, the LondonMetric Directors confirm that Knight Frank has confirmed to LondonMetric that an updated valuation, as at the date of this document, of that part of LondonMetric's property portfolio valued by Knight Frank would not be materially different to the valuation given by Knight Frank as at 31 March 2025 and contained in the Knight Frank valuation report set out in Schedule 4 of this document.
- (e) In the event that either Highcroft's or LondonMetric's property portfolio was to be sold at the valuations contained in the valuation reports set out in Schedules 1, 2, 3 or 4 of this document, any gains realised on such disposals may be subject to taxation in the UK.
- (f) Generally, disposals by a UK REIT of assets located in the UK held for the purpose of a property rental business should be exempt from UK corporation tax; however, there are specific rules which can result in assets held as part of the property rental business being subject to tax on disposal (for example when a property is materially developed and sold within three years of completion of that development).
- (g) In connection with the Acquisition, it is not expected that the aforementioned tax liability will crystallise.

## **19 No Significant Change**

- (a) The Highcroft Directors are not aware of any significant change in the financial or trading position of Highcroft since 31 December 2024, being the end of the last financial period for which financial information has been published.
- (b) The LondonMetric Directors are not aware of any significant change in the financial or trading position of the LondonMetric Group since 30 September 2024, being the date to which LondonMetric's last published interim financial information was prepared.



## 20 Consent

Shore Capital has given and not withdrawn its written consent to the issue of this document with the inclusion of its name and the references thereto in the form and context in which they are included.

Peel Hunt has given and not withdrawn its written consent to the issue of this document with the inclusion of its name and the references thereto in the form and context in which they are included.

Each of CBRE, Savills and Knight Frank has given and not withdrawn its written consent to the publication of its respective valuation report(s) in this document and the inclusion herein of the references to its name, in each case, in the form and context in which it is included.

## 21 Documents Available on Website

Copies of the following documents will be made available on the Company's website at <https://www.highcroftplc.com> and on LondonMetric's website at <https://www.londonmetric.com> from the date of publication of this document up to and including the Effective Date (or the date on which the Scheme lapses):

- (i) this document and the Forms of Proxy;
- (ii) the Announcement;
- (iii) the articles of association of Highcroft;
- (iv) the articles of association of LondonMetric;
- (v) a draft of the Amended Highcroft Articles;
- (vi) the published audited consolidated accounts of Highcroft for the financial years ended 31 December 2023 and 2024;
- (vii) the published audited consolidated accounts of LondonMetric for the financial years ended 31 March 2023 and 2024, and the unaudited interim condensed consolidated financial statements of the LondonMetric Group for the six months ended 30 September 2024;
- (viii) the irrevocable undertakings referred to in paragraphs 4 and 5 of this Part 7 (*Additional Information*);
- (ix) the Confidentiality Agreement;
- (x) the letters of consent referred to in paragraph 20 of this Part 7 (*Additional Information*);
- (xi) the Knight Frank valuation report on Highcroft's property portfolio set out in Schedule 1 of this document;
- (xii) the CBRE valuation report, on that part of LondonMetric's property portfolio valued by CBRE set out in Schedule 2 of this document;
- (xiii) the Savills valuation report, on that part of LondonMetric's property portfolio valued by Savills set out in Schedule 3 of this document;
- (xiv) the Knight Frank valuation report, on that part of LondonMetric's property portfolio valued by Knight Frank set out in Schedule 4 of this document;
- (xv) no material difference letters, as at the date of this document, from each of CBRE, Savills and Knight Frank regarding their respective valuation reports set out in Schedules 1, 2, 3 or 4 (as applicable) of this document; and
- (xvi) the announcement made by Urban Logistics REIT plc on 14 April 2025 of a possible offer to be made by LondonMetric to acquire the entire issued and to be issued share capital of Urban Logistics REIT plc in accordance with Rule 2.4 of the Takeover Code.

The contents of the websites referred to in this document are not incorporated into and do not form part of this document.

## PART 8

### DEFINITIONS

The following definitions apply throughout this document (other than in those parts of this document containing separate definitions), unless the context otherwise requires.

<b>Acquisition</b>	means the proposed acquisition by LondonMetric of the entire issued and to be issued share capital of Highcroat (other than any Excluded Shares), to be implemented by means of the Scheme (or, should LondonMetric so elect, with the consent of the Panel, by way of a Takeover Offer) and, where the context requires, any subsequent revision, variation, extension or renewal thereof.
<b>Admission</b>	means admission of the New LondonMetric Shares to be issued pursuant to the Acquisition to the equity shares (commercial companies) category of the Official List and to trading on the Main Market.
<b>Amended Highcroat Articles</b>	means the articles of association of Highcroat, as proposed to be amended by the Resolution, to include a new article under which any Highcroat Shares issued or transferred after the Scheme Record Time (other than to LondonMetric and/or its nominees) shall be automatically transferred to LondonMetric (and, where applicable, for consideration to be paid to the transferee or to the original recipient of the Highcroat Shares so transferred or issued) on the same terms as the Acquisition (other than terms as to timings and formalities), as set out in full in the notice of the General Meeting.
<b>Announcement</b>	means the announcement made by LondonMetric on 27 March 2025 of its firm intention to make an offer to acquire Highcroat in accordance with Rule 2.7 of the Takeover Code.
<b>Authorisations</b>	means authorisations, orders, grants, recognitions, determinations, certificates, confirmations, consents, licences, clearances, permissions and approvals.
<b>Board</b>	means as the context requires, the board of directors of LondonMetric or the board of directors of Highcroat.
<b>Business Day</b>	means a day (other than Saturdays, Sundays and public holidays in the UK) on which banks are generally open for normal business in the City of London.
<b>CBRE</b>	means CBRE Limited (a private limited company incorporated in England and Wales with registered number 03536032) whose registered office is at Henrietta House, Henrietta Place, London W1G 0NB.
<b>certificated or in certificated form</b>	means a share or other security which is not in uncertificated form (that is, not in CREST).
<b>Closing Price</b>	means the closing middle market quotation of a share on a particular date derived from: (1) in the case of LondonMetric, the Daily Official List; or (2) in the case of Highcroat, TISE.
<b>Combined Group</b>	means the LondonMetric Group as enlarged by the Highcroat Group following completion of the Acquisition.
<b>Companies Act</b>	means the Companies Act 2006 (as amended from time to time).

<b>Conditions</b>	means the conditions to the Acquisition as set out in Part 4 ( <i>Conditions and Certain Further Terms of the Acquisition</i> ) of this document.
<b>Confidentiality Agreement</b>	means the confidentiality agreement dated 13 February 2025 between: (1) LondonMetric; and (2) Highcroft.
<b>Court</b>	means the High Court of Justice in England and Wales.
<b>Court Hearing</b>	means the Court hearing at which Highcroft will seek an order sanctioning the Scheme.
<b>Court Meeting</b>	means the meeting or meetings of the Scheme Shareholders to be convened pursuant to Section 896 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment approved or imposed by the Court and agreed to by LondonMetric and Highcroft), including any adjournment, postponement or reconvening of any such meeting, notice of which is contained in Part 9 ( <i>Notice of Court Meeting</i> ) of this document.
<b>Court Order</b>	means the order of the Court sanctioning the Scheme under Section 899 of the Companies Act.
<b>CREST</b>	means the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear, in accordance with the CREST Regulations.
<b>CREST Manual</b>	means the CREST Manual published by Euroclear, as amended from time to time.
<b>CREST Regulations</b>	means the Uncertificated Securities Regulations 2001 (SI 2001/3755).
<b>Daily Official List</b>	means the Daily Official List published by the London Stock Exchange.
<b>Dealing Disclosure</b>	means an announcement pursuant to Rule 8 of the Takeover Code containing details of dealings in interests in relevant securities of a party to an offer.
<b>Disclosed</b>	means the information disclosed: (A) fairly in writing to LondonMetric (or its officers, employees, agents or advisers in their capacity as such) prior to 6.00 p.m. on 26 March 2025 by, or on behalf of, Highcroft, including in the virtual data room, prior to the date of the Announcement operated on behalf of Highcroft and which LondonMetric and its advisers are able to access in respect of the Acquisition; (B) to LondonMetric or LondonMetric's advisers by, or on behalf of, the Highcroft Group via management meetings held in connection with the Acquisition; (C) in the interim report and results of the Highcroft Group for the six-month period ended on 30 June 2024; (D) in the Announcement; and/or (E) in any other announcement made by, or on behalf of, Highcroft via the TISE website ( <a href="http://www.tisegroup.com">http://www.tisegroup.com</a> ) before the publication of the Announcement.
<b>Effective</b>	means: (1) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (2) if LondonMetric elects to implement the Acquisition by way of a Takeover Offer (with Panel consent), such Takeover Offer having been declared or having become unconditional in accordance with the requirements of the Takeover Code.

<b>Effective Date</b>	means the date on which the Acquisition becomes Effective.
<b>EPRA</b>	means European Public Real Estate Association.
<b>EPRA NTA</b>	means net tangible assets adjusted in accordance with EPRA recommendations to present a measure of the fair value of net assets on a long-term basis.
<b>Euroclear</b>	means Euroclear UK & International Limited.
<b>European Union</b>	means the economic and political confederation of European nations which share a common foreign and security policy and co-operate on justice and home affairs known as the European Union.
<b>Exchange Ratio</b>	means 4.65 New LondonMetric Shares for each Scheme Share.
<b>Excluded Shares</b>	means any Highcroft Shares which are: (1) registered in the name of, or beneficially owned by, LondonMetric or any other member of the LondonMetric Group or any of their respective nominees; or (2) held as treasury shares (unless such Highcroft Shares cease to be so held), in each case at any relevant time.
<b>Explanatory Statement</b>	means the explanatory statement relating to the Scheme, as set out in Part 2 ( <i>Explanatory Statement</i> ) of this document, which together with the documents incorporated therein constitute the explanatory statement relating to the Scheme as required by Section 897 of the Companies Act.
<b>FCA or Financial Conduct Authority</b>	means the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA, or any successor regulatory body.
<b>Forms of Proxy</b>	means the forms of proxy in connection with each of the Court Meeting and the General Meeting which accompany this document.
<b>FSMA</b>	means the Financial Services and Markets Act 2000, as amended from time to time.
<b>General Meeting</b>	means the general meeting of Highcroft Shareholders (including any adjournment, postponement or reconvening, thereof) to be convened for the purposes of seeking approval of the Resolution (with or without amendment).
<b>Highcroft or the Company</b>	means Highcroft Investments plc, a public company limited by shares incorporated in England and Wales with registered number 00224271 and which has its registered office at Lambourne House, 311-321 Banbury Road, Oxford OX2 7JH.
<b>Highcroft Directors</b>	means the directors of Highcroft at the date of this document or, where the context so requires, the directors of Highcroft from time to time.
<b>Highcroft Group or Group</b>	means Highcroft and its subsidiaries and subsidiary undertakings from time to time and, where the context permits, each of them.
<b>Highcroft Interim Dividend</b>	means the interim dividend of 35 pence per Highcroft Share that was announced on 27 March 2025 and which is due to be paid on 16 May 2025 to Highcroft Shareholders on the register of members as at the close of business on 25 April 2025.
<b>Highcroft Meetings</b>	means the General Meeting and the Court Meeting.

<b>Highcroft Permitted Dividend</b>	means any dividend satisfying the criteria of a “Highcroft Permitted Dividend” in paragraph 4 of Part 2 ( <i>Explanatory Statement</i> ) of this document.
<b>Highcroft Shareholders</b>	means the holders of Highcroft Shares from time to time.
<b>Highcroft Shares</b>	means ordinary shares of 25 pence each in the capital of Highcroft and each being a “ <b>Highcroft Share</b> ”.
<b>IFRS</b>	means International Financial Reporting Standards.
<b>ISIN</b>	means International Securities Identification Number.
<b>Knight Frank</b>	means Knight Frank LLP, which is registered in England and Wales (registered number OC305934) whose registered office is at 55 Baker Street, London W1U 8AN.
<b>Latest Practicable Date</b>	means 22 April 2025 (being the latest practicable date prior to the publication of this document).
<b>London Stock Exchange</b>	means London Stock Exchange plc.
<b>LondonMetric</b>	means LondonMetric Property PLC, a public company limited by shares incorporated in England and Wales with registered number 07124797 and which has its registered office at 1 Curzon Street, London W1J 5HB.
<b>LondonMetric Directors</b>	means the directors of LondonMetric at the date of this document or, where the context so requires, the directors of LondonMetric from time to time.
<b>LondonMetric Fourth Quarterly Dividend</b>	means LondonMetric’s fourth quarterly dividend in respect of the quarter ended 31 March 2025 to be announced on or about 20 May 2025 and due to be paid by mid-July 2025 to LondonMetric Shareholders on LondonMetric’s register of members as at the close of business on the finally confirmed record date (expected to be on or about 30 May 2025).
<b>LondonMetric Group</b>	means LondonMetric and its subsidiaries and subsidiary undertakings from time to time and, where the context permits, each of them.
<b>LondonMetric Permitted Dividend</b>	means any dividend satisfying the criteria of a “LondonMetric Permitted Dividend” in paragraph 4 of Part 2 ( <i>Explanatory Statement</i> ) of this document.
<b>LondonMetric Shareholders</b>	means the holders of LondonMetric Shares from time to time.
<b>LondonMetric Shares</b>	means the ordinary shares of 10 pence each in the share capital of LondonMetric and each being a “ <b>LondonMetric Share</b> ”.
<b>LondonMetric Third Quarterly Dividend</b>	means LondonMetric’s third quarterly dividend in respect of the quarter ended 31 December 2024 of 3.0 pence per LondonMetric Share announced on 27 February 2025 which was paid on 11 April 2025 to LondonMetric Shareholders on LondonMetric’s register of members as at the close of business on 7 March 2025.
<b>Long-stop Date</b>	means 27 July 2025 or such later date (if any) as LondonMetric and Highcroft may (with the consent of the Panel) agree and (if required) the Court may allow.

<b>Main Market</b>	means the London Stock Exchange's main market for listed securities.
<b>net asset value</b>	means the net asset value per Highcroft Share calculated in accordance with Highcroft's accounting policies.
<b>New LondonMetric Shares</b>	means the new LondonMetric Shares proposed to be allotted and issued to Scheme Shareholders in connection with the Scheme.
<b>Offer Period</b>	means the offer period (as defined in the Takeover Code) relating to Highcroft which commenced on 27 March 2025 and ending on the earlier of the Effective Date and/or the date on which it is announced that the Scheme has lapsed or been withdrawn (or such other date as the Takeover Code may provide or the Panel may decide).
<b>Official List</b>	means the Official List of the FCA.
<b>Opening Position Disclosure</b>	has the same meaning as in Rule 8 of the Takeover Code.
<b>Overseas Shareholders</b>	means Highcroft Shareholders (or nominees of, or custodians or trustees for, Highcroft Shareholders) not resident in, or nationals or citizens of, the United Kingdom.
<b>Panel</b>	means the Panel on Takeovers and Mergers.
<b>Peel Hunt</b>	means Peel Hunt LLP.
<b>Possible Urban Logistics Acquisition</b>	has the meaning given to it in paragraph 10 of Part 1 (Letter from the Chair of Highcroft) of this document.
<b>Registrar of Companies</b>	means the Registrar of Companies for England and Wales.
<b>Registrar or the Registrar</b>	means MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom, registrar of Highcroft and LondonMetric.
<b>Regulatory Information Service</b>	means any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements.
<b>Resolution</b>	means the resolution set out in the notice of General Meeting in Part 10 ( <i>Notice of General Meeting</i> ) of this document necessary to approve and implement the Scheme, including: (i) a resolution authorising the Highcroft Directors to take all actions as they may consider necessary or appropriate to give effect to the Scheme; (ii) a resolution amending Highcroft's articles of association as required to reflect the form of the Amended Highcroft Articles; and (iii) a resolution approving the re-registration of Highcroft as a private limited company.
<b>Restricted Jurisdiction</b>	means any jurisdiction into which, or from which, making the Acquisition, or any information relating to the Acquisition, available would violate the local laws or regulations of that jurisdiction resulting in a significant risk of civil, regulatory or criminal exposure.
<b>Restricted Persons</b>	means Highcroft Shareholders resident in, or nationals or citizens of, a Restricted Jurisdiction or who are nominees, custodians, trustees or guardians for, or citizens, residents or nationals of, a Restricted Jurisdiction.
<b>Savills</b>	means Savills Advisory Services Limited (a private limited company incorporated in England and Wales with registered number



06215875) whose registered office is at 33 Margaret Street, London W1G 0JD.

<b>Scheme</b>	means the proposed scheme of arrangement under Part 26 of the Companies Act between Highcroft and Scheme Shareholders to implement the Acquisition, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Highcroft and LondonMetric.
<b>Scheme Document</b>	means this document.
<b>Scheme Record Time</b>	means 6.00 p.m. on the Business Day immediately before the Court Hearing or such later time as Highcroft and LondonMetric may agree.
<b>Scheme Shareholders</b>	means a holder of Scheme Shares from time to time.
<b>Scheme Shares</b>	<p>means all Highcroft Shares:</p> <ul style="list-style-type: none"><li>(a) in issue as at the date of this document;</li><li>(b) (if any) issued after the date of this document and before the Scheme Voting Record Time; and</li><li>(c) (if any) issued at or after the Scheme Voting Record Time but on or before the Scheme Record Time either on terms that the original or any subsequent holders thereof are bound by the Scheme or in respect of which such holders are, or shall have agreed in writing to be, so bound by the Scheme,</li></ul> <p>in each case which remain in issue at the Scheme Record Time and excluding any Excluded Shares.</p>
<b>Scheme Voting Record Time</b>	means 6.00 p.m. on 13 May 2025, or, if the Court Meeting is adjourned, 6.00 p.m. on the day that is two Business Days before the date of such adjourned meeting.
<b>SEC</b>	means the United States Securities and Exchange Commission.
<b>Shore Capital</b>	means Shore Capital and Corporate Limited, financial adviser and Rule 3 adviser to Highcroft.
<b>Significant Interest</b>	means a direct or indirect interest in 20 per cent. or more of the total voting equity share capital of an undertaking (or the equivalent).
<b>Supporting non-director Shareholders</b>	means Cosmic Securities Limited, Michael Conn, Stewart and Wight Limited, Barnett Waddingham Trustees Limited, Douglas Conn and Nicole Weisz as trustees of 1 <sup>st</sup> Country Pension Scheme, Douglas Conn as trustee of The Esher House Charitable Trust, Douglas Conn as trustee of The 2 <sup>nd</sup> Country Retirement Scheme, Douglas Conn as trustee of The Michael Trust, Hadassa Conn, Nicole Weisz, Kingerlee Limited, TH Kingerlee & Sons Limited, Kingerlee Homes Limited, David Kingerlee, Richard Wilsdon, Janice Kingerlee, Clare Campbell, Thomas Wilsdon, Ann Wilsdon, Claire Wilsdon, Mariana Kingerlee and Henry Kingerlee.
<b>Takeover Code</b>	means the City Code on Takeovers and Mergers, as issued from time to time by or on behalf of the Panel.
<b>Takeover Offer</b>	means if (with the consent of the Panel as applicable) LondonMetric elects to implement the Acquisition by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to

be made by or on behalf of LondonMetric to acquire the entire issued and to be issued share capital of Highcroft including, where the context admits, any subsequent revision, variation, extension or renewal of such offer.

**Third Party**

means each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative or investigative body, court, trade agency, association, institution, any entity owned or controlled by any relevant government or state, or any other body or person whatsoever in any jurisdiction.

**TISE**

means The International Stock Exchange.

**TISE Listing Rules**

means the equity market listing rules published by TISEA, as amended from time to time.

**TISEA**

means The International Stock Exchange Authority Limited, which is licensed by the Guernsey Financial Services Commission to operate an investment exchange under the Protection of Investors (Bailiwick of Guernsey) Law, 2020.

**UK Listing Rules**

means the rules and regulations made by the FCA under FSMA and contained in the publication of the same name, as amended from time to time.

**UK REIT**

means a UK real estate investment trust under Part 12 of the Corporation Tax Act 2010.

**uncertificated or in uncertificated form**

means in relation to a share or other security, a share or other security the title to which is recorded as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST.

**United Kingdom or UK**

means the United Kingdom of Great Britain and Northern Ireland.

**United Nations**

means the international organisation founded in 1945 with 193 member states.

**United States or US**

means the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia.

**US Exchange Act**

means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

**US Securities Act**

means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

**WAULT**

means weighted average unexpired lease term.

**Wider Highcroft Group**

means Highcroft, its subsidiary undertakings and associated undertakings (including any joint venture, partnership, firm or company) in which Highcroft and/or such undertakings (aggregating their interests) have a Significant Interest.

**Wider LondonMetric Group**

means LondonMetric, its subsidiary undertakings and associated undertakings (including any joint venture, partnership, firm or company) in which LondonMetric and/or such undertakings (aggregating their interests) have a Significant Interest.

In this document the following terms have the meaning given to them in the Takeover Code: **“acting in concert”**, **“connected adviser”**, **“dealing”** (and **“dealt”** shall be construed accordingly), **“derivative”**, **“exempt fund manager”**, **“exempt principal trader”**, **“interests in securities”** and **“equity share capital”** (and reference to a person having an interest in securities shall be construed accordingly).

## PART 9

### NOTICE OF COURT MEETING

CR-2025-001523

IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES,  
COMPANIES COURT (ChD)

INSOLVENCY AND COMPANIES COURT JUDGE BURTON

IN THE MATTER OF HIGHCROFT INVESTMENTS PLC

- and -

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an order dated 23 April 2025 made in the above matters (the “**Order**”), the High Court of Justice in England and Wales (the “**Court**”) has given permission for a meeting (the “**Court Meeting**”) to be convened of the Scheme Shareholders as at the Scheme Voting Record Time (each as defined in the scheme of arrangement referred to below) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement pursuant to Part 26 of the Companies Act (the “**Scheme of Arrangement**”) proposed to be made between the Company and the Scheme Shareholders and that such meeting will be held at the offices of Bryan Cave Leighton Paisner LLP at Governor’s House, 5 Laurence Pountney Hill, London EC4R 0BR on 15 May 2025 at 10.00 a.m. at which place and time all Scheme Shareholders are requested to attend.

At the Court Meeting, the following resolution will be proposed:

*“That the scheme of arrangement dated the 24 April 2025 (the “**Scheme**”), between the Company and the Scheme Shareholders (as defined in the Scheme), a print of which has been produced to this meeting and, for the purposes of identification, signed by the Chair hereof, in its original form or with, or subject to, any modification, addition or condition approved or imposed by the Court and jointly consented to by the Company and LondonMetric, be approved and the directors of the Company be authorised to take all such actions as they may consider necessary or appropriate for carrying the Scheme into effect.”*

A copy of the Scheme of Arrangement and a copy of the explanatory statement required to be furnished pursuant to Section 897 of the Companies Act are incorporated in the Scheme Document of which this notice forms part. Capitalised terms used but not defined in this Notice shall have the meaning given to them in the Scheme Document.

Voting on the resolution to approve the Scheme will be by poll, which will be conducted as the chair of the Court Meeting or the Registrar may determine.

**Scheme Shareholders entitled to attend and vote at the Court Meeting may vote in person at the Court Meeting or they may appoint another person, whether a member of the Company or not, as their proxy to attend, speak and vote in their place. A pink Form of Proxy for use at the Court Meeting is enclosed with this Notice. For the pink Form of Proxy to be valid, the appointment must be received not later than 10.00 a.m. on 13 May 2025 (or, in the case of an adjournment, not later than 48 hours (excluding any non-Business Days) before the time fixed for the holding of the adjourned meeting). Forms of Proxy not so lodged may be handed to the chair of the Court Meeting or the Registrar at the Court Meeting before the taking of the poll and will still be valid.**

Proxy appointments may alternatively be submitted electronically by logging on to [www.SignalShares.com](http://www.SignalShares.com) and following the instructions there. For an electronic proxy appointment to be valid, the appointment must be received not later than 10.00 a.m. on 13 May 2025 (or, in the case of an adjournment, not later than 48 hours (excluding any non-Business Days) before the time fixed for the holding of the adjourned meeting).

**Scheme Shareholders who hold their shares in uncertificated form (i.e. in CREST) are requested to complete CREST proxy instructions in accordance with the procedures described in the CREST**

**Manual, which can be viewed at [www.euroclear.com](http://www.euroclear.com).** Proxies submitted via CREST (under CREST participant ID RA10) must be received by the Registrar not later than 10.00 a.m. on 13 May 2025 (or, in the case of an adjournment, not later than 48 hours (excluding any non-Business Days) before the time fixed for the holding of the adjourned meeting.

Further information on the completion and return of the pink Form of Proxy and the appointment of a proxy through CREST or electronically is set out in the "Action to be Taken" section on pages 10 and 11 of the Scheme Document and are set out on the form.

**Completion and return of the pink Form of Proxy, proxy appointment via the share portal service or appointment via the CREST electronic proxy appointment service will not prevent a Scheme Shareholder from attending and voting at the Court Meeting, or any adjournment thereof.**

Scheme Shareholders are entitled to appoint a proxy in respect of some or all of their Scheme Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. Scheme Shareholders who wish to appoint more than one proxy in respect of their holding of Scheme Shares should contact the Registrar for further Forms of Proxy.

It is requested that Forms of Proxy (and any power of attorney or other authority under which the same are signed) be lodged with MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom and CREST proxy instructions or electronic proxy appointments be submitted, in each case not less than 48 hours (excluding any non-Business Days) before the time appointed for the Court Meeting or any adjournment thereof. Forms of Proxy not so lodged may be handed to the chair of the Court Meeting or the Registrar at the Court Meeting before the taking of the poll and will still be valid. Scheme Shareholders are strongly encouraged to submit proxy appointments and CREST proxy instructions or electronic proxy appointments for the Court Meeting as soon as possible using any of the aforementioned methods. Scheme Shareholders are also strongly encouraged to appoint the chair of the Court Meeting as their proxy.

In the case of joint holders of the Scheme Shares, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

As an alternative to appointing a proxy, any Scheme Shareholder which is a corporation may vote by a corporate representative appointed in accordance with the Companies Act.

Entitlement to attend, speak and vote (including by proxy) at the Court Meeting, or any adjournment thereof, and the number of votes which may be cast thereat will be determined by reference to the register of members of the Company as at 6.00 p.m. (London time) on the day which is two Business Days before the date of the Court Meeting or adjourned meeting (as the case may be). In each case, changes to the register of members of the Company after such time will be disregarded for the purposes of determining entitlement to attend, speak and vote at the Court Meeting, or any adjournment thereof.

By the said Order, the Court has appointed Charles Butler or failing him, any other director of the Company to act as chair of the Court Meeting and has directed the chair to report the result of the Court Meeting to the Court.

The Scheme of Arrangement will be subject to the subsequent sanction of the Court.

By Order of the Highcroft Directors

*Registered Office:*

Lambourne House  
311-321 Banbury Road  
Oxford  
OX2 7JH

**Charles Butler**  
*Chair*

Dated 24 April 2025

## PART 10

### NOTICE OF GENERAL MEETING

# HIGHCROFT INVESTMENTS PLC

*(incorporated in England and Wales with registered number 00224271)*

Notice is hereby given that a general meeting (the “**General Meeting**”) of Highcroft Investments plc (the “**Company**”) will be held at the offices of Bryan Cave Leighton Paisner LLP at Governor’s House, 5 Laurence Pountney Hill, London EC4R 0BR on 15 May 2025 at 10.15 a.m. (or as soon thereafter as the Court Meeting shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolution which shall be proposed as a special resolution. Capitalised terms in this Notice shall, unless defined herein, have the same meanings as defined in the Scheme Document of which this Notice forms part.

### SPECIAL RESOLUTION

#### THAT:

- (a) for the purpose of giving effect to the scheme of arrangement dated 24 April 2025 (the “**Scheme**”), in its original form or subject to any modification, addition or condition agreed between the Company and LondonMetric Property Plc (“**LondonMetric**”) and approved or imposed by the Court, proposed to be made between the Company and the Scheme Shareholders (as defined in the Scheme), a print of which has been produced to the General Meeting and (for the purpose of identification only) signed by the chair of the General Meeting, the directors of the Company be authorised to take all such action as they may consider necessary, desirable or appropriate for carrying the Scheme into effect;
- (b) with effect from the passing of this resolution, the articles of association of the Company be and are hereby amended by including the following new article as Article 217:

#### “217 Scheme of Arrangement

- 217.1 In this Article 217, references to the “Scheme” are to the scheme of arrangement dated 24 April 2025 under Section 899 of the Act, between the Company and the Scheme Shareholders (as defined in the Scheme), as it may be modified or amended in accordance with its terms, and (save as defined in this Article 217) expressions defined in the Scheme shall have the same meanings in this Article 217.
- 217.2 Notwithstanding any other provision of these Articles, if the Company issues any shares (other than to LondonMetric or its nominee(s)) on or after the adoption of this Article 217 and on or prior to the Scheme Record Time, such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or any subsequent holder or holders of such shares (other than LondonMetric or its nominee(s)) shall be bound by the Scheme accordingly.
- 217.3 Notwithstanding any other provision of these Articles, the Company is prohibited from issuing shares between the Scheme Record Time and the Effective Date.
- 217.4 Notwithstanding any other provision of these Articles and subject to the Scheme becoming effective, if any shares are issued to any person (other than to LondonMetric or its nominee(s)) (a “**New Member**”) at or after the Scheme Record Time, such shares (the “**Disposal Shares**”) shall be immediately transferred by the New Member to LondonMetric (or to such person as LondonMetric may otherwise direct) (the “**Purchaser**”) who shall be obliged to acquire all of the Disposal Shares. The consideration payable by the Purchaser for each Disposal Share transferred to it (subject as hereinafter provided) shall be the allotment and issue or transfer to the New Member of such number of LondonMetric Shares (the “**Consideration Shares**”)



(and the payment of cash in respect of fractional entitlements, as described in Article 217.7) that the New Member would have been entitled to under the Scheme had each Disposal Share been a Scheme Share at the Scheme Record Time, provided that if, in respect of any New Member who is resident, located or has a registered address in a jurisdiction outside the United Kingdom or whom LondonMetric reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom, LondonMetric is advised that the law of a country or territory outside the United Kingdom: (i) precludes the allotment, issue and/or delivery or transfer to that New Member of Consideration Shares; or (ii) precludes the matters referred to in (i) except after compliance by the Company or LondonMetric (as the case may be) with any governmental or other consent or any registration, filing or other formality with which the Company and/or LondonMetric is unable to comply or compliance with which the Company and/or LondonMetric (as the case may be) regards as unduly onerous, then LondonMetric may, in its sole discretion, determine that such Consideration Shares shall not be allotted, issued and/or delivered or transferred to such New Member, and instead either:

- (a) be allotted, issued and/or delivered or transferred to a person appointed by LondonMetric for such New Member on terms that such person shall, as soon as practicable following the allotment and issue of such LondonMetric Shares, sell the LondonMetric Shares so issued at the best price which can reasonably be obtained at the time of sale; or
- (b) a cash amount equal to the value of the Consideration Shares shall be paid to the New Member as soon as practicable, save that any fractional cash entitlements shall be rounded down to the nearest whole penny.

In the event that the Consideration Shares are to be sold pursuant to Article 217.4(a) above, the Company shall appoint a person to act, and who shall be authorised, as attorney or agent for the New Member pursuant to this Article 217 and such person shall be authorised on behalf of such New Member to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member and to give such instructions and to do all other things which he or she may consider necessary, desirable or expedient in connection with such sale. The net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) shall be paid to the persons entitled thereto in due proportion as soon as practicable following such sale, save that any fractional cash entitlements shall be rounded down to the nearest whole penny.

- 217.5 The Consideration Shares allotted and issued or transferred to a New Member pursuant to Article 217.4 shall be credited as fully paid and shall rank *pari passu* in all respects with the other LondonMetric Shares in issue at that time (other than as regards any dividend or other distribution payable by reference to a record date preceding the date of the allotment or transfer).
- 217.6 On any reorganisation of, or material alteration to, the share capital of either the Company or LondonMetric (including, without limitation, any subdivision and/or consolidation) effected after the Effective Date, the number of Consideration Shares to be allotted and issued or transferred to a New Member for each Disposal Share under Article 217.4 may be adjusted by the Directors in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganisation or alteration. References in this Article 217 to shares, Consideration Shares and Disposal Shares shall, following such adjustment, be construed accordingly.
- 217.7 No fraction of a Consideration Share shall be allotted, issued or transferred to a New Member pursuant to this Article 217. Any fraction of a Consideration Share to which a New Member would otherwise have become entitled shall be aggregated with the fractional entitlements of any other New Members whose shares are being transferred under this Article 217 on the same date and the maximum whole number of Consideration Shares (rounded down to the nearest whole number) resulting therefrom shall be allotted and issued to a person appointed by LondonMetric to hold such Consideration Shares on behalf of the relevant New Members. Such Consideration Shares shall then be sold in the market as soon as practicable after the Effective Date, or, if later, their allotment and issue, and the net proceeds of sale (after the deduction of all commissions and expenses incurred in connection with such sale, including any value added tax payable on the proceeds of sale) shall be paid in sterling in due proportion to the persons entitled thereto (rounded down to the nearest penny). However, fractional entitlements to amounts (after the deduction of all commissions and expenses incurred in

connection with such sale, including any value added tax payable on the proceeds of sale) of £5 or less shall not be paid to the relevant New Members who would otherwise be entitled to them, but shall be retained for the benefit of the Combined Group.

- 217.8 To give effect to any transfer of Disposal Shares required by this Article 217, the Company may appoint any person as attorney or agent for the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) to transfer the Disposal Shares to the Purchaser and/or its nominee(s) and do all such other things and execute and deliver all such documents as may in the opinion of the attorney or agent be necessary or desirable to vest the Disposal Shares in the Purchaser or its nominee(s) and pending such vesting to exercise all such rights attaching to the Disposal Shares as LondonMetric may direct. If an attorney or agent is so appointed, the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Disposal Shares unless so agreed by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form or forms of transfer or other instrument(s) or instruction(s) of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of the Purchaser and/or its nominee(s) and the Company may give a good receipt for the consideration for the Disposal Shares and may register the Purchaser and/or its nominee(s) as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member for the Consideration Shares. LondonMetric shall, subject to Article 217.4, allot and issue or transfer the Consideration Shares to the New Member (and send a cheque in respect of any fractional entitlements in accordance with Article 217.7 and in circumstances where the provision in Article 217.4 applies) within 10 business days of the issue of the Disposal Shares to the New Member.
- 217.9 Notwithstanding any other provision of these Articles, neither the Company nor the Directors shall register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date.
- 217.10 Notwithstanding any other provision of these Articles, the Directors may refuse to register the transfer of any shares other than as provided by this Article 217.
- 217.11 If the Scheme shall not have become effective by the Long-stop Date of the Scheme, this Article 217 shall cease to be of any effect.”; and
- (c) subject to and conditional upon the Scheme becoming Effective, pursuant to the provisions of the Companies Act: (i) the Company be re-registered as a private limited company under the name of “Highcroft Investments Limited”; and (ii) the articles of association of the Company be amended as follows: (a) references to “Highcroft Investments plc” as the name of the Company be amended to “Highcroft Investments Limited”; and (b) the definition of Company in Article 2 be deleted and replaced with “Highcroft Investments Limited (registered company number 00224271).”

By Order of the Highcroft Directors

*Registered Office:*  
*Lambourne House*  
*311-321 Banbury Road*  
*Oxford*  
*OX2 7JH*

**Charles Butler**  
*Chair*

24 April 2025

## NOTES TO THE NOTICE OF GENERAL MEETING

- 1 Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the General Meeting. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A blue Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this document. Shareholders who wish to appoint more than one proxy in respect of their holding of shares should contact the Registrar for further Forms of Proxy.
- 2 The return of a completed blue Form of Proxy, proxy appointment via the share portal service or appointment via the CREST electronic proxy appointment (as described in paragraphs 3 and 4 below), will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so and is so entitled.
- 3 Proxy appointments submitted via the internet at [www.SignalShares.com](http://www.SignalShares.com) must be received not later than 10.15 a.m. on 13 May 2025 (or, in the case of an adjournment, not later than 48 hours (excluding any non-Business Days) before the time fixed for the holding of the adjourned meeting).
- 4 Highcroft Shareholders who hold their shares in uncertificated form (i.e. in CREST) are requested to complete CREST proxy instructions in accordance with the procedures described in the CREST Manual, which can be viewed at [www.euroclear.com](http://www.euroclear.com).
- 5 If you are a user of the CREST system (including a CREST personal member), you may appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. To appoint a proxy or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, the CREST message must be received by the Registrar (CREST participant ID RA10) not later than 10.15 a.m. on 13 May 2025 (or, in the case of an adjournment, not later than 48 hours (excluding any non-Business Days) before the time fixed for the holding of the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the Registrar is able to retrieve the message.
- 6 CREST Personal Members or other CREST sponsored members should contact their CREST sponsor for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and systems timings, please refer to the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- 7 A hard copy blue Form of Proxy together with any power of attorney or other authority under which it is signed, or a duly certified copy thereof, must be received by the Registrar at MUFG Corporate Markets, PXS1, Central Square, 29 Wellington Street, Leeds England, LS1 4DL not later than 10.15 a.m. on 13 May 2025 (or, in the case of an adjournment, not later than 48 hours (excluding any non-Business Days) before the time fixed for the holding of the adjourned meeting).
- 8 The special resolution to be put to the General Meeting will be voted on by way of a poll and not by show of hands. The Company believes that a poll is more representative of Highcroft Shareholders' voting intentions because Highcroft Shareholder votes are counted according to the number of Highcroft Shares held and all votes tendered are taken into account.
- 9 Entitlement to attend, speak and vote (including by proxy) at the General Meeting and the number of votes which may be cast at the General Meeting will be determined by reference to the register of members of the Company as at 6.00 p.m. on 13 May 2025.
- 10 If the General Meeting is adjourned, entitlement to attend and vote will be determined by reference to the register of members of the Company as at 6.00 p.m. on the day that is two Business Days prior to the adjourned meeting. Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting or any adjournment thereof.

- 11 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.
- 12 In the case of joint holders, where more than one of the joint holders purports to vote (including voting by proxy), the only vote which will count is the vote of the person whose name is listed before the other joint holder(s) on the register of members of the Company for the share.
- 13 Any Highcroft Shareholder attending the General 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 General Meeting, but no such answer need be given if: (i) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
- 14 A copy of this Notice of General Meeting can be found at <https://www.highcroftplc.com>. Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this Notice of General Meeting.
- 15 Shareholders should only use any electronic address provided in either this Notice of General Meeting or any related documents (including the Chair's letter and the blue Form of Proxy) to communicate with the Company for the purposes expressly stated.
- 16 Further information on the completion and return of the blue Form of Proxy and the appointment of a proxy through CREST or electronically is set out in the "Action to be Taken" section on pages 10 and 11 of the Scheme Document.
- 17 Unless otherwise indicated on the Form of Proxy, CREST or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, abstain from voting.
- 18 At the close of business on 22 April 2025, being the latest practicable date prior to the publication of this Notice, the Company had 5,206,659 ordinary shares in issue, none of which are held in treasury. Therefore, the total number of voting rights in the Company was 5,206,659. The ordinary shares have a nominal value of 25 pence each. On a poll, each holder of ordinary shares has one vote per share.

## **SCHEDULE 1 - VALUATION REPORT OF KNIGHT FRANK IN RESPECT OF HIGHCROFT**

# Valuation Report.

Highcroft Investments plc  
Shore Capital and Corporate Limited  
LondonMetric Property plc  
Peel Hunt LLP

Prepared for **Highcroft Investments plc**  
Valuation date: 31 December 2024

***Important Notice to all readers of this report***

Unless you are the Client named within this report, or have been explicitly identified by us as a party to whom we owe a duty of care and who is entitled to rely on this report, Knight Frank LLP does not owe or assume any duty of care to you in respect of the contents of this report and you are not entitled to rely upon it



Highcroft Investments plc  
Lambourne House  
311 – 321 Banbury Road  
Oxford  
OX2 7JH  
(the “**Client**”, “**you**”, “**your**”)

Shore Capital and Corporate Limited (acting as financial adviser, Rule 3 adviser and corporate broker to the Client)  
Cassini House  
57 St James’s Street  
London  
SW1A 1LD  
(hereinafter referred to as the “**SCC**”)

LondonMetric Property plc  
1 Curzon Street  
London  
W1J 5HB  
(hereinafter referred to as the “**Offeror**”)

Peel Hunt LLP (acting as financial adviser and corporate broker to the Offeror)  
7<sup>th</sup> Floor, 100 Liverpool Street  
London  
EC2M 2AT  
(“**Peel Hunt**”)

(each an “**Addressee**” and together the “**Addressees**”)

Our Ref: I:1017536

Date of issue 24<sup>th</sup> April 2025

Dear Sir/Madam

### **Valuation report in respect of the properties of Highcroft Investments plc as at 31 December 2024 for inclusion in a Scheme Document (“Valuation Report”)**

Further to your instructions, we are pleased to provide our Valuation Report in respect of the freehold, heritable or leasehold interests in the properties set out in Appendix 1 (List of Properties) (“Properties”) below for the purposes of inclusion in a Scheme Document to be published by the Client in connection with an all-share offer by the Offeror for the Client (the “Transaction”). If you have any queries regarding this Valuation Report, please let us know as soon as possible.

**Knight Frank, Valuation & Advisory**  
55 Baker Street, London, W1U 8AN  
+44 20 7629 8171

**[knightfrank.co.uk](https://knightfrank.co.uk)**

Your partners in property

Knight Frank LLP is a limited liability partnership registered in England and Wales with registered number OC305934. Our registered office is at 55 Baker Street, London W1U 8AN. We use the term ‘partner’ to refer to a member of Knight Frank LLP, or an employee or consultant. A list of members’ names of Knight Frank LLP may be inspected at our registered office.

Regulated by RICS

**Signed for and on behalf of Knight Frank LLP**



**Emily Miller** BSc (Hons) MRICS  
RICS Registered Valuer  
Head of Fund Valuations, Partner, Valuation &  
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# Appendices

Appendix 1 List of Properties

# 1. About this report

## Engagement of Knight Frank LLP

- 1.1 This Valuation Report sets out our valuation, as at 31 December 2024 ("Valuation Date"), of the Properties ("Valuation"). This Valuation Report has been prepared in accordance with our Terms of Engagement letter dated 02 April 2025 addressed to the Addressees, our General Terms of Business for Valuation Services (the "General Terms") and the General Scope of Valuation Work (the "General Scope of Work") (together the "Agreement").

### Client

- 1.2 We have been instructed to prepare this Valuation Report by Highcroft Investments plc. However, as set out above, this Valuation Report has also been addressed to the other Addressees.

### Valuation standards

- 1.3 The Valuation has been undertaken in accordance with and complies with: (a) the current editions of RICS Valuation - Global Standards, which incorporate the International Valuation Standards, and the RICS UK National Supplement. References to the "Red Book" refer to either or both of these documents, as applicable; and (b) Rule 29 of the City Code on Takeovers and Mergers (the "Code") as issued by the UK Panel on Takeovers and Mergers.
- 1.4 The Properties have been valued by a valuer who is qualified for the purposes of the Valuation in accordance with Rule 29 of the Code.

## Status and experience of valuer

### Valuer and expertise

- 1.5 The Valuation is the responsibility of Emily Miller MRICS, RICS Registered Valuer (the "Responsible Valuer") who is in a position to provide an objective and unbiased Valuation in an ethical and competent manner. Parts of the Valuation have been undertaken by additional valuers as listed on our file. Where the knowledge and skill requirements of the Red Book and Rule 29.3(a) of the Code referred to below have been met in aggregate by more than one valuer within Knight Frank, we confirm that a list of those valuers will be retained within our working papers.
- 1.6 We confirm that the Responsible Valuer and any additional valuers who value the Properties meet the requirements of the Red Book and Rule 29.3(a)(iii) of the Code in having sufficient current knowledge of the particular market and the skills and understanding to undertake the Valuation and prepare this Valuation Report competently and are appropriately qualified for the purposes of the Valuation as required by Rule 29.3(a)(ii) of the Code.
- 1.7 We confirm that we are not aware of any reason why we and the Responsible Valuer would not satisfy the requirements of Rule 29.3(a)(i) of the Code.

## Conflicts of Interest: Declaration and Disclosures

- 1.8 Knight Frank and the Addressees have agreed that Directive 2011/61/EU and/or any implementing legislation, laws or regulations thereof (including, but not limited to, the Alternative Investment Fund Manager's Regulations 2013) ("AIFMD") is not expected to apply to the Valuation. In the event that it is determined that it does apply, we will be deemed to have acted as the Client's valuation advisers but not as "External Valuer" (as defined therein) and we shall not be deemed to have performed the valuation function referred to in Article 19 of AIFMD, the valuation function and the setting of the Net Asset Value of the Client.
- 1.9 We confirm that we do have a material connection or involvement in relation to the Properties giving rise to a potential conflict of interest: Knight Frank are retained by the Client as external valuer for financial reporting under IFRS.
- 1.10 Other than such appointment by the Client to carry out valuation services and except as set out below, we confirm that neither the Responsible Valuer (as defined in paragraph 1.5 above), nor Knight Frank, have any material connection to any party in the Transaction nor any personal interest in the Client, the Addressees or the Properties which would cause us to cease to qualify as an 'Independent Valuer' for the purpose of PS 2 of the Red Book or Rule 29.3(a) of the Code and have had no material involvement with the assets being valued and we confirm that we can report without any material conflict.
- We have provided valuation services to the Offeror (using valuers other than the Responsible Valuer) for 10 years.
  - We are currently instructed by the Offeror to undertake a valuation of certain properties other than the Properties, under Rule 29 of the Code.
- 1.11 We have previously disclosed this to the Client and the Client has confirmed that notwithstanding this matter, the Client was content for us to proceed with this Valuation Report. We have therefore provided an objective and unbiased Valuation. We undertake in favour of the Client and the Addressees that we have not taken any actions which would cause us or the relevant valuers to cease to qualify as an 'Independent Valuer' for the purposes of PS 2 of the Red Book or Rule 29.3(a) of the Code for the duration of the Purpose.

In accordance with the Red Book, we are required to make the following disclosures:

- We confirm that we have a rotation policy in place, which is available on request.
- We confirm that in accordance with our rotation policy, the period that Knight Frank LLP has valued the Properties for the same purpose does not exceed ten years and will not have exceeded a continuous period of ten years by the completion of this Valuation Report.
- We confirm that in accordance with our rotation policy, the Responsible Valuer named in this Valuation Report has not been the Responsible Valuer for the Properties for the same purpose for a continuous period of more than five years.
- We have acted for the Client in excess of 12 years in relation to our services generally, including but not limited to valuation services.

- We have been valuing the Properties for financial reporting purposes for the Client for 12 years. The Responsible Valuer has been the signatory to valuation reports provided for those purposes for 2 years.
  - In relation to our preceding financial year, the total fees payable by you as a percentage of our total fee income was less than 5%.
  - It is not anticipated there will be a material increase in the proportion of fees payable to Knight Frank by the Client commissioning the Valuation over the course of the next financial year.
  - Knight Frank has not received an introductory fee or negotiated the purchase of the Properties on behalf of the Client in the previous 12 months from the date of this Valuation Report. This Valuation Report has been vetted as part of Knight Frank LLP's quality assurance procedures.
- 1.12 We recognise and support the RICS Rules of Conduct and have procedures for identifying conflicts of interest.

## Independence

- 1.13 As set out in paragraph 1.9, Knight Frank LLP currently values the Properties, for financial reporting purposes, on behalf of the Client. The total fees for this assignment, earned by Knight Frank LLP (or other companies forming part of the same group of companies within the UK) from the Client (or other companies within the UK) is less than 5.0% of the total UK revenues. It is not anticipated that there will be a material increase in the proportion of the fees payable, or likely to be payable, by the Client.
- 1.14 Other than these valuation services, Knight Frank LLP have no material involvement with the assets being valued and we confirm that we can report without any material conflict.

## Use of this Valuation

### Purpose of valuation

- 1.15 The Valuation and this Valuation Report are each provided solely for the purpose of providing an independent professional opinion of the valuation of the Properties, as at the Valuation Date, for the purpose of Rule 29 of the Code and:
- (A) inclusion in a scheme circular to be published by the Client in connection with the Transaction (the "Scheme Document");
  - (B) inclusion and/or reference to it in any other announcements, documents and/or supplementary documents required to be released by the Client and/or the Offeror which directly relate to the Transaction (each a "Code Document"); and
  - (C) publication on the Client's website and/or the Offeror's website in accordance with the requirements of Rule 26.3 of the Code, (together, the "**Purpose**").
- 1.16 The Valuation and this Valuation Report are provided solely for the Purpose as set out above and in accordance with clause 4.1 of our General Terms neither the Valuation, nor this Valuation Report can



be used for any purpose other than the Purpose without our express written consent. Notwithstanding the General Terms, we acknowledge that this Valuation Report will also be for the use of the shareholders of the Client and the Offeror for the Purpose.

#### **Third party reliance**

- 1.17 Save for (a) the Addressees and (b) any responsibility arising under the Code to any person as and to the extent there provided, in accordance with clauses 3 and 4 of the General Terms and to the fullest extent permitted by law we do not, save as provided for in the Code, 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.
- 1.18 This Valuation Report is addressed jointly to the Addressees for the Purpose and is for the use of and may be relied upon by the Addressees of this Valuation Report for the Purpose. Save in respect of such Addressees and as provided for in the Code, no reliance may be placed upon this Valuation Report by any other third party.

#### **Disclosure & publication**

- 1.19 Clauses 4.3 to 4.6 of the General Terms limit disclosure and generally prohibit publication of the Valuation. As stated therein (but subject to the section above headed "Third party reliance"), the Valuation has been prepared for the Client in accordance with the Agreement which governs its purpose and use. As stated in the Agreement, the Valuation is confidential to the Addressees and, other than as stated in this Valuation Report, neither the whole, nor any part, of the Valuation or of the Valuation Report, nor any reference thereto, may be disclosed to any person other than for the Purpose without our prior written consent, or included in any published document, circular or statement, nor published in any way, other than for the Purpose, without our prior written consent of the form or context in which it may appear.
- 1.20 Notwithstanding the paragraph above, and subject to the terms and conditions (but disregarding for these purposes clauses 4.3 to 4.6 (inclusive) of the General Terms) of the Agreement and our approval of the form and context thereof, we consent to the disclosure of this Valuation Report:
- i. as may be required by any applicable court of competent jurisdiction or other competent judicial or governmental body or any applicable law or regulation or pursuant to government action, regulatory requirement or request;
  - ii. to each Addressee's affiliates and each Addressee's affiliates' respective directors, officers, employees, agents, professional advisers, insurers, auditors and bankers that need to see the Valuation in connection with the Purpose;
  - iii. in the case of SCC and Peel Hunt, in seeking to establish a defence or otherwise in connection with any actual or threatened legal or regulatory proceedings or investigation relating to the matters set out in this Valuation Report or claims that may be brought against them arising from their roles as financial advisers and/or corporate brokers (as applicable) to the Client and/or the Offeror (as applicable);
  - iv. in investor presentations and other investor education materials prepared in connection with the Transaction, and in any private discussions with Investors or other third parties in connection with the Transaction; and
  - v. for the Purpose.

- 1.21 It is a condition of such disclosure that each party in receipt of this Valuation Report that is not an Addressee agrees and acknowledges that this Valuation Report cannot be relied upon by them, and we do not accept any responsibility, duty of care or liability to them, whether in contract, tort (including negligence), misrepresentation or otherwise in respect of the Valuation and the information it contains.
- 1.22 This Valuation Report complies with Rule 29 of the Code and we understand that the publication or reproduction by the Client of this Valuation Report and/or the information contained therein as required by Rules 26 and 29 of the Code is necessary, including in the Scheme Document and any Code Document.
- 1.23 The Addressees agree and acknowledge that we shall have no liability for any error, omission or inaccuracy in this Valuation Report to the extent resulting from our reliance on information provided by or on behalf of the Addressees unless otherwise stated. Notwithstanding the above, we highlight the restricted nature of this instruction, in accordance with the Red Book; as a result the reliance that can be placed on the Valuation is limited.

#### **Verification**

- 1.24 We recommend that before any financial transaction is entered into based upon the Valuation, you obtain verification of any third-party information contained within this Valuation Report.
- 1.25 We would advise you that whilst we have valued the Properties reflecting current market conditions, there are certain risks which may be, or may become, uninsurable. Before undertaking any financial transaction based upon this Valuation, you should satisfy yourselves as to the current insurance cover and the risks that may be involved should an uninsured loss occur.

#### **Limitations on liability**

- 1.26 Knight Frank LLP's total liability for any direct loss or damage (whether caused by negligence or breach of contract or otherwise) arising out of or in connection with this Valuation is limited in accordance with the terms of the Agreement. Knight Frank LLP accepts no liability for any indirect or consequential loss or for loss of profits.
- 1.27 We confirm that we hold adequate and appropriate PII cover for this instruction.
- 1.28 No claim arising out of or in connection with this Valuation may be brought against any member, employee, partner or consultant of Knight Frank LLP. Those individuals will not have a personal duty of care to any party and any claim for losses must be brought against Knight Frank LLP.
- 1.29 Nothing in this Valuation shall exclude or limit our liability in respect of fraud or for death or personal injury caused by our negligence or for any other liability to the extent that such liability may not be excluded or limited as a matter of law or regulation.

## Scope of work

- 1.30 Subject to any alteration agreed between us and set out in the Agreement or any other agreed amendment or restriction set out below, the General Scope of Work forming part of the Agreement sets out the work we agreed to undertake, including the investigations we have undertaken, the limits that applied and the assumptions we have made, unless we have found or have been provided with information to the contrary.

### **Restrictions**

- 1.31 The Valuation has been requested by you for the Purpose. However, we agreed restrictions to the service set out in this Scope of Work section. It is a requirement of the Red Book that we record any limitations or restrictions on the inspection, inquiry and analysis that we have agreed and which may limit the reliance that can be placed on the Valuation. The following restrictions were agreed:

- We have agreed restrictions on the extent to which the Property will be inspected, as set out in paragraph 1.36 below.

### **Information to be relied upon**

- 1.32 We have relied upon the information previously provided to us by you, or by third parties in respect of the 31 December 2024 Valuation and will assume it to be correct for the purposes of the Valuation unless you inform us otherwise, subject only to any verification that we have agreed to undertake.
- 1.33 Where we express an opinion in respect of (or which depends upon) legal issues, any such opinion must be verified by your legal advisors before any Valuation can be relied upon.
- 1.34 We are instructed to rely on floor areas and tenancy information provided by the Client. We have not read lease agreements nor verified accordance between tenancy schedule and lease terms.
- 1.35 Knight Frank LLP cannot be held liable as regards the legal description of the Properties, its use, non-compliance with statutory requirements, technological and natural risks, the areas taken into account, the existence of concealed defects, presence of asbestos, adverse ground condition, presence of soil contamination, presence of insects, noxious animals or plants, rot, or deleterious materials, etc. This Valuation Report comments on the above on the basis of Technical or Environmental reports, if provided.

### **Inspections**

- 1.36 In our ongoing role as External Valuers, we have previously been instructed to carry out an inspection of the Properties, with all Properties being inspected externally and some being inspected internally. This Valuation Report has been prepared in accordance with our previous inspections of the Properties. Our inspections of all the Properties have been undertaken within the last two years. We have assumed that there have been no material changes to the Properties or the surrounding areas between our inspection dates and the Valuation Date.

The attached General Scope of Work sets out the investigations we made, the limits that applied to those investigations and the assumptions that we made unless we found or were provided with information to the contrary. Notwithstanding the General Scope of Work, there are no assumptions made for the purposes of this Valuation Report.

**Information Provided**

- 1.37 In this Valuation Report we have been provided with information by the Client, its advisors and other third parties. We have relied upon this information as being materially correct in all aspects.
- 1.38 In the absence of any documents or information provided, we have had to rely solely upon our own enquiries as outlined in this Valuation Report.

## 2. Valuation

### Methodology

- 2.1 The Valuation has been undertaken using appropriate valuation methodology and our professional judgement.

#### Investment method

- 2.2 The Valuation has been carried out using the comparative and investment methods. In undertaking the Valuation, we have made our assessment on the basis of a collation and analysis of appropriate comparable investment and rental transactions, together with evidence of demand within the vicinity of the subject Properties. With the benefit of such transactions we have then applied these to the Properties, taking into account size, location, terms, covenant and other material factors.

### Valuation bases

- 2.3 The basis of value for the Valuation as required by the Code is Market Value and therefore these valuations have been prepared on a Market Value basis.

#### Market Value

- 2.4 Market Value is defined within RICS Valuation – Global Standards 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.”

#### Portfolios

- 2.5 In a valuation of a property portfolio, we have valued the individual properties separately and we have assumed that the individual properties have been marketed in an orderly way.

### Market Value

#### Market Value

- 2.6 We are of the opinion that the aggregate Market Value of the freehold, heritable and long leasehold interests in the Properties, as at the valuation date is:

**£82,575,000 (Eighty Two Million Five Hundred and Seventy Five Thousand Pounds).**

- 2.7 The tenure of the Properties held by the Client as at 31 December 2024 comprises the following:

	No. of properties	Market Value
Freehold	21	£82,385,000
Heritable	-	-

Long leasehold	1	£190,000
Total	22	£82,575,000

- 2.8 There are no negative values to report.
- 2.9 There are 11 Properties of the 22 held by the Client as at 31 December 2024 which individually account for more than 5% of the aggregate value of the individual Market Values as at 31 December 2024. These Properties are listed in the table below.

Property Name	Tenure
Belgrave Retail Park, Wisbech PE14 0SL	Freehold
London Road Retail Park, Grantham, NG31 6EN	Freehold
Launton Road, Bicester OX26 6PZ	Freehold
Ikea Warehouse, Denbigh West Industrial Estate, MK1 1DX	Freehold
1-7 Bluestem Road, Ransomes Europark IP3 9UH	Freehold
Wyndeham Complex, Victoria Business Park, St Austell, PL26 8LX	Freehold
Booker Unit, The Midway, NG7 2TS	Freehold
DHL Unit, Victoria Business Park, St Austell, PL26 8LX	Freehold
20 Ashbrooke Drive, Rubery, B45 9FN	Freehold
Langford Locks, Kidlington, OX5 1HP	Freehold
Lysons Avenue, Ash Vale, Aldershot, GU12 5GN	Freehold

- 2.10 For the purposes of Rule 29.5 of the Code, we confirm that in our opinion the current valuation of the Properties as at the date of this Valuation Report would not be materially different from the valuation of the Properties as at the Valuation Date.
- 2.11 We are not aware, as a result of our role as an External Valuer of the Properties of any matter which would materially affect the Market Value of the Properties which is not disclosed in this Valuation Report (subject to the assumptions set out in this Valuation Report) and we are not aware of any matter in relation to this Valuation Report that we believe should be and has not yet been brought to the attention of the Addressees.

## Responsibility

- 2.12 For the purposes of the Code, 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 (having taken all reasonable care to ensure that such is the case), the information contained in this Valuation Report is in accordance with the facts and contains no omissions likely to affect its import.



This Valuation Report complies with, and is prepared in accordance with, and on the basis of, the Code, and in particular we confirm that we meet the requirements of Rule 29.3(a) of the Code. We authorise its contents for the purpose of Rule 29 of the Code.

## **Consent**

- 2.13 Knight Frank LLP has given and has not withdrawn its consent to the inclusion of this Valuation Report:
- a) in this Scheme Document in the form and context in which it is included; and
  - b) on any websites as required pursuant to Rules 26 and 29 of the Code.

## Appendix 1 List of Properties

Reference	Town	Address	Tenure
035	Aberdare	Units 12, 13 & 14 Aberaman Industrial Estate CF44 6DA	Freehold
024	Aldershot	Lysons Avenue, Ash Vale, Aldershot, GU12 5GN	Freehold
003	Bedford	Edison Road Bedford MK41 0HU	Freehold
021	Bicester	Launton Road, Bicester OX26 6PZ	Freehold
022	Cardiff	St Marys House, 47 Penarth Road CF10 5DJ	Freehold
028	Coventry	Units A1, A2 & A3, Fletchamstead Highway, Coventry, CV5 6UA	Freehold
023	Crawley	London Road, County Oak, Crawley, RH11 0PF	Freehold
027	Grantham	London Road Retail Park, NG31 6EN	Freehold
032	Ipswich	200 & 204 Ranelagh Road IP2 0AQ	Freehold
034	Ipswich	1-7 Bluestem Road, Ransomes Europark IP3 9UH	Freehold
006	Kidlington	Langford Locks, Kidlington, OX5 1HP	Freehold
008	Leamington Spa	92 Parade, Leamington Spa CV32 4BT	Freehold
010	Milton Keynes	Ikea Warehouse, Denbigh West Industrial Estate, MK1 1DX	Freehold
026	Nottingham	Booker Unit, The Midway, NG7 2TS	Freehold
013	Oxford	132 High Street, Oxford OX14 4AX	Freehold
015	Oxford	134 High Street, Oxford OX14 5AX	Freehold
012	Oxford	269 Banbury Road, Oxford OX2 7DW	Freehold
029	Roche	Wyndeham Complex, Victoria Business Park, St Austell, PL26 8LX	Freehold
033	Roche	DHL Unit, Victoria Business Park, St Austell, PL26 8LX	Freehold

<b>030</b>	Rubery	20 Ashbrooke Drive, Rubery, B45 9FN	Freehold
<b>025</b>	Wisbech	Belgrave Retail Park, Wisbech PE14 0SL	Freehold
<b>014</b>	Oxford	133 High Street, Oxford OX14 5AX	Leasehold

## General Terms of Business for Valuation Services

### Important Notice

If you have any queries relating to this Agreement please let us know as soon as possible and in any event before signing the Terms of Engagement Letter and/or giving us instructions to proceed.

Your instructions to proceed (howsoever received, whether orally or in writing) will constitute your offer to purchase our services on the terms of the Agreement.

Accordingly, our commencement of work pursuant to your instructions shall constitute acceptance of your offer and as such establish the contract between us on the terms of the Agreement.

These General Terms of Business for Valuation Services (the “**General Terms**”), the General Scope of Valuation Work (the “**General Scope of Work**”) and our Terms of Engagement Letter (the “**Engagement Letter**”) together form the agreement between you and us (the “**Agreement**”). References to “**you**”, “**your**” etc. are to persons or entities who are our client and, without prejudice to clauses 3 and 4 below, to any persons purporting to rely on our Valuation.

Unless the context otherwise requires, all other terms and expressions used but not defined herein shall have the meaning ascribed to them in the Engagement Letter.

When used within these General Terms, the General Scope of Work and/or in the Engagement Letter, the term “**Valuation**” shall mean any valuation report, supplementary report or subsequent/update report, produced pursuant to our engagement and any other replies or information we produce in respect of any such report and/or any relevant property. Any words following the terms “**including**”, “**in particular**” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

All of the terms set out in these General Terms shall survive termination of the Agreement.

In the event of any inconsistency between these General Terms, the General Scope of Work and the Engagement Letter, the order of precedence should be as follows: (1) the Engagement Letter, (2) the General Scope of Work and (3) these General Terms.

### 1. Knight Frank

- 1.1 Knight Frank LLP (“**Knight Frank**”, “**our**”, “**us**”, “**we**”) is a limited liability partnership with registered number OC305934; this is a corporate body which has *members* and not *partners*.
- 1.2 Our registered office is at 55 Baker Street, London W1U 8AN where a list of members may be inspected.
- 1.3 Any representative of Knight Frank described as *partner* is either a member or an employee of Knight Frank and is not a partner in a partnership. The term *partner* has been retained because it is an accepted way of referring to senior professionals. The term “**Knight Frank Person**” shall, when used herein, mean any member, employee, “partner” or consultant of Knight Frank.
- 1.4 Our VAT registration number is 438 2690 74.
- 1.5 The details of our professional indemnity insurance will be provided to you on request.
- 1.6 Knight Frank LLP is regulated by RICS for the provision of surveying services. This means we agree to uphold the RICS Rules of Conduct for Firms and all other applicable mandatory professional practice requirements of RICS, which can be found at [www.rics.org](http://www.rics.org). As an RICS regulated firm we have committed to cooperating with RICS in ensuring compliance with its standards. The firm's nominated RICS Responsible Principal is Philip Gardner, Chief Risk Officer ([rics.principal@knightfrank.com](mailto:rics.principal@knightfrank.com)).

- 1.7 Any Valuation provided by us may be subject to monitoring under RICS Valuer Registration. In accordance with our obligations it may be necessary to disclose valuation files to RICS. By instructing us you give us your permission to do so. Where possible we will give you prior notice before making any such disclosure, although, this may not always be possible. We will use reasonable endeavours to limit the scope of any such disclosure and to ensure any disclosed documents are kept confidential.
- 1.8 Valuations will be carried out in accordance with the relevant edition of the RICS valuation standards, the RICS Red Book (the “**Red Book**”), by valuers who conform to its requirements and with regard to relevant statutes or regulations.
- 1.9 As required by RICS, a copy of our complaints procedure is available on request. Please contact [complaints@knightfrank.com](mailto:complaints@knightfrank.com) if you would like to make a complaint.
- 1.10 Knight Frank LLP is a member of an international network of independent firms which may use the “Knight Frank” name and/or logos as part of their business name and operate in jurisdictions outside the United Kingdom (each such firm, an “**Associated Knight Frank Entity**”).
- 1.11 Unless specifically agreed otherwise, in writing, between you and us: (i) no Associated Knight Frank Entity is our agent or has authority to enter into any legal relations and/or binding contracts on our behalf; and (ii) we will not supervise, monitor or be liable for any Associated Knight Frank Entity or for the work or actions or omissions of any Associated Knight Frank Entity, irrespective of whether we introduced the Associated Knight Frank Entity to you.
- 1.12 You are responsible for entering into your own agreement with any relevant Associated Knight Frank Entity.
- 1.13 This document has been originally prepared in the English language. If this document has been translated and to the extent there is any ambiguity between the English language version of this document and any translation thereof, the English language version as prepared by us shall take precedence.

### 2. Governing law and jurisdiction

- 2.1 The Agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation or any Valuation shall be governed by and construed in accordance with English law.
- 2.2 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Agreement or its subject matter or formation or any Valuation. This will apply wherever the relevant property or the client, or any relevant third party, is located or the service is provided.

### 3. Limitations on liability

- 3.1 Subject to clause 3.8, our maximum total liability in connection with or arising out of this Agreement and/or its subject matter and/or the

Valuation is limited to the higher of £250,000 or fifty times our fee as set out in the Engagement Letter.

- 3.2 Subject to clause 3.8, we will not be liable for any loss of profits, loss of data, loss of chance, loss of goodwill, or any indirect or consequential loss of any kind.
- 3.3 Our liability to you shall be reduced to the extent that we prove that we would have been able to claim a contribution pursuant to the Civil Liability (Contribution) Act 1978 from one or more of the other professionals instructed by you in relation to any relevant property and/or the Purpose (and in each case if, as a result of an exclusion or limitation of liability in your agreement with such professional, the amount of such contribution would be reduced, our liability to you shall be further reduced by the amount by which the contribution we would be entitled to claim from such professional is reduced).
- 3.4 Subject to clause 3.8, any limitation on our liability will apply however such liability is or would otherwise have been incurred, whether in contract, tort (including negligence), for breach of statutory duty, or otherwise.
- 3.5 Except as set out in clauses 3.6 and 4.7 and 4.8 below no third party shall have any right to enforce any of the terms of this Agreement, whether under the Contracts (Rights of Third Parties) Act 1999 or otherwise.
- 3.6 No claim arising out of or in connection with this Agreement may be brought against any Knight Frank Person. Those individuals will not have a personal duty of care to you or any other person and any such claim for losses must be brought against Knight Frank. Any Knight Frank Person may enforce this clause under the Contracts (Rights of Third Parties) Act 1999 but the terms of this Agreement may be varied by agreement between the client and Knight Frank at any time without the need for any Knight Frank Person to consent.
- 3.7 No claim, action or proceedings arising out of or in connection with the Agreement and/or any Valuation shall be commenced against us after the expiry of the earlier of (a) six years from the Valuation Date (as set-out in the relevant Valuation) or (b) any limitation period prescribed by law.
- 3.8 Whether or not specifically qualified by reference to this clause, nothing in the Agreement 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 so excluded or limited as a matter of applicable law.

#### 4. Purpose, reliance and disclosure

- 4.1 The Valuation is prepared and provided solely for the stated purpose. Unless expressly agreed by us in writing, it cannot be relied upon, and must not be used, for any other purpose and, subject to clause 3.8, we will not be liable for any such use.
- 4.2 Without prejudice to clause 4.1 above, the Valuation may only be relied on by our Client. Unless expressly agreed by us in writing the Valuation may not be relied on by any third party and we will not be liable for any such purported reliance.
- 4.3 Subject to clause 4.4 below, the Valuation is confidential to our Client and must not be disclosed, in whole or in part, to any third party without our express written consent (to be granted or withheld in our absolute discretion). Subject to clause 3.8, no liability is accepted to any third party for the whole or any part of any Valuation disclosed in breach of this clause.
- 4.4 Notwithstanding any statement to the contrary in the Agreement, you may disclose documents to the minimum extent required by any court of competent jurisdiction or any other competent judicial or governmental body or the laws of England.

- 4.5 Neither the whole nor any part of the Valuation and/or any reference thereto may be included in any published document, circular or statement nor published in any way whatsoever whether in hard copy or electronically (including on any website) without our prior written consent and approval of the form and context in which it may appear.

- 4.6 Where permission is given for the publication of a Valuation neither the whole nor any part thereof, nor any reference thereto, may be used in any publication or transaction that may have the effect of exposing us to liability for actual or alleged violations of the Securities Act 1933 as amended, the Securities Exchange Act of 1934 as amended, any state Blue Sky or securities law or similar federal, state provincial, municipal or local law, regulation or order in either the United States of America or Canada or any of their respective territories or protectorates (the "**Relevant Securities Laws**"), unless in each case we give specific written consent, expressly referring to the Relevant Securities Laws.

- 4.7 You agree that we, and/or any Knight Frank Person, may be irreparably harmed by any breach of the terms of this clause 4 and that damages may not be an adequate remedy. Accordingly, you agree that we and/or any Knight Frank Person may be entitled to the remedies of injunction or specific performance, or any other equitable relief, for any anticipated or actual breach of this clause.

- 4.8 You agree to indemnify and keep fully indemnified us, and each relevant Knight Frank Person, from and against all liabilities, claims, costs (including legal and professional costs), expenses, damages and losses arising from or in connection with any breach of this clause 4 and/or from the actions or omissions of any person to whom you have disclosed (or otherwise caused to be made available) our Valuation otherwise than in accordance with this clause 4.

- 4.9 You warrant and represent that all information provided to us shall be accurate, complete and up-to-date and can be relied upon by us for the purposes of the Agreement and you shall be liable to us or any other third party for any such information provided by you that is not accurate, complete or up-to-date.

#### 5. Severance

If any provision of the Agreement is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable and, to the greatest extent possible, achieves the intended commercial result of the original provision. If express agreement regarding the modification or meaning or any provision affected by this clause is not reached, the provision shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision shall be deemed deleted. Any modification to or deletion of a provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.

#### 6. Entire agreement

- 6.1 The Agreement, together with any Valuation produced pursuant to it (the Agreement and such documents together, the "**Contractual Documents**") constitute the entire agreement between you and us and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between you and us, whether written or oral, relating to its subject matter.
- 6.2 Subject to clause 3.8 above, you agree that in entering into the Agreement you do not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not expressly set out in the Contractual Documents. You further agree that you shall have no claim for innocent or negligent misrepresentation based on any statement set out in the Contractual Documents.

- 6.3 The Engagement Letter, the General Scope of Work and these General Terms shall apply to and be incorporated in the contract between us and will prevail over any inconsistent terms or conditions contained or referred to in your communications or publications or which would otherwise be implied. Your standard terms and conditions (if any) shall not govern or be incorporated into the contract between us.
- 6.4 Subject to clause 3.8 and clause 6, no addition to, variation of, exclusion or attempted exclusion of any of the terms of the Contractual Documents will be valid or binding unless recorded in writing and signed by duly authorised representatives on behalf of the parties.
- 7. Assignment**  
You shall not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any of the rights and obligations under the Agreement without our prior written consent (such consent to be granted or withheld in our absolute discretion).
- 8. Force majeure**  
Neither party shall be in breach of this Agreement nor liable for delay in performing, or failure to perform, any of its obligations under this Agreement if such delay or failure results from events, circumstances or causes beyond its reasonable control.
- 9. Our fees**
- 9.1 Without prejudice to clause 9.3 below, you become liable to pay our fees upon issuance of the Valuation. For the avoidance of doubt, unless expressly agreed otherwise in writing, the payment of our fees is not conditional on any other events or conditions precedent.
- 9.2 If any invoice remains unpaid after 30 days of the date on which it is presented, we reserve the right to charge interest, calculated daily, from the date when payment was due until payment is made at 4% above the then prevailing bank base rate of National Westminster Bank PLC or (if higher) at the rate provided for under the Late Payment of Commercial Debts (Interest) Act 1998 and its regulations (if applicable).
- 9.3 If we should find it necessary to use legal representatives or collection agents to recover monies due, you will be required to pay all costs and disbursements so incurred.
- 9.4 If before the Valuation is concluded you end this instruction, we will charge abortive fees (calculated on the basis of a proportion of the total fee by reference to reasonable time and expenses incurred), with a minimum charge of 50% of the full fee if we have already inspected the property (or any property, if the instruction relates to more than one).
- 9.5 If you delay the instruction by more than 30 days or materially alter the instruction so that additional work is required at any stage or if we are instructed to carry out additional work that we consider (in our reasonable opinion) to be either beyond the scope of providing the Valuation or to have been requested after we have finalised our Valuation (including, but not limited to, commenting on reports on title), we will charge additional fees for this work. Such additional fees will be calculated on the basis of a proportion of the total fee by reference to reasonable time and expenses incurred.
- 9.6 Where we agree to accept payment of our fees from a third party, such fees remain due from you until payment is received by us.
- 9.7 Any fee paid in advance for our services will not be held by us as client's money pending the completion of our service to you and it will not be subject to the RICS Clients' Money Protection Scheme.
- 10. Anti-bribery, corruption & Modern Slavery**
- 10.1 We agree that throughout the term of our appointment we shall:
- 10.2 comply with all applicable laws, statutes, regulations, and codes relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010, (the "Relevant Requirements");
- 10.3 not engage in any activity, practice or conduct which would constitute an offence under sections 1,2 or 6 of the Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK;
- 10.4 maintain anti-bribery and anti-corruption policies to comply with the Relevant Requirements and any best practice relating thereto; and
- 10.5 promptly report to you any request or demand for any undue financial or other advantage of any kind in connection with the performance of our services to you.
- 10.6 We take all reasonable steps to ensure that we conduct our business in a manner that is consistent with our Anti-slavery Policy and comply with applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including the Modern Slavery Act 2015.
- 11. Data Protection**
- 11.1 Data Protection Legislation means the Data Protection Act 2018, the EU Data Protection Directive 95/46/EC, the Regulation of Investigatory Powers Act 2000, the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000 (SI 2000/2699), the Electronic Communications Data Protection Directive 2002/58/EC, the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all applicable laws and regulations relating to processing of personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commissioner's Office. (ICO). The terms "Personal Data", "Data Processor" and "Data Subject" shall have the meanings ascribed to them in the Data Protection Legislation.
- 11.2 You and we shall comply with applicable requirements of the Data Protection Legislation.
- 11.3 Without prejudice to the generality of the foregoing, you will not provide us with Personal Data unless the Agreement requires the use of it, and/or we specifically request it from you. By transferring any Personal Data to us you warrant and represent that you have the necessary authority to share it with us and that the relevant Data Subjects have been given the necessary information regarding its sharing and use.
- 11.4 We may transfer Personal Data you share with us to other Associated Knight Frank Entities and/or group undertakings. Some of these recipients may be located outside of the European Economic Area. We will only transfer such Personal Data where we have a lawful basis for doing so and have complied with the specific requirements of the Data Protection Legislation.
- 11.5 Full details of how we use Personal Data can be found in our Privacy Statement at <http://www.knightfrank.com/legals/privacy-statement>.



## General Scope of Valuation Work

As required by the RICS Valuation – Global Standards (the “Red Book”) this General Scope of Valuation Work describes information we will rely on, the investigations that we will undertake, the limits that will apply to those investigations and the assumptions we will make, unless we are provided with or find information to the contrary.

### Definitions

“**Assumption**” is something which it is agreed the valuer can reasonably accept as being true without specific investigation or verification.

“**Property**” is the interest which we are instructed to value in land including any buildings or other improvements constructed upon it.

“**Valuation**” shall mean any valuation report, supplementary report or subsequent/update report, produced pursuant to this engagement and any other replies or information we produce in respect of any such report and/or any relevant property.

### 12. Property to be valued

- 12.1 We will exercise reasonable care and skill (but will not have an absolute obligation to you) to ensure that the Property, identified by the address provided in your instructions, is the Property inspected by us and included within our Valuation. If there is ambiguity as to the Property address, or the extent of the Property to be valued, this should be drawn to our attention in your instructions or immediately upon receipt of our Valuation.
- 12.2 We will rely upon information provided by you or your legal advisers relating to the Property to be valued, including any tenancies, sub-tenancies or other third-party interests. Any information on title and tenure we are provided with by a third party during the course of our investigations will be summarised in our Valuation but will be subject to verification by your legal advisers. We will be under no obligation to make any searches of publicly available land registers. We will not make or commission any investigations to verify any of this information. In particular, we will not investigate or verify that:
  - (a) all title information relied upon and referred to in our Valuation is complete and correct,
  - (b) all documentation is satisfactorily drawn,
  - (c) there are no undisclosed onerous conditions or restrictions that could impact on the marketability of the Property valued, and
  - (d) there is no material litigation pending, relating to the Property valued.
- 12.3 Where we provide a plan of the Property in our Valuation this is for identification only. While the plan reflects our understanding based on the information provided to us it must not be relied upon to define boundaries, title or easements.
- 12.4 Our Valuation will include those items of plant and machinery normally considered to be part of the service installations to a building and which would normally pass with the Property on a sale or letting. We will exclude all other items of process plant, machinery, trade fixtures and equipment, chattels, vehicles, stock and loose tools, and any tenant’s fixtures and fittings.
- 12.5 Unless agreed otherwise in writing we will neither investigate nor include in our Valuation any unproven or unquantified mineral deposits, felled timber, airspace or any other matter which may or may not be found to be part of the Property but which would not be known to a buyer or seller on the valuation date.
- 12.6 Unless agreed otherwise our Valuation will make the Assumption that all parts of the Property occupied by the current owner on the valuation date would be transferred with vacant possession and any tenancies, sub-tenancies or other third party interests existing on the valuation date will continue.

- 12.7 Where requested legal title and tenancy information is not provided in full, in the absence of any information provided to the contrary, our Valuation will make the Assumption that the subject Property has good title and is free from any onerous restrictions and/or encumbrances or any such matter which would diminish its value.

### 13. Portfolios

- 13.1 Where instructed to value a portfolio of properties, unless specifically agreed with you otherwise, we will value each Property separately on the basis that it is offered individually to the market.

### 14. Building specification and condition

- 14.1 We will note the general condition of any building and any building defect brought to our attention and reflect this in our Valuation. We will not undertake a detailed investigation of the materials or methods of construction or of the condition of any specific building element. We will not test or commission a test of service installations. Unless we become aware during our normal investigations of anything to the contrary and mention this in our Valuation, our Valuation will, make the Assumption that:
  - (a) any building is in a condition commensurate with its age, use and design and is free from significant defect,
  - (b) no construction materials have been used that are deleterious, or likely to give rise to structural defects,
  - (c) no potentially hazardous or harmful materials are present, including asbestos,
  - (d) all relevant statutory requirements relating to use, construction and fire safety have been complied with,
  - (e) any building services, together with any associated computer hardware and software, are fully operational and free from impending breakdown or malfunction and
  - (f) the supply to the building of electricity, data cable network and water, are sufficient for the stated use and occupancy.
- 14.2 If you require information on the structure or condition of any building our specialist building surveyors can provide a suitable report as a separate service.

### 15. Environment and sustainability

- 15.1 Our Valuation will reflect the market’s perception of the environmental performance of the Property and any identified environmental risks as at the valuation date. This may include reflecting information you provide to us that has been prepared by suitably qualified consultants on compliance of existing or proposed buildings with recognised sustainability metrics. Where appropriate we will research any freely available information issued by public bodies on the energy performance of existing buildings.
- 15.2 We will investigate whether the Property has a current Energy Performance Certificate on the relevant government register and report our findings. As part of our valuation service we will not advise on the extent to which the Property complies with any other Environmental, Social or Governance (ESG) metrics or to what extent the building, structure, technical services, ground conditions, will be impacted by future climate change events, such as extreme weather, or legislation aimed at mitigating the impact of such events. If required KF may be able to advise on ESG considerations and their long-term impact on a Property as a separate service.



## **16. Ground conditions and contamination**

- 16.1 We may rely on any information you provide to us about the findings and conclusions of any specialist investigations into ground conditions or any contamination that may affect the Property. Otherwise our investigations will be limited to research of freely available information issued by Government Agencies and other public bodies for flood risk, recorded mining activity and radon. We will also record any common sources or indicators of potential contamination observed during our inspection.
- 16.2 Unless specifically instructed by you to do so, we will not commission specialist investigations into past or present uses either of the Property or any neighbouring property to establish whether there is contamination or potential for contamination, or any other potential environmental risk. Neither will we be able to advise on any remedial or preventive measures.
- 16.3 We will comment on our findings and any other information in our possession or discovered during our investigations in our Valuation.
- 16.4 Unless we become aware of anything to the contrary and mention this in our Valuation, for each Property valued our Valuation will make the Assumption that:
- (a) the site is physically capable of development or redevelopment, when appropriate, and that no extraordinary costs will be incurred in providing foundations and infrastructure,
  - (b) there are no archaeological remains on or under the land which could adversely impact on value,
  - (c) the Property is not adversely affected by any form of pollution or contamination,
  - (d) there is no abnormal risk of flooding,
  - (e) there are no high voltage overhead cables or large electrical supply equipment affecting the Property
  - (f) the Property does not have levels of radon gas that will require mitigation work, and
  - (g) there are no invasive species present at the Property or within close proximity to the Property.
  - (h) There are no protected species which could adversely affect the use of the Property.

## **17. Planning and highway enquiries**

- 17.1 We may research freely available information on planning history and relevant current policies or proposals relating to any Property being valued using the appropriate local authority website. We will not commission a formal local search. Our Valuation will make the Assumption that any information obtained will be correct, but our findings should not be relied on for any contractual purpose.
- 17.2 Unless we obtain information to the contrary, Our Valuation will make the Assumption that:
- (a) the use to which the Property is put is lawful and that there is no pending enforcement action,
  - (b) there are no local authority proposals that might involve the use of compulsory purchase powers or otherwise directly affect the Property.
- 17.3 We do not undertake searches to establish whether any road or pathways providing access to the Property are publicly adopted. Unless we receive information to the contrary or have other reason to suspect an adjoining road or other access route is not adopted, our Valuation will make the Assumption that all such routes are publicly adopted.

## **18. Other statutory and regulatory requirements**

- 18.1 A property owner or occupier may be subject to statutory regulations depending on their use. Depending on how a particular owner or occupier uses a building, the applicable regulations may require alterations to be made to buildings. Our valuation service does not include identifying or otherwise advising on works that may be required by a specific user in order to comply with any regulations applicable to the current or a proposed use of the Property. Unless it is clear that similar alterations would be required by most prospective buyers in the market for a property, our Valuation will make the Assumption that no work would be required by a prospective owner or occupier to comply with regulatory requirements relating to their intended use.
- 18.2 We will not investigate or comment on licences or permits that may be required by the current or any potential users of the Property relating to their use or occupation.

## **19. Measurements**

- 19.1 Where building floor areas are required for our valuation, unless we have agreed to rely on floor areas provided by you or a third party, we will take measurements and calculate the appropriate floor areas for buildings in accordance with the RICS Property Measurement Professional Standard. These measurements will either be wholly taken by us during our inspection or from scaled drawings provided to us and checked by sample measurements on site. The floor areas will be within a tolerance that is appropriate having regard to the circumstances and purpose of the valuation instruction.
- 19.2 Where required, any site areas will be calculated from our understanding of the boundaries using digital mapping technology, subject to clause 1.3 above.

## **20. Investment properties**

- 20.1 Where the Property valued is subject to a tenancy or tenancies, we will have regard to the market's likely perception of the financial status and reliability of tenants in arriving at our valuation. We will not undertake detailed investigations into the financial standing of any tenant. Unless advised by you to the contrary our Valuation will be make the Assumption that there are no material rent arrears or breaches of other lease obligations.

## **21. Development properties**

- 21.1 If we are instructed to value Property for which development, redevelopment or substantial refurbishment is proposed or in progress, we strongly recommend that you supply us with build cost and other relevant information prepared by a suitably qualified construction cost professional, such as a quantity surveyor. We shall be entitled to rely on such information in preparing our valuation. If a professional estimate of build costs is not made available, we will rely on published build cost data but this must be recognised as being less reliable as it cannot account for variations in site conditions and design. This is particularly true for refurbishment work or energy efficiency and environmental upgrades. In the absence of a professionally produced cost estimate for the specific project we may need to qualify our report and the reliance that can be placed on our valuation.
- 21.2 For Property in the course of development, we will reflect the stage reached in construction and the costs remaining to be spent at the date of valuation. We will have regard to the contractual liabilities of the parties involved in the development and any cost estimates that have been prepared by the professional advisers to the project. For recently completed developments we will take no account of any retentions, nor will we make allowance for any outstanding development costs, fees, or other expenditure for which there may be a liability.

## **22. VAT, taxation and costs**

- 22.1 The reported valuation will be our estimate of the price that would be agreed with no adjustment made for costs that would be incurred by

the parties in any transaction, including any liability for VAT, stamp duty or other taxes. It is also gross of any mortgage or similar financial encumbrance.

**23. Property insurance**

23.1 Except to the limited extent provided in clause 3 and clause 4 above we do not investigate or comment on how potential risks would be viewed by the insurance market. Our Valuation will be on the Assumption that each Property would, in all respects, be insurable against all usual risks including fire, terrorism, ground instability, extreme weather events, flooding and rising water table at normal, commercially acceptable premiums.

**24. Reinstatement cost estimates**

24.1 We can only accept a request to provide a building reinstatement cost estimate for insurance purposes alongside our Valuation of the Property interest on the following conditions:

- (a) the assessment provided is indicative, without liability and only for comparison with the current sum insured, and
- (b) The building is not specialised or listed as being of architectural or historic importance.

24.2 Otherwise we can provide an assessment of the rebuilding cost by our specialist building surveyors as a separate service.

**25. Legal advice**

25.1 We are appointed to provide valuation opinion(s) in accordance with our professional duties as valuation surveyors. The scope of our service is limited accordingly. We are not qualified legal practitioners and we do not provide legal advice. If we indicate what we consider the effect of any provision in the Property's title documents, leases or other legal requirements may have on value, we strongly recommend that this be reviewed by a qualified lawyer before you take any action relying on our valuation.

**26. Loan security**

26.1 If we are requested to comment on the suitability of the Property as a loan security we are only able to comment on any risk to the reported value that is inherent in either its physical attributes or the interest valued. We will not comment on the degree and adequacy of capital and income cover for an existing or proposed loan or on the borrower's ability to service payments.



## **SCHEDULE 2 - VALUATION REPORT OF CBRE IN RESPECT OF LONDONMETRIC**

# Valuation Report

**In respect of:**

Portfolio of 167 properties held by LondonMetric Property Plc

**On behalf of:**

The Addressees as set out below

**Date of valuation:**

31 March 2025

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# Valuation Report

## Introduction

Report Date	24 April 2025
Valuation Date	31 March 2025
Addressee	<p>LondonMetric Property Plc 1 Curzon Street London W1J 5HB (hereinafter referred to as “LondonMetric” or the “Company”)</p> <p>and</p> <p>Peel Hunt LLP 100 Liverpool Street London EC2M 2AT (in their capacity as financial adviser and corporate broker to the Company)</p> <p>and</p> <p>Highcroft Investments plc Lambourne House 311-321 Banbury Road Oxford OX2 7JH (hereinafter referred to as “Highcroft”)</p> <p>and</p> <p>Shore Capital and Corporate Limited Cassini House 57 St James’s Street London SW1A 1LD (in their capacity as financial adviser, corporate broker and Rule 3 adviser to Highcroft)</p> <p>(and all the above collectively referred to as “the Addressees”)</p>
The Properties	167 properties held by LondonMetric, as set out in the Schedule of Properties below in Appendix A.



<b>Instruction</b>	To value without re-inspecting the unencumbered freehold and leasehold interests (as applicable) of the Properties on the basis of Market Value as at the Valuation Date in accordance with Terms of Engagement entered into between CBRE and the Addressees dated 26 March 2025.								
<b>Status of Valuer</b>	<p>You have instructed us to act as an External valuer as defined in the current version of the RICS Valuation – Global Standards.</p> <p>Please note that the Valuation may be investigated by the RICS for the purposes of the administration of the Institution’s conduct and disciplinary regulations in order to ensure compliance with the Valuation Standards.</p>								
<b>Purpose and Basis of Valuation</b>	<p>We understand that this valuation report and the Appendices to it (together the “Valuation Report”) are required for inclusion in a scheme document to be published by Highcroft in connection with the recommended offer by LondonMetric for the entire issued and to be issued ordinary share capital of Highcroft (the “Transaction”), in accordance with the City Code on Takeovers and Mergers (“the Code”), (the “Scheme Document”).</p> <p>The Valuation will be on the basis of:</p> <ul style="list-style-type: none"><li>– <b>Market Value</b> as defined in the current edition of the RICS Valuation – Global Standards and in the VSTOB.</li></ul>								
<b>Market Value of the Properties as at 31 March 2025 (100%)</b>	<p><b>£2,628,050,000 (TWO BILLION, SIX HUNDRED AND TWENTY EIGHT MILLION AND FIFTY THOUSAND POUNDS)</b> exclusive of VAT.</p> <p>For the avoidance of doubt, we have valued the Properties as real estate and the values reported above represent 100% of the market values of the assets. There are no negative values to report.</p> <p>Our opinion of Market Value is based upon the Scope of Work and Valuation Assumptions attached, and has been primarily derived using comparable recent market transactions on arm’s length terms.</p> <p>The Properties are split by property type and tenure as follows.</p>								
<table><tr><th>Property Type</th><th>Freehold</th><th>Leasehold</th><th>Total</th></tr><tr><td>Market Value of Properties held for Investment</td><td>£2,566,820,000 (161 properties)</td><td>£61,230,000 (6 properties)</td><td>£2,628,050,000 (167 properties)</td></tr></table>		Property Type	Freehold	Leasehold	Total	Market Value of Properties held for Investment	£2,566,820,000 (161 properties)	£61,230,000 (6 properties)	£2,628,050,000 (167 properties)
Property Type	Freehold	Leasehold	Total						
Market Value of Properties held for Investment	£2,566,820,000 (161 properties)	£61,230,000 (6 properties)	£2,628,050,000 (167 properties)						
<b>Market Value of the Properties as at 31 March 2025 (at share)</b>	<p>LondonMetric has advised us that they have a joint venture share in 13 of the Properties and the total arithmetical apportionment of the value taking into account the relevant ownership share (as advised to us by LondonMetric) on a pro-rata basis is as follows:</p> <p><b>£2,558,137,500 (TWO BILLION, FIVE HUNDRED AND FIFTY EIGHT MILLION, ONE HUNDRED AND THIRTY SEVEN THOUSAND AND FIVE HUNDRED POUNDS)</b> exclusive of VAT.</p> <p>Where a Property is owned through an indirect investment structure or a joint tenancy in a trust for sale, our Valuation represents the relevant apportioned percentage of ownership of the value of the whole Property, assuming full management control. Our</p>								

	Valuation therefore is unlikely to represent the value of the interests in the indirect investment structure through which the property is held.
<b>Report Format</b>	<p>Appendix A of this Valuation Report contains the Schedule of Properties including the most recent inspection dates.</p> <p>Appendix B provides a split of the value of the Properties by use type.</p> <p>Appendix C provides a split of the value of the Properties by location.</p> <p>Appendix D provides a summary of the market value of the properties currently subject to a development.</p>
<b>Market Conditions</b>	<p>External influences continue to affect some property markets and there continues to be a degree of polarisation between primary and secondary class assets. However, there are also signs that capital values are stabilising in several sectors.</p> <p>Experience has shown that consumer and investor behaviour can quickly change during fluctuating market conditions. It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to the current environment.</p>
<b>Portfolios and Aggregation</b>	We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.
<b>Valuation Approach for Properties in Course of Development</b>	<p>In the case of development valuations, we would draw your attention to the fact that, even in normal market conditions, the residual method of valuation is very sensitive to changes in key inputs, with small changes in variables (such as the timing of the development, finance/construction costs and sales rates) having a disproportionate effect on land value.</p> <p>Consequently, in reference to the Market Conditions section above it is inevitable that there is even greater uncertainty, with site values being susceptible to much more variance than normal.</p>
<b>Building Contracts</b>	<p>Current supply issues associated with some building material shortages are impacting on construction costs and timing.</p> <p>Unexecuted construction / building contracts may be subject to price increases and executed contracts may contain conditions which allow the builder to pass on any increases to the instructing party.</p> <p>We recommend you obtain appropriate advice to confirm there are no adverse conditions within the final construction/building contract and/or ensure there are additional funds available to cover potential cost escalations.</p> <p>Rising building costs and shortages of labour and materials may also affect the builder's viability and/or ability to meet construction timeframes. In this climate, we strongly recommend you verify the experience and financial capability of the builder to complete the project on time and on budget. Caution is advised in this regard.</p> <p>In the absence of any information to the contrary, we have assumed that the construction contract and any warranties will be assignable.</p>

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**Construction Cost Volatility**

Material costs, labour costs and supply chains are unusually volatile with the market experiencing price increases in some, or all of these areas during 2022 and continuing into 2023. This has created significant uncertainty in cost estimates, which is likely to continue. In addition, there are significant risks that delays may be encountered in sourcing materials and labour, and as such, delivery risks are also heightened in this climate.

Furthermore, the likelihood of ongoing cost escalations and sourcing delays is high. This may place additional pressure on both the developer's and builder's profit margins and development viability.

These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard.

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**Building Safety Levy**

On 23 January 2024, the government issued its initial response to the Building Safety Levy (BSL) consultation.

The intention of the BSL is to impose a levy on a wide range of residential developments including 'for sale' housing, new BTR properties (inc. conversions to resi), purpose-built student accommodation, and private retirement.

There will be exemptions - including affordable housing and smaller developments - and the government intends to "set a differential geographic levy rate at a local authority level", and "brownfield sites will be charged at a rate that is 50% of the greenfield rate". Currently any developments with fewer than 10 units would also be exempt from the levy.

A second consultation ran until 20 February 2024 to further clarify details, however, responses are still being reviewed and there has been no formal consultation response. A degree of uncertainty therefore exists in terms of what market impact this provision might have. Once this has been finalised, it will be taken to Parliament as a secondary legislation. For clarity, our valuation makes no specific allowance for a BSL.

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**Compliance with Valuation Standards**

The Valuation has been prepared in accordance with the latest version of the RICS Valuation – Global Standards (incorporating the International Valuation Standards) and the UK national supplement (the "Red Book") current as the Valuation Date.

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The valuations are compliant with the International Valuation Standards and Rule 29 of the Code.

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The Properties have been valued by a valuer who is qualified for the purpose of the Valuation in accordance with the Red Book and Rule 29.3(a)(ii) and (iii) of the Code. We confirm that we have sufficient local and national knowledge of the particular property market involved and have the skills and understanding to undertake the Valuation competently.

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Where the knowledge and skill requirements of the Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of the Red Book.

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This Valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of the subject Properties. Other valuers may reach different conclusions as to the value of the subject Properties. This Valuation is for the sole purpose of providing the intended user with the valuer's

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	independent professional opinion of the value of the subject Properties as at the Valuation Date.
<b>Sustainability Considerations</b>	<p>For the purposes of this report, we have made enquiries to ascertain any sustainability factors which are likely to impact on value, consistent with the scope of our terms of engagement.</p> <p>Sustainability encompasses a wide range of physical, social, environmental, and economic factors that can affect the value of an asset, even if not explicitly recognised. This includes key environmental risks, such as flooding, energy efficiency and climate, as well as design, legislation and management considerations - and current and historic land use. CBRE are currently gathering and analysing data around the four key areas we feel have the most potential to impact on the value of an asset:</p> <ul style="list-style-type: none"> <li>– Energy Performance</li> <li>– Green Certification</li> <li>– Sources of Fuel and Renewable Energy Sources</li> <li>– Physical Risk/Climate Risk</li> </ul> <p>Where we recognise the value impacts of sustainability, we are reflecting our understanding of how market participants include sustainability factors in their decisions and the consequential impact on market valuations.</p>
<b>Climate Risk Legislation</b>	<p>The UK Government is currently producing legislation which enforces the transition to net zero by 2050, and the stated 78% reduction of greenhouse gases by 2035 (based on a 1990 baseline).</p> <p>We understand this to include an update to the Minimum Energy Efficiency Standards, stated to:</p> <ul style="list-style-type: none"> <li>– Increase the minimum requirements for non-domestic properties from an E (since 2018) to a B in 2030; and,</li> <li>– Require a minimum EPC of C for privately rented residential properties from 2028.</li> </ul> <p>The government also intends to introduce an operational rating. It is not yet clear how this will be legislated, but fossil fuels used in building, such as natural gas for heating, are incompatible with the UK's commitment to be Net Zero Carbon by 2050.</p> <p>This upcoming legislation could have a potential impact to future asset value.</p> <p>We also note that the UK's introduction of mandatory climate related disclosures (reporting climate risks and opportunities consistent with recommendations by the "Task Force for Climate Related Financial Disclosure" (TCFD)), including the assessment of so-called physical and transition climate risks, will potentially have an impact on how the market views such risks and incorporates them into the sale of letting of assets.</p> <p>The European Union's "Sustainable Finance Disclosure Regulations" (SFDR) may impact on UK asset values due to the requirements in reporting to European investors.</p>
<b>Assumptions</b>	<p>The Properties details on which each Valuation are based are as set out in this report. We have made various assumptions as to tenure, letting, taxation, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below.</p>

	<p>If any of the information or assumptions on which the Valuation is based are subsequently found to be incorrect, the Valuation figures may also be incorrect and should be reconsidered.</p>
<b>Variations and/or Departures from Standard Assumptions</b>	<p>None</p>
<b>Independence</b>	<p>The total fees, including the fee for this assignment, earned by CBRE Ltd (or other companies forming part of the same group of companies within the UK) from LondonMetric or Highcroft (or other companies forming part of the same group of companies) is less than 5.0% of the total UK revenues.</p> <p>It is not anticipated this situation will vary in the financial year to 31 December 2025.</p> <p>We confirm that neither the valuers concerned nor CBRE have any personal interest in LondonMetric, Highcroft, any of the Properties or in the outcome of the valuation.</p>
<b>Previous Involvement and Conflicts of Interest</b>	<p>We confirm that we have valued the Properties on behalf of LondonMetric on a six monthly basis for financial reporting purposes for in excess of 10 years, the most recent valuation being 31 March 2025.</p> <p>From time to time, CBRE provides agency or professional services to LondonMetric.</p> <p>We do not consider that this previous involvement represents a conflict of interest and you have confirmed to us that you also consider this to be the case.</p> <p>We confirm that we are not aware of any conflicts of interest that would prevent us from exercising the required levels of independency and objectivity.</p> <p>Copies of our conflict of interest checks have been retained within the working papers.</p>
<b>Disclosure</b>	<p>The principal signatory of this report has continuously been the signatory of valuations for LondonMetric since March 2023.</p> <p>CBRE has continuously been carrying out Valuation instructions for LondonMetric for in excess of 10 years.</p> <p>CBRE Ltd has carried out Valuation, Agency and Professional services on behalf of LondonMetric for in excess of 10 years.</p>
<b>Responsibility</b>	<p>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 (having taken all reasonable care to ensure that such is the case) the information contained in this Valuation Report is in accordance with the facts and this Valuation Report makes no omissions likely to affect its import.</p> <p>Save for any responsibility arising under the Takeover Code to any person as and to the extent there provided, 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 this Valuation Report or our statement above.</p>
<b>Reliance</b>	<p>Save as set out in “Responsibility” above, the contents of this Report may only be relied upon by:</p> <p>i) Addressees of the Report; and</p>

	<div>ii) Parties who have received prior written consent from CBRE in the form of a reliance letter; and</div> <div>iii) The shareholders of Highcroft;</div> <div>for the specific purpose set out herein and no responsibility is accepted to any third party for the whole or any part of its contents.</div> <div>No reliance may be placed upon the contents of this Valuation Report by any party for any purpose other than in connection with the Purpose of Valuation.</div>
<b>Publication</b>	<div>Neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear.</div> <div>Such publication of, or reference to this report will not be permitted unless it contains a sufficient contemporaneous reference to any departure from the Red Book or the incorporation of the special assumptions referred to herein.</div>
	<div><div>Yours faithfully</div><div></div><div><b>Nick Butler</b> BSc (Hons) MRICS Executive Director RICS Registered Valuer For and on behalf of CBRE Limited +44 2071822526 Nick.butler@cbre.com</div></div> <div><div>Yours faithfully</div><div></div><div><b>Stephen Marshall</b> MRICS MCI Arb Executive Director RICS Registered Valuer For and on behalf of CBRE Limited +44 2071822672 stephen.marshall@cbre.com</div></div>

## Source of Information and Scope of Works

<b>Sources of Information</b>	<p>We have carried out our work based upon information supplied to us by LondonMetric and their professional advisors, as set out within this report, which we have assumed to be correct and comprehensive.</p> <ul style="list-style-type: none"> <li>• A tenancy schedule named CBRE TS – 26.2 and received on 27<sup>th</sup> February 2025</li> <li>• For new acquisitions, we generally receive due diligence reports, including measured surveys, technical and environmental reports.</li> </ul>
<b>The Properties</b>	<p>Our report contains a brief summary of the Property details on which our Valuation has been based.</p> <p>LondonMetric has expressly instructed us not to disclose certain information which is considered commercially sensitive, namely the individual values of the Properties.</p>
<b>Inspection</b>	<p>As part of our valuation instruction from LondonMetric for financial reporting purposes, the majority of the Properties have been subject to internal inspections on a three year rolling basis. As instructed, we have not re-inspected all the Properties for the purpose of this valuation.</p> <p>With regard to those Properties which have not been subject to re-inspection, LondonMetric has confirmed that they are not aware of any material changes to the physical attributes of the properties, or the nature of their location, since the last inspection. We have assumed this advice to be correct.</p> <p>Where properties have not been reinspected, the valuer will not carry out the usual range of enquiries performed during a full inspection of these properties and will make the appropriate assumptions based on the information provided or available that, without a full inspection, cannot be verified. The instructing parties acknowledge and accept the heightened and inherent uncertainty and risks relying upon a valuation prepared on a desktop basis.</p>
<b>Areas</b>	<p>We have not measured the Properties but have relied upon the floor areas provided to us by you or your professional advisors, which we have assumed to be correct and comprehensive, and which you have advised us have been calculated using the: Gross Internal Area (GIA), Net Internal Area (NIA) or International Property Measurement Standard (IPMS) 3 – Office, measurement methodology as set out in the latest edition of the RICS Property Measurement Standards.</p>
<b>Environmental Considerations</b>	<p>We have not been instructed to make any investigations in relation to the presence or potential presence of contamination in land or buildings or the potential presence of other environmental risk factors and to assume that if investigations were made to an appropriate extent then nothing would be discovered sufficient to affect value.</p> <p>We have not carried out investigation into past uses, either of the property or of any adjacent lands, to establish whether there is any potential for contamination from such uses or sites, or other environmental risk factors and have therefore assumed that none exists.</p>
<b>Sustainability Considerations</b>	<p>In carrying out this valuation, we have considered the impact of sustainability factors on the value of the property. Based on our inspections and our review of the information that was available to us, we have not identified any risk factors which, in our opinion, would affect value. However, CBRE gives no warranty as to the absence of such risk factors in relation to sustainability.</p>



<b>Services and Amenities</b>	<p>We understand that the Properties are located in an area served by mains gas, electricity, water and drainage.</p> <p>None of the services have been tested by us.</p> <p>Enquiries regarding the availability of utilities/services to the proposed developments are outside the scope of our report.</p>
<b>Repair and Condition</b>	<p>We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Properties. We are unable, therefore, to give any assurance that the Properties are free from defect.</p>
<b>Town Planning</b>	<p>We have not undertaken planning enquiries.</p>
<b>Titles, Tenures and Lettings</b>	<p>Details of title/tenure under which the Properties are held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser.</p> <p>We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants.</p>

## Valuation Assumptions

<b>Introduction</b>	<p>An Assumption is defined in the Red Book Glossary and VPS 4 to be a “supposition taken to be true” (an “Assumption”).</p> <p>Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that it has been agreed need not be verified by the valuer as part of the valuation process. Assumptions are made when it is reasonable for the valuer to accept that something is true without the need for specific investigation.</p> <p>LondonMetric has confirmed and we confirm that our Assumptions are correct as far as LondonMetric and we, respectively, are aware. In the event that any of these Assumptions prove to be incorrect then our valuations should be reviewed. The principal Assumptions which we have made are stated within this Valuation Report.</p> <p>For the avoidance of doubt, the Assumptions made do not affect compliance with the approach to Market Value under the Red Book.</p>
<b>Capital Values</b>	<p>The Valuation has been prepared on the basis of “Market Value”, which is defined in the Red Book as:</p> <p>“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.”</p> <p>The Valuation represents the figure that would appear in a hypothetical contract of sale at the Valuation Date. No adjustment has been made to this figure for any expenses of acquisition or realisation - nor for taxation which might arise in the event of a disposal.</p> <p>No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charge.</p> <p>No account has been taken of the availability or otherwise of capital based Government or European Community grants.</p>
<b>Taxation, Costs and Realisation Costs</b>	<p>As stated above, no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal.</p> <p>Our valuations reflect purchasers' statutory and other normal acquisition costs.</p>
<b>VAT</b>	<p>We have not been advised whether the properties are elected for VAT.</p> <p>All rents and capital values stated in this report are exclusive of VAT.</p>
<b>Net Annual Rent</b>	<p>Net annual rent is defined for the purposes of this transaction as “the current income or income estimated by the valuer:</p> <ul style="list-style-type: none"> <li>(i) ignoring any special receipts or deduction arising from the property;</li> <li>(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and</li> <li>(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the property and allowances to maintain it in a condition to command its rent”.</li> </ul>
<b>Estimated Net Annual Rental Value</b>	<p>The estimated net annual rental value is based on the current rental value of each of the Properties. The rental value reflects the terms of the leases where the Properties, or parts thereof, are let at the date of valuation. Where the Properties, or parts thereof, are vacant at the date of valuation, the rental value reflects the rent we consider would be obtainable on an open market letting as at the date of valuation</p>

**Rental Values**

Unless stated otherwise rental values indicated in our report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily appropriate for other purposes, nor do they necessarily accord with the definition of Market Rent in the Red Book, which is as follows:

"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."

**Fixtures, Fittings and Equipment**

Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building.

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our Valuations.

Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our Valuations.

All measurements, areas and ages quoted in our report are approximate.

**Environmental Matters**

In the absence of any information to the contrary, we have assumed that:

- a) the Property/Properties is/are not contaminated and is not adversely affected by any existing or proposed environmental law;
- b) any processes which are carried out on the Property/Properties which are regulated by environmental legislation are properly licensed by the appropriate authorities;
- c) in England and Wales, the Property/Properties possesses current Energy Performance Certificates (EPCs) as required under the Government's Energy Performance of Buildings Directive – and that they have an energy efficient standard of 'E', or better. Under the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 it became unlawful for landlords to rent out business or residential premise from 1st April 2018 – unless the site has reached a minimum EPC rating of an 'E', or secured a relevant exemption. In Scotland, we have assumed that the Property/Properties possesses current EPCs as required under the Scottish Government's Energy Performance of Buildings (Scotland) Regulations – and that they meet energy standards equivalent to those introduced by the 2002 building regulations. The Assessment of Energy Performance of Non-Domestic Buildings (Scotland) Regulations 2016 requires building owners to commission an EPC and Action Plan for sale or new rental of non-domestic buildings bigger than 1,000 sq m that do not meet 2002 building regulations energy standards. Action Plans contain building improvement measures that must be implemented within 3.5 years, subject to certain exemptions;
- e) The UK Government has indicated that they intend to raise the minimum standards for EPCs in private rented accommodation to EPC C by 2030. This is not yet legislated but follows from the policies of previous governments to establish a high standard of energy efficiency. Our Valuation reflects market conditions and regulations effective at the Valuation Date; we make no additional allowances for any future works that may be undertaken to improve the energy efficiency of the subject asset(s);
- f) the Properties are either not subject to flooding risk or, if it is, that sufficient flood defences are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value; and

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- g) invasive species such as Japanese Knotweed are not present on the Properties.

High voltage electrical supply equipment may exist within, or in close proximity of, the Properties. The National Radiological Protection Board (NRPB) has advised that there may be a risk, in specified circumstances, to the health of certain categories of people. Public perception may, therefore, affect marketability and future value of the Properties. Our Valuation reflects our current understanding of the market and we have not made a discount to reflect the presence of this equipment.

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#### **Repair and Condition**

In the absence of any information to the contrary, we have assumed that:

- a) there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the Properties;
- b) the Properties are free from rot, infestation, structural or latent defect;
- c) no currently known deleterious or hazardous materials or suspect techniques, including but not limited to Composite Panelling, ACM Cladding, High Alumina Cement (HAC), Asbestos, Reinforced Autoclaved Aerated Concrete (Raac), have been used in the construction of, or subsequent alterations or additions to, the Properties; and
- d) the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the Properties. Comments made in the property details do not purport to express an opinion about, or advise upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

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#### **Title, Tenure, Lettings, Planning, Taxation and Statutory & Local Authority Requirements**

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

- a) the Properties possesses a good and marketable title free from any onerous or hampering restrictions or conditions;
  - b) the building has been erected either prior to planning control, or in accordance with planning permissions, and has the benefit of permanent planning consents or existing use rights for their current use;
  - c) the Properties is not adversely affected by town planning or road proposals;
  - d) the building complies with all statutory and local authority requirements including building, fire and health and safety regulations, and that a fire risk assessment and emergency plan are in place;
  - e) only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of the Properties to comply with the provisions of the Disability Discrimination Act 1995 (in Northern Ireland) or the Equality Act 2010 (in the rest of the UK);
  - f) all rent reviews are upward only and are to be assessed by reference to full current market rents;
  - g) there are no tenant's improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;
  - h) tenants will meet their obligations under their leases, and are responsible for insurance, payment of business rates, and all repairs, whether directly or by means of a service charge;
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- i) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;
  - j) where more than 50% of the floorspace of the Properties is in residential use, the Landlord and Tenant Act 1987 (the “Act”) gives certain rights to defined residential tenants to acquire the freehold/head leasehold interest in the Properties. Where this is applicable, we have assumed that necessary notices have been given to the residential tenants under the provisions of the Act, and that such tenants have elected not to acquire the freehold/head leasehold interest. Disposal on the open market is therefore unrestricted;
  - k) where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required;
  - l) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy; and
  - m) Land Transfer Tax (or the local equivalent) will apply at the rate currently applicable.  
In the UK, Stamp Duty Land Tax (SDLT) in England and Northern Ireland, Land and Buildings Transaction Tax (LABTT) in Scotland or Land Transaction Tax (LTT) in Wales, will apply at the rate currently applicable
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# Appendices

## Appendix A : Schedule of Properties as at 31 March 2025

Property Code	Property Name	City	Ownership Purpose	Inspection Date
RES01	2-72 Telford Drive Ground Rent	ST HELENS	Investment	19/08/2022
ABE001	Badentoy North, Aberdeen	ABERDEEN	Investment	10/09/2024
BAN002	First Line - Banbury	BANBURY	Investment	24/03/2025
ROM001	Macarthys - Romford	ROMFORD	Investment	02/07/2024
STA002	General Electric - Stafford	STAFFORD	Investment	27/03/2025
ABE002	The Arc, Aberdeen (Helix)	ABERDEEN	Investment	06/03/2025
ACT001	Pai Skincare, Acton	ACTON	Investment	11/04/2022
ALP001	Ford Retail	ALPERTON	Investment	10/05/2022
MKWF42	Vitec, Flagstaff 42	ASHBY-DE-LA-ZOUCH	Investment	27/05/2022
ASH002	Ashford 34	ASHFORD	Investment	27/01/2023
MKWV1A	City Plumbing, Vantage 1	ASTON	Investment	20/08/2024
AVO002	CHEP Unit	AVONMOUTH	Investment	10/03/2025
AVO001	DSV Unit	AVONMOUTH	Investment	10/03/2025
BRI003	Farmfoods Distribution Centre	AVONMOUTH	Investment	10/03/2025
BUBAN1	3663 Unit, Chalker Way, Banbury, OX16 4XJ	BANBURY	Investment	19/12/2023
BAS001	Burnt Mills Industrial Estate	BASILDON	Investment	22/01/2025
BAS003	Unit 2 Juniper West	BASILDON	Investment	22/01/2025
BAS002	Unit 3 Juniper West	BASILDON	Investment	22/01/2025
BUBASI	Bunzl, Unit K60	BASINGSTOKE	Investment	02/01/2024
BED001	Argos	BEDFORD	Investment	03/03/2023



Property Code	Property Name	City	Ownership Purpose	Inspection Date
BEL001	Bedford Link - Phase 1	BEDFORD	Investment	03/03/2023
BEL003	Bedford Link - Phase 2 Unit 1	BEDFORD	Investment	03/03/2023
BEL002	Bedford Link - Phase 3 Unit 3	BEDFORD	Investment	03/03/2023
BEL004	Bedford Link - Starbucks	BEDFORD	Investment	03/03/2023
BIC001	Unit 1 Bicester Distribution Park	BICESTER	Investment	23/02/2023
CABBIC	Unit B, Bicester Park	BICESTER	Investment	25/05/2023
BOG001	John Wiley	BOGNOR REGIS	Investment	25/01/2023
BUBRAC	1-2 Network	BRACKNELL	Investment	02/01/2024
BRI004	Access 18, Bristol	BRISTOL	Investment	10/03/2025
MKWBAR	Antolin, Barton Business Park	BURTON-ON-TRENT	Investment	22/02/2024
CAN002	Fentiman Way, 130 Thamesview Business Park	CANVEY ISLAND	Investment	23/09/2022
CAR002	Global Life Sciences, Longwood Drive	CARDIFF	Investment	10/03/2025
CAR003	Land at Fforest Farm Industrial Estate (2.46 acres)	CARDIFF	Investment	10/03/2025
CAS001	Rolls-Royce Submarines	CASTLE DONINGTON	Investment	27/05/2022
CHE001	Cleeve Business Park	CHELTENHAM	Investment	05/05/2022
CHE002	Newhouse Farm Industrial Estate, Chepstow	CHEPSTOW	Investment	10/03/2025
COL005	Travis Perkins, Colchester	COLCHESTER	Investment	03/03/2025
MKWCTP	Units 1-11, Coleshill Trade Park	COLESHILL	Investment	29/08/2024
MKWRWC	Units 1-6, Roman Park	COLESHILL	Investment	29/08/2024

Property Code	Property Name	City	Ownership Purpose	Inspection Date
COL004	Development Site, 8 Prince George's Road	COLLIERS WOOD	Investment	11/05/2023
COL002	Fulham Timber Merchants	COLLIERS WOOD	Investment	11/05/2023
BUCOL1	Heathrow Truck Centre	COLNBROOK	Investment	20/12/2023
BUCOL2	Units 1-8, Lakeside Industrial Estate	COLNBROOK	Investment	20/12/2023
MKWCOV	Units 1 & 2, Middlemarch	COVENTRY	Investment	29/08/2024
CRA006	Jewson Cranleigh (The Common)	CRANLEIGH	Investment	28/02/2025
CRA003	Barker & Stonehouse	CRAWLEY	Investment	20/03/2025
CRA004	Fed Ex	CRAWLEY	Investment	13/02/2023
CRA002	Space Gatwick	CRAWLEY	Investment	13/02/2023
MKW CRA	Units 1-6 Crompton Fields	CRAWLEY	Investment	13/02/2023
CRE001	1-5 Radar Park, Crewe Road	CREWE	Investment	11/09/2024
CRI001	XPO Transport Solutions Unit	CRICK	Investment	13/05/2022
CRO001	Tesco	CROYDON	Investment	28/02/2025
DAG001	Goresbrook Park	DAGENHAM	Investment	12/07/2024
DAR003	Unit C3	DARTFORD	Investment	12/07/2022
MKW DON	Next RSC	DONCASTER	Investment	04/01/2024
THO001	Plot D	DONCASTER	Investment	18/08/2022
DRO001	Amazon Car Park, Droitwich	DROITWICH	Investment	10/05/2023
DRO002	Berry 185 Land, Droitwich	DROITWICH	Investment	10/05/2023
MKWYPD	Units 1-5, Yorks Park	DUDLEY	Investment	15/08/2024
DKDULW	65-77 Malham Road	DULWICH	Investment	19/01/2023

Property Code	Property Name	City	Ownership Purpose	Inspection Date
DUN002	Deralam Laminates, 10/10a Foster Avenue	DUNSTABLE	Investment	20/05/2022
DUN001	Mega Marble	DUNSTABLE	Investment	20/05/2022
BUEAS1	Airways 1 & 2	EASTLEIGH	Investment	18/12/2023
BUEAS2	Unit H & Plot 2	EASTLEIGH	Investment	18/12/2023
ELY001	Cambridge Commodities Ltd	ELY	Investment	05/05/2022
EPS001	Royal Mail	EPSOM	Investment	29/01/2024
EXE001	Jewson Builders Merchants	EXETER	Investment	14/08/2024
FAR001	Specialist Computer Centres	FAREHAM	Investment	16/05/2022
STFARN	Iveco, Hawley Lane	FARNBOROUGH	Investment	18/05/2022
FRI001	Plot A	FRIMLEY	Investment	09/04/2025
GOO001	Croda	GOOLE	Investment	18/08/2022
GRE001	Unit 1	GREENFORD	Investment	14/09/2022
STGUIL	Mzuri, Henley Business Park	GUILDFORD	Investment	22/09/2022
DKANDR	16 Andre Street (Hackney)	HACKNEY	Investment	21/09/2022
DKHACK	Jacuna, Hackney Oval	HACKNEY	Investment	21/09/2022
MKWAMB	SkateHut, Amber Way	HALESOWEN	Investment	15/08/2024
MKWCOO	Vee Bee, Coombeswood	HALESOWEN	Investment	15/08/2024
HAV003	4 Marples Way	HAVANT	Investment	18/01/2023
HEM002	Boundary Point	HEMEL HEMPSTEAD	Investment	20/05/2022
BUHEME	Units A & B, Hemel Gateway	HEMEL HEMPSTEAD	Investment	29/12/2023
DKNORT	Jacuna, North Circular	HENDON	Investment	17/05/2022
STHOUN	Orange, Lampton House	HOUNSLOW	Investment	31/03/2022

Property Code	Property Name	City	Ownership Purpose	Inspection Date
HUN001	AM Fresh, APS 2, Alconbury Weald	HUNTINGDON	Investment	03/03/2023
IPSO02	2 Anglia Parkway North	IPSWICH	Investment	22/05/2023
IPS001	FDS Corporation, Port One Logistics Park	IPSWICH	Investment	22/05/2023
IRL001	Irlam 136	IRLAM	Investment	04/05/2022
KIN001	Unit 3, Kingley Park	KINGS LANGLEY	Investment	10/02/2023
MKWTL	Units 1-7, Tachbrook Link	LEAMINGTON SPA	Investment	29/08/2024
LEE005	CCF LIMITED Unit 17	LEEDS	Investment	04/01/2024
LEE003	Ecco Safety Group (ESG)	LEEDS	Investment	18/08/2022
LEE002	Flender Limited	LEEDS	Investment	18/08/2022
LEE004	Ross Care, Lockside Road	LEEDS	Investment	04/01/2024
LEI003	Crosslink 646	LEICESTER	Investment	29/03/2023
LUT002	Luton Enterprise Park	LUTON	Investment	01/03/2023
STMAID	Bircholt Road	MAIDSTONE	Investment	06/05/2022
MIL004	1 Deltic Avenue	MILTON KEYNES	Investment	25/10/2024
BUMILT	Crown House & Site E	MILTON KEYNES	Investment	03/01/2024
CABMIA	Mechline	MILTON KEYNES	Investment	25/10/2024
MKWMIL	Oxfam, Milton Point	MILTON KEYNES	Investment	25/10/2024
CABMIB	Royal Mail	MILTON KEYNES	Investment	01/03/2023
MIL001	Royal Mail	MILTON KEYNES	Investment	09/05/2022
MIL003	SpeedyHire	MILTON KEYNES	Investment	25/10/2024
MIL002	TalkTalk, Linford Wood	MILTON KEYNES	Investment	01/03/2023
MKWSGB	Units 1-2, Star Gate	NECHELLS	Investment	20/08/2024

Property Code	Property Name	City	Ownership Purpose	Inspection Date
NEW008	Feilo Sylvania, Newhaven	NEWHAVEN	Investment	22/09/2022
DKNORB	Norbury TE - Jacuna	NORBURY	Investment	01/02/2025
MKWGPN	My First Years, Unit 5 Grange Park	NORTHAMPTON	Investment	01/03/2023
STNORW	Teknomek	NORWICH	Investment	10/02/2023
MKWOLD	Eriks, Unit 1, Xpanse 120	OLDBURY	Investment	22/12/2023
OLL001	Clipper Logistics	OLLERTON	Investment	21/09/2021
MKWNEX	Unit 8, Nexus Point	PERRY BARR	Investment	20/08/2024
PET001	Pinnacle Distribution Centre	PETERBOROUGH	Investment	03/03/2023
PRE001	Sainsbury's, Amethyst Court	PRESTON	Investment	28/09/2023
MKWRDD	Heartbeat Distribution, Velocity 42	REDDITCH	Investment	09/08/2024
RUG002	Unit B	RUGBY	Investment	13/05/2022
SHE002	SIRFT	SHEFFIELD	Investment	18/08/2022
SOU003	Concorde Way, Southampton	SOUTHAMPTON	Investment	10/03/2025
STE001	DSG, Bessemer Drive	STEVENAGE	Investment	03/03/2023
STSTEV	Fujitsu Data Centre	STEVENAGE	Investment	03/03/2023
STO001	Campbell Road	STOKE ON TRENT	Investment	04/05/2022
STR001	28 Maryland Road	STRATFORD	Investment	18/05/2023
SWI002	Jewson Swindon	Swindon	Investment	12/02/2025
SWI001	Oak FurnitureLand	SWINDON	Investment	12/02/2025
MKWSWT	Multi Packaging, Shannon Way	TEWKESBURY	Investment	30/08/2024
THA002	35.5 Cobalt	THAMESMEAD	Investment	22/09/2022

Property Code	Property Name	City	Ownership Purpose	Inspection Date
STWHIT	HSBC, Thamesmead	THAMESMEAD	Investment	22/09/2022
BUTHEA	Bunzl, Maxi Centre	THEALE	Investment	02/01/2024
CABTHE	Units A & B	THEALE	Investment	17/01/2023
THR002	T2 Primark NDC	THRAPSTON	Investment	09/05/2022
TOT002	Sabre House	TOTTENHAM	Investment	11/05/2022
MKWNEO	Air Link Systems, Neo Park	TYSELEY	Investment	20/08/2024
MKWTY2	Amazon - Unit 3, Mucklow Park (Phase 3&4)	TYSELEY	Investment	20/08/2024
MKWTYS	Decora, Mucklow Business Park (Phase 1)	TYSELEY	Investment	20/08/2024
MKWRFG	Hollywood Monster, Redfern	TYSELEY	Investment	20/08/2024
MKWTY3	Plot 5, Mucklow Park (Land)	TYSELEY	Investment	20/08/2024
MKWRFJ	Royal Mail, Redfern	TYSELEY	Investment	20/08/2024
MKWTY1	Units A-G, Mucklow Park (Phase 2)	TYSELEY	Investment	20/08/2024
UCK001	Nyetimber, Unit 4 Ashdown Business Park	UCKFIELD	Investment	13/12/2023
WAL004	Reynolds NDC	WALTHAM CROSS	Investment	03/03/2023
WAL002	Ocado	WALTHAMSTOW	Investment	18/12/2023
WAL003	Ocado Car Park	WALTHAMSTOW	Investment	18/12/2023
WAR003	Amazon Plot 7C	WARRINGTON	Investment	19/08/2022
CABWA1	Bonfiglioli, Unit 1	WARRINGTON	Investment	19/08/2022
GEM001	Gemini Business Park	WARRINGTON	Investment	19/08/2022
HUT001	The HUT Group, Skyline Drive	WARRINGTON	Investment	19/08/2022

Property Code	Property Name	City	Ownership Purpose	Inspection Date
CABWA2	Topgrade, Unit 2	WARRINGTON	Investment	19/08/2022
WED001	AXCESS 10 BUSINESS PARK	WEDNESBURY	Investment	15/04/2025
MKWVED	Units 1-6, Wednesbury One	WEDNESBURY	Investment	22/08/2024
WEY002	Tesla Motors	WEYBRIDGE	Investment	07/03/2025
MKWWO2	Phase 2, i54	WOLVERHAMPTON	Investment	22/08/2024
MKWWO1	Tentec, i54	WOLVERHAMPTON	Investment	22/08/2024
MKWAPX	Bosch, Apex Park II	WORCESTER	Investment	30/08/2024
MKWKPW	Yamazaki, Knightsbridge Park	WORCESTER	Investment	30/08/2024
WOR003	Bowers & Wilkins, Dale Road	WORTHING	Investment	10/03/2025
ALD001	The Range	ALDERSHOT	Investment	17/05/2023
DAR001	Dartford Heath Retail Park	DARTFORD	Investment	13/10/2023
DAR002	Wickes	DARTFORD	Investment	13/10/2023
LOT001	Lottbridge Drove Retail Park	EASTBOURNE	Investment	17/04/2025
HEM001	Wickes & Dunelm	HEMEL HEMPSTEAD	Investment	15/05/2023
HER001	Madford Retail Park	HERTFORD	Investment	15/05/2023
INV01	DFS	INVERNESS	Investment	20/02/2025
LIS001	Bubble Retail Park	LISKEARD	Investment	22/04/2025
NEW005	Wickes	NEWMARKET	Investment	16/05/2023
ORP01	Lidl + Carpetright	ORPINGTON	Investment	09/04/2025
TOT001	Totton Retail Park	SOUTHAMPTON	Investment	17/05/2023
FLE01	Fleming Way Retail Park	SWINDON	Investment	01/05/2024



Property Code	Property Name	City	Ownership Purpose	Inspection Date
TEL001	Forge Island Retail Park	TELFORD	Investment	23/05/2023

## Appendix B: Market Value of the Properties as at 31 March 2025 split by Property Type

Property Type	Market Value
Distribution	£2,228,105,000
Multi-Let Industrial	£227,335,000
* Land	£12,885,000
Retail Warehousing	£139,825,000
Data Centres	£17,780,000
Ground Rents	£70,000
Retail	£2,050,000
<b>Portfolio Total</b>	<b>£2,628,050,000</b>

\* The land is not all valued on a development basis.

## Appendix C: Market Value of the Properties as at 31 March 2025 split by Property Location (100%)

Property Location	Market Value
London & South East	£1,475,110,000
Midlands	£613,200,000
North East including Yorkshire	£115,480,000
North West	£225,265,000
South West	£156,025,000
Scotland and Wales	£42,970,000
<b>Portfolio Total</b>	<b>£2,628,050,000</b>

## Appendix D: Market Value of the Properties in the course of development

Property	Description, Development Status and Tenure	Key Valuation Assumptions	Market Value 100%
Land at Fforest Farm Industrial Estate	<p>The property comprises a 2.46 acre site at Fforest Farm Industrial Estate. The subject is consented for a c. 36k sqf industrial development which is now in the final stages of development, with an assumed completion during Q2 2025.</p> <p>An Agreement for Lease has been agreed on confidential terms.</p> <p>The property is held in a Freehold title.</p> <p>Planning Consent was obtained on 16 January 2023 and there are no conditions in the planning consent which impact the reported value.</p>	<p>Market Value on the assumption that the development has been completed and let: c.£6,500,000.</p> <p>Estimated Outstanding costs to completion: c.£1,400,000, excluding finance costs.</p> <p>Assumed completion date – Q2 2025</p> <p>Assumed lease start date– Q2 2025</p>	£5,100,000

### **SCHEDULE 3 - VALUATION REPORT OF SAVILLS IN RESPECT OF LONDONMETRIC**

# Project Harlyn

## Report and Valuation

24 April 2025

[savills.co.uk/valuations](https://savills.co.uk/valuations)

savills

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## 1. Valuation Report

- 1.1. Addressees**
- LONDONMETRIC PROPERTY PLC  
1 Curzon Street  
London  
W1J 5HB  
(hereinafter referred to as the "Company")
- PEEL HUNT LLP  
100 Liverpool Street  
London  
EC2M 2AT  
(in its capacity as financial adviser and corporate broker to the Company)
- HIGHCROFT INVESTMENTS PLC  
Lambourne House  
311-321 Banbury Road  
Oxford  
OX2 7JH  
(hereinafter referred to as "Highcroft")
- SHORE CAPITAL AND CORPORATE LIMITED  
Cassini House  
57 St James's Street  
London  
SW1A 1LD  
(in its capacity as financial adviser, corporate broker and Rule 3 adviser to Highcroft)
- (and all the above collectively referred to as "the Addressees")
- 1.2. Project Name**
- Project Harlyn
- 1.3. Instructions and Purpose of Valuation**
- In accordance with our instructions received from the Company and our terms of engagement dated 21 March 2025 with the Company, Peel Hunt LLP, Highcroft and Shore Capital and Corporate Limited, we have undertaken valuations (the "Valuations") of the freehold and leasehold interests in the properties described in Schedule 2 (the "Properties" and each being a "Property") (together, the "Portfolio"). The Company has expressly instructed us not to disclose certain information which is considered commercially sensitive, namely the individual values of the properties.
- This report (the "Report") has been prepared in accordance with the RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2025 together with the UK National Supplement effective 1 May 2024, together the "Red Book". The Valuation has been prepared for a Regulated Purpose as defined by the Red Book. The Report has been prepared in accordance with the requirements of Rule 29 of the City Code on Takeovers and Mergers (the "Code"). We understand that this Report is required for inclusion in a scheme document to be published by Highcroft in connection with the Transaction and to the Report being put on public display on the websites of the Company and/or Highcroft dated, in each case, the date of the document in which it appears.
- 1.4. Terms of Reference**
- The Portfolio comprises 135 Properties, 9 of which are held on a leasehold basis, 1 is held on a part freehold / part leasehold basis, whilst the remainder are held on a freehold / heritable basis.

The Properties are all held for investment purposes and are located throughout the UK. All the Properties are identified on the attached schedule at **Section 2** of this Report.

The Company has provided us with floor areas for the Properties, which we understand were calculated in accordance with the current RICS Property Measurement standard and upon which we have relied. We have not remeasured the office properties in the portfolio in accordance with International Property Measurement Standard (IPMS) 3 – Offices and therefore our Valuations are based on Net Internal Areas as defined in the RICS Property Measurement. We have been provided with legal documents for the Properties and tenancy schedules provided by the Company. In addition to this, we have received updates from the Company's specialist advisors. We confirm that we have considered sustainability features relevant to the Properties and the implications these could have on our Valuations.

## 1.5. Conflicts of Interest

In accordance with the RICS professional statement on Conflicts of Interest (1<sup>st</sup> Edition, March 2017), we are not aware of any conflict of interest preventing us from providing you with an independent valuation of the Properties in accordance with the Red Book. We confirm that we undertake valuations of the Properties on behalf of the Company for accounts purposes on a bi-annual basis, the last of which was as at 31 March 2025. We confirm we are acting as an "external valuer" as defined in the Red Book.

## 1.6. Date of Valuation and Changes since Valuation Date

Our opinions of value are as at 31 March 2025 (the "Valuation Date"). The importance of the Valuation Date must be stressed as property values can change over a relatively short period.

We note that between the Valuation Date and date of this Valuation Report Wickes, Blaby Road, Wigston has been sold.

We confirm that we are not aware of any material changes in any matter relating to the Properties since the Valuation Date, having made due and careful enquiries of the Company, which have occurred and which would materially affect our Valuation reported on the Valuation Date compared to the date of this Valuation Report. Nor do we believe that market conditions have changed sufficiently to materially alter the Valuation reported as at the Valuation Date. As a result, we confirm that an updated valuation as at the date of this Valuation Report would not be materially different from the Valuation as at the Valuation Date.

## 1.7. Valuer Details

These Valuations have been prepared by a number of valuers under the supervision of Ollie King MRICS, Tom Priest MRICS, and Victoria Turner, all of whom are RICS Registered Valuers. We confirm that they have sufficient current knowledge of the relevant markets and the necessary skills and understanding to undertake the Valuations competently in accordance with Rule 29 of the Code.

We are required by RICS regulations to disclose the following:

- Ollie King MRICS and Tom Priest MRICS have supervised the Valuation of this Portfolio in September 2021, when Savills (UK) Limited was instructed to provide bi-annual valuations; and
- in the financial year ending 31 December 2024, the total fees earned from the Addressees, and connected parties, was less than 5% of Savills (UK) Limited's turnover.

We confirm that we do not have any material interest in the Company, Highcroft or the Properties.

## 1.8. Basis of Valuation

Our Valuations have been prepared on the basis of Market Value, the definition of which is as follows:

*"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."*

Our Valuations have been arrived at predominantly by reference to market evidence for comparable property. We have made no allowance for any Capital Gains Tax or other taxation liability that might arise upon a sale of the property, nor have we allowed for any adjustment to any of the properties' income streams to take into account any tax liabilities that may arise. Our Valuations are exclusive of VAT (if applicable). We have excluded from our Valuations any additional value attributable to goodwill, or to fixtures and fittings which are only of value in situ to the present occupiers.

No allowance has been made for rights, obligations or liabilities arising in relation to fixed plant and machinery, and it has been assumed that all fixed plant and machinery and the installation thereof complies with the relevant EEC legislation, insofar that the latter is applicable.

We have made no variation from standard assumptions.

The valuations are compliant with Rule 29 of the Code and this Report is prepared in accordance with Rule 29 of the Code.

## 1.9. Market Conditions - Commercial Properties

Ongoing political and economic developments in the UK continue to create a complex and evolving landscape. The Chancellor's strategy for economic growth faces significant headwinds, prompting the Bank of England to revise its 2025 UK GDP growth forecast downward from 1.5% to 0.75%. The Bank has continued to cut the base rate, and the markets anticipate further reductions over 2025, to stimulate economic activity. Meanwhile, the re-election of Donald Trump as US President has introduced further geopolitical uncertainty, particularly with his decision to withdraw the U.S. from the Paris Agreement and his proposed tariffs on certain imports.

In the UK commercial real estate market, sentiment had been improving amid expectations of continued base rate reductions, albeit at a potentially slower pace than initially anticipated. However, the volatility in UK ten-year gilt yields suggests that markets may be pricing in an extended timeline for rate cuts. This renewed uncertainty comes just as investor confidence was strengthening and it could see some investors adopt a more cautious, "wait and see" approach until the outlook becomes clearer.

Measured against historical trends commercial property investment volumes are lower, albeit volumes and bidder intensity is improving in most, if not all sectors. The current landscape is increasingly polarised, with "best-in-class" assets continuing to attract strong interest. By contrast, some lesser properties, particularly those with locational or quality challenges, face difficulties that could see continued value erosion. This divergence highlights the critical importance of rigorous due diligence, as investors and lenders place growing emphasis not only on financial performance but also on ESG considerations. The decline in comparable transactional volumes has seen market

sentiment play an increasingly crucial factor in valuation and decision-making. The aforementioned geopolitical tensions, economic uncertainty, and the financing costs are contributing to a cautious pricing environment. While lender appetite remains healthy, underwriting standards are stringent, with the quality of both the asset and sponsor playing a pivotal role in securing financing.

It is therefore important to recognise that our valuation has been prepared against the backdrop outlined above. Moreover, investor behaviour can change quickly during such periods of volatility. As such, the conclusions set out in this Report are only valid at the valuation date and we would recommend that the value of the property is kept under regular review. For the avoidance of doubt, our valuation is not reported as being subject to 'material valuation uncertainty' as defined in the RICS Valuation – Global Standards. The exception to this is the valuation of the property in Highbury (see 1.10 below).

## **1.10. Material Uncertainty Clause – Residential Ground Rents**

In November 2023, the Government published a consultation paper proposing a number of options to impose a cap (including peppercorn ground rents) retrospectively on residential ground rents and stating that "regardless of the option taken forward, we would not expect to compensate freeholders for lost revenue" and that their plan would be to "override lease terms through primary legislation".

The results of the consultation have not yet been published and a general election was called with the Leasehold and Freehold Reform Act 2024 being included in the legislative wash-up immediately prior to the dissolution of Parliament and became law on 24 May 2024. The new Act requires secondary legislation to bring the reforms into force and this is anticipated to be in 2025-26.

The new Act did not cap ground rents, however there still remain material uncertainties as to the application of the new Act and the extent of further legislation which has been proposed by the new Government to deal with issues outstanding from the new Act. The King's Speech in July 2024 included a commitment to publish a new bill, the Leasehold and Commonhold Reform Bill, which would regulate ground rents for existing leaseholders and remove the threat of forfeiture as a means of ensuring compliance with a lease agreement. Given that these issues potentially impact anticipated income flows we would draw your attention to the less certainty which can be attached to the valuation of residential ground rent interests than would otherwise be the case. Since the Ground Rent Consultation in November 2023, we are not aware of any large scale transactions. Given the dislocation in the market since that time, we also consider that transactions dating from before that time have less relevance in our valuation of the subject property.

Our valuation of the residential asset in the portfolio (Highbury Court, London) is therefore reported as being subject to 'Material Valuation Uncertainty', as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, less certainty and a higher degree of caution should be attached to our valuation than would normally be the case.

Until the current uncertainty is resolved, we recommend that you keep the valuation of the residential asset in the portfolio under frequent review. Note that the residential asset in the portfolio accounts for only 0.058% of the total value of the portfolio.

For the avoidance of doubt, the inclusion of the 'material valuation uncertainty' declaration above does not mean that the valuation cannot be relied upon. Rather, the declaration has been included to ensure transparency of the fact that in the current extraordinary circumstances less certainty can be attached to the valuation than would otherwise be the case. The material uncertainty clause serves as a precaution and does not invalidate the valuation.

## 1.11. Market Value

We are of the opinion that the aggregate Market Value of the Properties in the Portfolio, as at 31 March 2025, is:

	Value	Number of Properties
<b>Freehold / Heritable</b>	£758,770,000	125
<b>Part Freehold / Part Leasehold</b>	£8,000,000	1
<b>Leasehold</b>	£51,575,000	9
<b>TOTAL</b>	<b>£818,345,000</b>	<b>135</b>

The total valuation figure reported is the aggregate total of the individual Properties and not necessarily a figure that could be achieved if the Portfolio was sold as a single holding. A schedule of properties and their inspection dates is attached at Section 2 of this Report. Our Valuations include standard purchaser's costs but do not include costs of realisation.

We set out below those Properties as at 31 March 2025 with a value in excess of 5% of the aggregate Market Value of the Properties in the Portfolio:

Property	Description and Tenure	Tenancies
Cantium Retail Park, Old Kent Road, London	<p>A three unit retail park totalling 68,125 sq ft. Additionally Two pod drive thru restaurants are currently being built on site which total 3,320 sq ft, completion of which is expected in June 2025.</p> <p>Planning permission also exists for a 1,100 unit residential scheme on the site.</p> <p>Freehold.</p>	<p>The majority of the property (70% by floor area) is let to B&amp;Q Limited on a lease expiring in 2037. The other two units are let to Pets at Home Limited (lease expiring in December 2037) and Tapi Carpets and Floors Limited (lease expiring in December 2033, subject to a tenant break option in December 2028). The details of the rents payable are confidential between the landlord and the tenants.</p> <p>Two pod drive thru restaurants are currently being built on site which have been pre-let to Burger King and Starbucks.</p>

Additionally, we comment below regarding the development property held in the Portfolio:

Property	Description, Development Status and Tenure
<b>Phase 3, Land east of Mercery Road, Weymouth</b>	<p>The site forms part of a 12 acre site adjacent to a new four unit retail park which has recently been developed and known as Phase 2. The subject site is known as Phase 3 and benefits from planning permission, which was granted in February 2025 under Dorset Council planning reference P/FUL/2023/06930, for the construction of a 41,500 sq ft retail unit with associated car parking. The property is subject to an Agreement for Lease with M&amp;S Plc for a term of 15 years. The rent payable is confidential between the landlord and the tenant.</p> <p>Works are expected to start at the end of April / beginning of May with Practical Completion expected in February 2026 (10 month build period).</p> <p>Freehold</p>
<b>Land at Norcross Lane, Norcross, Thornton Cleveleys</b>	<p>The site comprises a 2.2 acre site. It is currently a brownfield site with existing hardstanding parking areas.</p> <p>The site does not benefit from detailed planning consent although a planning application is being prepared for the construction of a 21,500 sq ft foodstore with associated car parking.</p> <p>The proposed building is pre-let to M&amp;S Plc, for which an Agreement for Lease exists, for a term of 15 years. The rent payable is confidential between the landlord and the tenant.</p> <p>Freehold</p>

## 1.12. Responsibility

For the purposes of the Code, 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 information contained in this Valuation Report is in accordance with the facts and this Valuation Report makes no omission likely to affect its import. This Valuation Report complies with Rule 29 of the Code.

Save for any responsibility arising under the Code to any person as and to the extent there provided, 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 this Valuation Report.

## 1.13. Confidentiality

In accordance with the recommendations of the RICS, this Report is provided solely for the purpose stated in this Report. It is confidential and save as set out in paragraph 1.12 above, the contents of this Valuation Report are for the use only of the Addressees. Any other such parties rely upon this Report at their own risk. Neither the whole nor any part of this Report or any reference to it may be included now, or at any time in the future, in any published document, circular or statement, nor published, referred to or used in any way without our written approval of the form and context in which it may appear.

We understand that the Report is for inclusion in the Scheme Document and any further documents or announcements to be published by the Company and/or Highcroft in accordance with the Transaction. We consent to the publication and reproduction of the Report as required subject to the provisions of our Terms of Engagement.

## 1.14. Portfolio Valuation General Assumptions and Conditions

All valuation advice has been carried out on the basis of the *General Assumptions and Conditions* set out in Section 3.

## 1.15. Reliance

This Report is addressed to and capable of being relied upon by:

- (i) the Company;
- (ii) Peel Hunt LLP (in its capacity as financial adviser and corporate broker of the Company), 100 Liverpool Street, London EC2M 2AT;
- (iii) Highcroft Investments Plc, Lambourne House, 311-321 Banbury Road, Oxford, OX2 7JH;
- (iv) Shore Capital and Corporate Limited (in its capacity as financial adviser, corporate broker and Rule 3 adviser of Highcroft), Cassini House, 57 St James's Street, London SW1A 1LD,

(together, the **Addressees**) provided that, in relying on this Report, each of the Addressees acknowledges and agrees that:

this Report refers to the position at the date it was originally issued and, unless otherwise confirmed by us in writing, we have taken no action to review or update this Report since the date it was originally issued;

our aggregate liability to any one or more or all of the Addressees in respect of this Report shall be limited to the amount as set out in our letter of engagement with the Company dated 21 March 2025; and

this Report is subject to the terms and conditions set out in our letter of engagement with the Company dated 21 March 2025.

Notwithstanding the above, we acknowledge that this Report will also be for the use of the shareholders of the Company and the shareholders of Highcroft for the specific Purpose set out in this Valuation.



## Report and Valuation

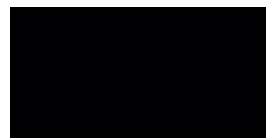
Project Harlyn



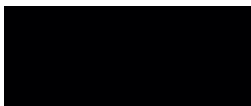
### 1.16. Signatories



**Ollie King MRICS**  
**RICS Registered Valuer**  
Director



**Tom Priest MRICS**  
**RICS Registered Valuer**  
Director



**Victoria Turner MRICS**  
**RICS Registered Valuer**  
Director

For and on behalf of Savills Advisory Services Limited, a subsidiary of Savills Plc

Regulated by RICS  
Registered in England No. 06215875  
Registered Office: 33 Margaret Street, London, W1G 0JD

### 1.17. Date of Report

24 April 2025

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## 2. Schedule of Properties

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## Report and Valuation

Project Harlyn



Property Address	Town	Tenure	Use
Northern Avenue Retail Park	Andover	FH	Retail Warehouse
Unit 1 & Unit 2 Southam Road	Banbury	FH	Retail Warehouse
Pitsea Retail Park, High Road, Pitsea	Basildon	FH	Retail Warehouse
Brook Retail Park	Bromsgrove	FH	Retail Warehouse
St Peters Retail Park, Lichfield Street	Burton Upon Trent	FH	Retail Warehouse
Halls Mill Retail Park	Bury	FH	Retail Warehouse
Four Pools Retail Park, Four Pools Lane	Evesham	FH	Retail Warehouse
Cantium Retail Park, Old Kent Road	London	FH	Retail Warehouse
Bramingham Park, Enterprise Way	Luton	FH	Retail Warehouse
Beverley Way	New Malden	FH	Retail Warehouse
Willowbeck Road	Northallerton	FH	Retail Warehouse
Ashdown Retail Park, Batt's Bridge Road	Uckfield	FH	Retail Warehouse
Halfords & Dunelm	Birchley	FH	Retail
Apex Retail Park	Birmingham	FH	Retail
DFS/ Sofology, John Kempe Way Middleway	Birmingham	FH	Retail
DFS/ Sofology, Highwood Lane Patchway, Cribbs Causeway	Bristol	LH (94 yrs)	Retail
DFS Broadstairs, Westwood Junction	Broadstairs	FH	Retail
DFS Carlisle	Carlisle	FH	Retail
DFS Store & Pets at Home, Metro Park West Gateshead	Gateshead	FH	Retail
DFS/ Sofology/ Costa, 2029 London Road Tollcross	Glasgow	FH	Retail
Dunstable Road Retail Park, Dunstable Road	Luton	FH	Retail
Burlington Retail Park, Burlington Road	New Malden	FH	Retail
DFS, Preston, Mariners Way Ashton-on-Ribble	Preston	FH	Retail
DFS Store, 3 Hylton Grange Off Wessingham Way	Sunderland	FH	Retail
The Range	Truro	FH	Retail
Kwik Fit Aylesbury, Park Street	Aylesbury	FH	Trade
STS Tyre Pros, 24/28 St Albans Road	Barnet	FH	Trade
Cable & Wireless UK, Talbot Way	Birmingham	LH	Trade
National Express Yardley Wood, Yardley Wood Road Yardley Wood	Birmingham	FH	Trade
Southern Cross Trading Estate	Bognor Regis	FH	Trade
MKM Bolton, Meridian Business Park Manchester Road	Bolton	FH	Trade
Wickes Carlisle, 34 Dukes Road	Carlisle	FH	Trade
Halfords Autocentre, 204 Springfield Road	Chelmsford	FH	Trade
Kwik Fit Colchester, 103 North Station Road	Colchester	FH	Trade
Meggitt, Swallow Road Off Holbrook Lane	Coventry	FH	Trade
Halfords Autocentre, Unit 8 and 9, Orbital One	Dartford	FH	Trade
Travis Perkins, Block C Wincanton Business Park	Derby	FH	Trade
MKM Derby, 3 Murdoch Way Pride Park Way	Derby	FH	Trade
Kwik Fit Dereham, Yaxham Road	Dereham	FH	Trade
Travis Perkins, Unit 6 Coxbridge Business Park Alton Road	Farnham	FH	Trade
MKM, 71 Nuneaton Street	Glasgow	FH	Trade
MKM Plot 4 Haverhill Business Cent, Icen Way	Haverhill	FH	Trade
Virgin Media, Connect House, Unit 2 Swallowfield Way	Hayes	FH	Trade
Kwik Fit Hounslow, 213 Staines Road	Hounslow	FH	Trade
Travis Perkins, 32 St Peter's Road	Huntingdon	FH	Trade
Kwik Fit Hammersmith, 332/336 Goldhawk Road Hammersmith	London	FH	Trade
Kwik Fit Whetstone, 997/1003 High Road Whetstone	London	FH	Trade
Units 1-4 Ricardo Way, Ampress Park	Lymington	FH	Trade
Kwik Fit Milton Keynes, Saxon Street Bletchley	Milton Keynes	FH	Trade
Virgin Media, Unit 6 and 7. Shannon Commercial Centre Beverley Way	New Malden	FH	Trade
Kwik Fit Norwich, Broadman Close	Norwich	FH	Trade
Selco, Cray Avenue	Orpington	FH	Trade
Kwik Fit Rainham, 194-6 High Street	Rainham	FH	Trade
Reading Trade Centre, Rose Kiln Lane	Reading	FH	Trade
Travis Perkins, Meadowbrook Park, Holbrook	Sheffield	FH	Trade
Kwik Fit Slough, 1 Bath Road	Slough	FH	Trade

# Report and Valuation

Project Harlyn



Property Address	Town	Tenure	Use
Kwik Fit Stevenage, 100 High Street	Stevenage	FH	Trade
Halfords Autocentre, Units 22 and 23 Clipper Park Thurrock Park Way	Tilbury	FH	Trade
Travis Perkins, Bradford Road	Trowbridge	FH	Trade
MKM / Howden Trade Counter, Hithercroft Industrial Estate	Wallingford	FH	Trade
Wickes, Blaby Road	Wigston	FH	Trade
Kwik Fit Windsor, 22a Alma Road	Windsor	FH	Trade
MX Park Monks Cross	York	FH	Trade
Booker, Batchelor Road	Cardiff	FH	Supermarket
Costco	Coventry	FH	Supermarket
Waitrose	Harborne	FH	Supermarket
Waitrose	Keynsham	FH	Supermarket
M&S Foodhall, Crown Square	Matlock	LH (82 yrs)	Supermarket
Waitrose	Paddock Wood	FH	Supermarket
Booker, Edgington Way	Sidcup	FH	Supermarket
428 Victoria Road	South Ruislip	FH	Supermarket
Sainsburys, Boston Road	Spilsby	FH	Supermarket
Booker Stirchley	Stirchley	FH	Supermarket
Waitrose	Towcester	FH	Supermarket
Waitrose, Tresham Crescent	Yateley	FH	Supermarket
Owain Glyndwr, 10 St John's Street	Cardiff	FH	Leisure
Odeon Chelmsford, Kings Head Walk	Chelmsford	LH (116 yrs)	Leisure
Odeon Luxe Hull, Kingston Park	Hull	LH (114 yrs)	Leisure
24 Haymarket	London	LH	Leisure
Odeon Luxe Lee Valley, Lee Valley Leisure Complex Picketts Lock Lane, Edmonton	London	LH (92 yrs)	Leisure
Travelodge, 329-335 Clifton Drive	Lytham St Annes	FH	Leisure
Odeon Luxe Tamworth, 50 Bolebridge Street	Tamworth	LH (238 yrs)	Leisure
Odeon Luxe Telford, Forgegate Telford Town Centre	Telford	FH	Leisure
Premier Inn, Stonehouse Lane	West Thurrock	FH	Leisure
Burger King, Wellington Road	Aberdeen	Her	Automotive
Co-op Food & Petrol – Barry, Pontypridd Road (B4266/A4226) Weycock Cross	Barry	FH	Automotive
Co-op Food & Petrol – Basing, Grove Road (off A339)	Basingstoke	FH	Automotive
Burger King Roadside, Bicester 'Gateway'	Bicester	FH	Automotive
Starbucks Roadside, A34 Northbound	Bicester	FH	Automotive
Bournemouth Service Station, Holdenhurst Road	Bournemouth	FH	Automotive
Ingrave Service Station, 130 Brentwood Road Herongate	Brentwood	FH	Automotive
IMO Car Wash, Picton Court Retail Park Waterton	Bridgend	FH	Automotive
IMO Car Wash, Margate Road	Broadstairs	FH	Automotive
IMO Car Wash – Chorley, Harpers Lane	Chorley	FH	Automotive
Co-op Food & Petrol, Becontree Avenue	Dagenham	FH	Automotive
Burger King, Ashgrove Road	Elgin	Her	Automotive
MFG Glastonbury, Wirral Park Road	Glastonbury	FH	Automotive

# Report and Valuation

Project Harlyn



Property Address	Town	Tenure	Use
Co-op, 261/263 High Street	Harborne	FH	Automotive
Co-op Hillingdon, Lees Corner Uxbridge Road Hillingdon Heath	Hillingdon	FH	Automotive
IMO Car Wash, Hawes Street	Ipswich	FH	Automotive
Malling Service Station, 96/106 Malling Street	Lewes	FH	Automotive
Bow Road Service Station, 127/131 Bow Road	London	FH	Automotive
Co-op, King Cross, Caledonian Service Station, 219/227 Caledonian Road	London	FH	Automotive
Lakedale Service Station, Plumstead High Street Plumstead	London	FH	Automotive
Co Op, Ampress Park	Lymington	FH	Automotive
McDonalds, Picket Post	New Forest	FH	Automotive
Co-op Food & Petrol, High Cross Road (B4266/A4226) High Cross/Rogerston	Newport	FH	Automotive
Tim Hortons, Bourges Boulevard	Peterborough	FH	Automotive
Pevensey Service Station, Bexhill Road	Pevensey	FH	Automotive
IMO Car Wash, Glenside Rise Plympton	Plymouth	FH	Automotive
IMO Car Wash, Cabot Lane	Poole	FH	Automotive
Starbucks Roadside, Westbound Express	Rhyl	LH (241 yrs)	Automotive
Starbucks Roadside, Eastbound Express	Rhyl	LH (241 yrs)	Automotive
Daff-Y-Nant Services – PFS, A40 Southbound Whitchurch	Ross on wye	FH	Automotive
Starbucks, John Clark Way (A5001)	Rushden	FH	Automotive
Starbucks Roadside, A168 Northbound	Thirsk	FH	Automotive
BP Filling Station, Hastings Road	Tonbridge	FH	Automotive
McDonalds, Maresfield Bypass	Uckfield	FH	Automotive
Zood, Brookside Road	Uttoxeter	FH	Automotive
Sandford Service Station, Main Road	Wareham	FH	Automotive
McDonalds, Clenchwarton Road	West Lynn	FH	Automotive
IMO Car Wash 2, Weston Links	Weston-Super-Mare	FH	Automotive
IMO Car Wash 1, New Bristol Road	Weston-Super-Mare	FH	Automotive
McDonalds, A41 Wrexham Road	Whitchurch	FH	Automotive
Starbucks/ Subway Road, Biggs Road	Wisbech	FH	Automotive
Nunnery Park Service Station, Nunnery Way/ Horn Hill Road	Worcester	FH	Automotive
Worthing Service Station, Nelson Road	Worthing	FH	Automotive
McDonalds, Yarmouth Road	Yarmouth	FH	Automotive
Forward Park	Birmingham	FH	Industrial
Keens House, Anton Trading Estate	Andover	FH	Offices
County House, London Road	Chelmsford	FH	Offices
Highbury Court, Avenell Road	London	LH	Other
M&S Norcross, Norcross Lane	Norcross	FH	Other
Land Bewdley Road, Bewdley Road	Stirchley	FH	Other
Weymouth Phase 3, Weymouth Gateway Mercery Road	Weymouth	FH	Other

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### 3. Valuation General Assumptions and Conditions

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Unless otherwise agreed in writing and /or stated in our report, our Valuation will be carried out on the basis of the following general assumptions and conditions in relation to each Property that is the subject of our Report. If any of the following assumptions or conditions are not valid, this may be that it has a material impact on the figure(s) reported and in that event we reserve the right to revisit our calculations.

## 3.1 General Assumptions

That we have been supplied with all information likely to have an effect on the value of the property(ies), and that the information supplied to us and summarised in the report is both complete and correct.

### Legal

- 3.1.1 That the property(ies) is/are not subject to any unusual or especially onerous restrictions, encumbrances or outgoings contained in the title. Should there be any mortgages or charges, we have assumed that the property(ies) would be sold free of them. Unless provided to us by your legal advisors, we have not inspected the relevant title documents.
- 3.1.2 That the property(ies) abut(s) an adopted highway maintainable at public expense. We assume that full rights of access are enjoyed, and that no third parties enjoy any rights over the property(ies).
- 3.1.3 That where there are tenants, they are capable of meeting their obligations and there are no arrears of rent or undisclosed breaches of covenant.

### Legislative and Statutory Compliance

- 3.1.4 That the building(s) has/have been constructed and used in accordance with all statutory and bye-law requirements, and that there are no breaches of planning control or building regulations. Likewise, that any future construction or use will be lawful (other than those points referred to above).
- 3.1.5 That the property(ies) is/are not adversely affected, nor is likely to become adversely affected, by any highway, town planning or other schemes or proposals, and that there are no matters adversely affecting value that might be revealed by a local search, replies to usual enquiries, or by any statutory notice (other than those points referred to above).
- 3.1.6 That the property(ies) either complies/comply with the Equality Act 2010 and all other Acts relating to occupation, or if there is any such non-compliance, it is not of a substantive nature.
- 3.1.7 No allowance has been made for rights, obligations or liabilities arising under the Defective Premises Act 1972, and it has been assumed that all fixed plant and machinery and the installation thereof complies with the relevant UK and EU legislation.

### The Property(ies)

- 3.1.8 That the property(ies) has/have been measured in accordance with the Code of Measuring Practice (6th Edition) and we have valued on the basis of the floor areas stated in the report. Whilst the 6th Edition has been superseded by RICS Property Measurement (2nd Edition) which outlines the International Property Measurement Standards (IPMS) for offices and residential property, this basis of measurement has yet to be adopted by market participants. Where we have been provided with floor areas, we assume these floor areas are complete and correct, and are the net/gross internal/external floor areas measured in accordance with the Code of Measuring Practice (6th Edition).
- 3.1.9 That the building(s) is/are structurally sound, and that there are no structural, latent or other material defects, including rot and inherently dangerous or unsuitable materials or techniques, whether in the parts we have inspected or not, that would cause us to make allowance by way of capital repair (other than those points referred to above). Our inspection

of the property(ies) and our report do not constitute a building survey or any warranty as to the state of repair or refurbishment of the property(ies). Our Valuation is on the basis that a building survey would not reveal material defects or cause us to alter our valuation materially.

- 3.1.10 That there is unrestricted access to the property(ies) and that the site(s) is/are connected, or capable of being connected without undue expense, to the public services of gas, electricity, water, telephones and sewerage.
- 3.1.11 Sewers, mains services and roads giving access to the property(ies) have been adopted, and any lease provides rights of access and egress over all communal estate roadways, pathways, corridors, stairways and the use of communal grounds, parking areas and other facilities.
- 3.1.12 That in the construction or alteration of the building(s) no use was made of any deleterious or hazardous materials or techniques, such as high alumina cement, calcium chloride additives, woodwool slabs used as permanent shuttering and the like (other than those points referred to above). We have not carried out any investigations into these matters.
- 3.1.13 That either there is no asbestos present within the building(s) or if there is asbestos present this is recorded and managed within an Asbestos Register in accordance with the Control of Asbestos Regulations 2012.
- 3.1.14 Unless stated otherwise, our valuation will be reported on the basis that the property(ies) falls/fall outside the RICS Guidance Note on the Valuation of multi-storey, multi occupancy residential blocks of flats with cladding.
- 3.1.15 That any floor areas provided by a third party and assigned to Savills (UK) Limited, have been measured in accordance with the current RICS Property Measurement. This is the basis on which we will carry out measured surveys as instructed.

## Environmental

- 3.1.16 That the property(ies) has/have not suffered any land contamination in the past, nor likely to become so contaminated in the foreseeable future. We have not carried out any soil tests or made any other investigations in this respect, and we cannot assess the likelihood of any such contamination. Should it subsequently be established that contamination exists at the property(ies), or on any neighbouring land, then we may wish to review our valuation advice.
- 3.1.17 That, unless otherwise stated in the report, the property(ies) has/have an EPC rating of 'E' or above. As part of the Minimum Energy Efficiency Standards 2015 (MEES) that were passed by law in April 2015, from 1 April 2018 it has been a legal requirement for residential or commercial properties to have a minimum EPC rating of 'E' in order to be subject to a new letting. From 1 April 2023, this has applied to all lettings, including lease renewals.
- 3.1.18 The Scottish legislation covering EPCs is contained in the Energy Performance of Non-Domestic Buildings (Scotland) Regulations 2016 [AEP Regulations]. The legislation captures existing buildings (or units within a building) which are over 1,000 sq m and are either sold or leased to a new tenant. On a sale/lease of a property which is over 1,000 sq m which is not built to 2002 Building Regulation Standards, a seller is legally obliged to provide an "Action Plan" to a purchaser. The Action Plan will identify emissions and energy improvement targets for a building and the improvement measures that the owners needs to implement to meet these targets. Owners have two options, either carry out the improvement works detailed in the recommendations report within three and half years, or, defer carrying out the works by providing annual report on the operational ratings of the property. The Action Plan will state which option has been chosen. Responsibility for complying with the AEP Regulations and completing the works and reporting on operational ratings rests with the owners of the property.
- 3.1.19 EPCs are required for the sale, letting, construction, or alteration of all residential buildings in Scotland. The Scottish Government recently published its Energy Efficient Route Map which brought in The Energy Efficiency (Private Rented Property) (Scotland) Regulations 2019. Pre-COVID-19 it had been legislated that at the change in a tenancy of any



private rented property it would need to meet an EPC of D by April 2022, with a backstop date of existing properties by 2025, this was then rescinded due to the pandemic. As a result of the SNP/ Green Alliance, the Scottish Government's "Heat in Buildings Strategy" was published on 07 October 2021, this now removes the single goal of achieving higher energy efficiency and links it with achieving net zero emissions. The regulations are due to be introduced in 2025 requiring all properties in the private rented sector to reach a minimum standard equivalent to an EPC of C, where technically feasible and cost effective, at change of tenancy, with a backstop date of 2028 for all remaining existing let properties. It is also proposed that the same will follow in the owner occupied sector by 2033.

- 3.1.20 That the property(ies) is/are free from environmental hazards.
- 3.1.21 That, unless otherwise stated within the report, the property(ies) does/do not suffer from any ill effects of Radon Gas, high voltage electrical supply apparatus or other environmental detriment.
- 3.1.22 We have made informal enquiries in respect of risk of flooding to the property(ies). The Environment Agency/Scottish Environment Protection Agency (SEPA) (as appropriate) categorise the risk of flooding to a property from rivers or sea, and the Lead Local Flood Authority (LLFA)/Scottish Environment Protection Agency (SEPA) (as appropriate) categorise the risk of flooding to a property from surface water. The risk categories are defined as very low / low / medium / high risk and represent a less than 0.1% / 0.1% - 1% / 1% - 3.3% / 3.3% chance of flooding each year.

## Development

- 3.1.23 Where we have been asked to value the site under the special assumption that the property(ies) will be developed, there are no adverse site or soil conditions, that the property(ies) is/are not adversely affected by an Environmental Impact Assessment, that the ground does not contain any archaeological remains, nor that there is any other matter that would cause us to make any allowance for exceptional delay or site or construction costs in our Valuation.
- 3.1.24 Where we have been asked to value the site under the special assumption that the property(ies) will be developed, there are no adverse site or soil conditions, that the property(ies) is/are not adversely affected by an Environmental Impact Assessment, that the ground does not contain any archaeological remains, nor that there is any other matter that would cause us to make any allowance for exceptional delay or site or construction costs in our Valuation.
- 3.1.25 In situations where a property is in the course of development, we reflect its physical condition and the costs remaining to be spent at the valuation date. We have considered the cost estimates provided by the professional advisors involved in the project.

## 3.2 General Conditions

Our reports and valuations are carried out on the basis of the following General Conditions:

- 3.2.1 We have not made any allowance for any Capital Gains Tax or other taxation liability that might arise upon a sale of the properties. No allowance has been made for any expenses of realisation.
- 3.2.2 Our valuations are exclusive of VAT (if applicable).
- 3.2.3 Excluded from our valuations is any additional value attributable to goodwill, or to fixtures and fittings which are only of value in situ to the present occupier.
- 3.2.4 Our valuations are prepared in accordance with the latest edition of the RICS Valuation – Global Standards ("the Red Book") on the basis of Fair Value, unless instructed otherwise. Any such deviation is expressly stated in our terms of engagement.
- 3.2.5 Each property has been valued individually and no allowance has been made, either positive or negative, should it form part of a larger disposal. The total stated is the aggregate of the individual Fair Values.

- 3.2.6 Our valuations are based on market evidence which has come into our possession from numerous sources. That from other agents and valuers is given in good faith but without liability. It is often provided in verbal form. Some comes from databases such as the Land Registry or computer databases to which Savills subscribes. In all cases, other than where we have had a direct involvement with the transactions, we are unable to warrant that the information on which we have relied is correct although we believe it to be so.
- 3.2.7 The files which we hold relating to all of our property valuations may be subject to monitor and audit by the RICS under its conduct and disciplinary regulations.

**Ollie King MRICS**

Director

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Director

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savills

**SCHEDULE 4 - VALUATION REPORT OF KNIGHT FRANK IN RESPECT OF  
LONDONMETRIC**

# Valuation Report.

LondonMetric Property plc  
Valuation date: 31 March 2025

***Important Notice to all readers of this report***

*Unless you are the Client named within this report, or have been explicitly identified by us as a party to whom we owe a duty of care and who is entitled to rely on this report, Knight Frank LLP does not owe or assume any duty of care to you in respect of the contents of this report and you are not entitled to rely upon it.*

LondonMetric Property plc  
1 Curzon Street  
London  
W1J 5HB  
(the "Client", "you", "your")

Peel Hunt LLP (acting as financial adviser and corporate broker to the Client)  
7<sup>th</sup> Floor, 100 Liverpool Street  
London  
EC2M 2AT  
("Peel Hunt")

Shore Capital and Corporate Limited (acting as financial adviser, Rule 3 adviser and corporate broker to the Offeree)  
Cassini House  
57 St James's Street  
London SW1A 1LD  
("SCC")

Highcroft Investments plc  
Lambourne House  
311 – 321 Banbury Road  
Oxford  
OX2 7JH  
(hereinafter referred to as the "Offeree")

(each an "Addressee" and together the "Addressees")

Our Ref: I:1159443

Date of issue 24/04/2025

Dear Sir/Madam

### **Valuation report in respect of the properties of LondonMetric Property plc as at 31 March 2025 for inclusion in a Scheme Document ("Valuation Report")**

Further to your instructions, we are pleased to provide our Valuation Report in respect of the freehold, heritable or leasehold interests in the properties set out in Appendix 1 (List of Properties) ("Properties") below for the purposes of inclusion in a Scheme Document to be published by the Offeree in connection with an all-share offer by the Client for the Offeree (the "Transaction"). If you have any queries regarding this Valuation Report, please let us know as soon as possible.

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Your partners in property

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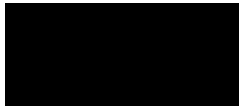
Regulated by RICS

**Signed for and on behalf of Knight Frank LLP**



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This report has been reviewed, but not undertaken, by:



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- Appendix 2 General Terms of Business for Valuation Services
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# 1. About this report

## Engagement of Knight Frank LLP

- 1.1 This Valuation Report sets out our valuation, as at 31 March 2025 ("valuation date"), of the Properties ("Valuation"). This Valuation Report has been prepared in accordance with our Terms of Engagement letter dated 25 March 2025 addressed to the Addressees, our General Terms of Business for Valuation Services (the "General Terms") and the General Scope of Valuation Work (the "General Scope of Work") (together the "Agreement").

### Client

- 1.2 We have been instructed to prepare this Valuation Report by LondonMetric Property plc. However, as set out above, this Valuation Report has also been addressed to the other Addressees.

### Valuation standards

- 1.3 The Valuation has been undertaken in accordance with and complies with: (a) the current editions of RICS Valuation - Global Standards, which incorporate the International Valuation Standards, and the RICS UK National Supplement. References to the "Red Book" refer to either or both of these documents, as applicable; and (b) Rule 29 of the City Code on Takeovers and Mergers (the "Code") as issued by the UK Panel on Takeovers and Mergers.
- 1.4 The Properties have been valued by valuers who are qualified for the purposes of the Valuation in accordance with Rule 29 of the Code.

## Status and experience of valuer

### Valuer and expertise

- 1.5 The Valuation is the responsibility of Michael Crowe MRICS, RICS Registered Valuer and Chris Galloway MRICS, RICS Registered Valuer (the "Responsible Valuers") who are in a position to provide an objective and unbiased Valuation in an ethical and competent manner. Parts of the Valuation have been undertaken by additional valuers as listed on our file. Where the knowledge and skill requirements of the Red Book and Rule 29.3(a) of the Code referred to below have been met in aggregate by more than one valuer within Knight Frank, we confirm that a list of those valuers will be retained within our working papers.
- 1.6 We confirm that the Responsible Valuers and any additional valuers who value the Properties meet the requirements of the Red Book and Rule 29.3(a)(iii) of the Code in having sufficient current knowledge of the particular market and the skills and understanding to undertake the Valuation and prepare this Valuation Report competently and are appropriately qualified for the purposes of the Valuation as required by Rule 29.3(a)(ii) of the Code.
- 1.7 We confirm that we are not aware of any reason why we and the Responsible Valuers would not satisfy the requirements of Rule 29.3(a)(i) of the Code.

## Conflicts of Interest: Declaration and Disclosures

- 1.8 Knight Frank and the Addressees have agreed that Directive 2011/61/EU and/or any implementing legislation, laws or regulations thereof (including, but not limited to, the Alternative Investment Fund Manager's Regulations 2013) ("AIFMD") is not expected to apply to the Valuation. In the event that it is determined that it does apply, we will be deemed to have acted as the Client's valuation advisers but not as "External Valuer" (as defined therein) and we shall not be deemed to have performed the valuation function referred to in Article 19 of AIFMD, the valuation function and the setting of the Net Asset Value of the Client.
- 1.9 We confirm that we do have a material connection or involvement in relation to the Properties giving rise to a potential conflict of interest: Knight Frank are retained by the Client as external valuer for financial reporting under IFRS.
- 1.10 Other than such appointment by the Client to carry out valuation services and except as set out below, we confirm that neither the Responsible Valuers (as defined in paragraph 1.5 above), nor Knight Frank, have any material connection to any party in the Transaction nor any personal interest in the Client, the Addressees or the Properties which would cause us to cease to qualify as an 'Independent Valuer' for the purpose of PS 2 of the Red Book or Rule 29.3(a) of the Code and have had no material involvement with the assets being valued and we confirm that we can report without any material conflict.
- We have provided valuation services to the Offeree (using valuers other than the Responsible Valuers) for approximately 12 years.
  - We are currently instructed by the Offeree to undertake a valuation of certain properties other than the Properties, under Rule 29 of the Code.
- 1.11 We have previously disclosed this to the Client and the Client has confirmed that notwithstanding this matter, the Client was content for us to proceed with this Valuation Report. We have therefore provided an objective and unbiased Valuation. We undertake in favour of the Client and the Addressees that we have not taken any actions which would cause us or the relevant valuers to cease to qualify as an 'Independent Valuer' for the purposes of PS 2 of the Red Book or Rule 29.3(a) of the Code for the duration of the Purpose.

In accordance with the Red Book, we are required to make the following disclosures:

- We confirm that we have a rotation policy in place, which is available on request.
- We confirm that in accordance with our rotation policy, the period that Knight Frank LLP has valued the Properties for the same purpose does not exceed ten years and will not have exceeded a continuous period of ten years by the completion of this Valuation Report.
- We confirm that in accordance with our rotation policy, the Responsible Valuers named in this Valuation Report have not been the Responsible Valuers for the Properties for the same purpose for a continuous period of more than five years.
- We have acted for the Client in excess of 10 years in relation to our services generally, including but not limited to valuation services.

- We have been valuing the Properties for financial reporting purposes for the Client for 1 year although have been valuing the fund since 2017. The Responsible Valuer, Michael Crowe, has been the signatory to valuation reports provided for those purposes for 1 year.
  - In relation to our preceding financial year, the total fees payable by you as a percentage of our total fee income was less than 5%.
  - It is not anticipated there will be a material increase in the proportion of fees payable to Knight Frank by the Client commissioning the Valuation over the course of the next financial year.
  - Knight Frank has not received an introductory fee or negotiated the purchase of the Properties on behalf of the Client in the previous 12 months from the date of this Valuation Report.
- 1.12 This Valuation Report has been vetted as part of Knight Frank LLP's quality assurance procedures.
- 1.13 We recognise and support the RICS Rules of Conduct and have procedures for identifying conflicts of interest.

## Independence

- 1.14 As set out in paragraph 1.9, Knight Frank LLP currently values the Properties, for financial reporting purposes, on behalf of the Client. The total fees for this assignment, earned by Knight Frank LLP (or other companies forming part of the same group of companies within the UK) from the Client (or other companies within the UK) is less than 5.0% of the total UK revenues. It is not anticipated that there will be a material increase in the proportion of the fees payable, or likely to be payable, by the Client.
- 1.15 Other than these valuation services, Knight Frank LLP have no material involvement with the assets being valued and we confirm that we can report without any material conflict.

## Use of this Valuation

### Purpose of valuation

- 1.16 The Valuation and this Valuation Report are each provided solely for the purpose of providing an independent professional opinion of the valuation of the Properties, as at the valuation date, for the purpose of Rule 29 of the Code and:
- (A) inclusion in a scheme circular to be published by the Offeree in connection with the Transaction (the "Scheme Document");
  - (B) inclusion and/or reference to it in any other announcements, documents and/or supplementary documents required to be released by the Client and/or the Offeree which directly relate to the Transaction (each a "Code Document"); and
  - (C) publication on the Client's website and/or the Offeree's website in accordance with the requirements of Rule 26.3 of the Code,
- (together, the "**Purpose**").
- 1.17 The Valuation and this Valuation Report are provided solely for the Purpose as set out above and in accordance with clause 4.1 of our General Terms neither the Valuation, nor this Valuation Report can

be used for any purpose other than the Purpose without our express written consent. Notwithstanding the General Terms, we acknowledge that this Valuation Report will also be for the use of the shareholders of the Client and the Offeree for the Purpose.

### **Third party reliance**

- 1.18 Save for (a) the Addressees and (b) any responsibility arising under the Code to any person as and to the extent there provided, in accordance with clauses 3 and 4 of the General Terms and to the fullest extent permitted by law we do not, save as provided for in the Code, 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.
- 1.19 This Valuation Report is addressed jointly to the Addressees for the Purpose and is for the use of and may be relied upon by the Addressees of this Valuation Report for the Purpose. Save in respect of such Addressees and as provided for in the Code, no reliance may be placed upon this Valuation Report by any other third party.

### **Disclosure & publication**

- 1.20 Clauses 4.3 to 4.6 of the General Terms limit disclosure and generally prohibit publication of the Valuation. As stated therein (but subject to the section above headed "Third party reliance"), the Valuation has been prepared for the Client in accordance with the Agreement which governs its purpose and use. As stated in the Agreement, the Valuation is confidential to the Addressees and, other than as stated in this Valuation Report, neither the whole, nor any part, of the Valuation or of the Valuation Report, nor any reference thereto, may be disclosed to any person other than for the Purpose without our prior written consent, or included in any published document, circular or statement, nor published in any way, other than for the Purpose without our prior written consent of the form or context in which it may appear.
- 1.21 Notwithstanding the paragraph above, and subject to the terms and conditions (but disregarding for these purposes clauses 4.3 to 4.6 (inclusive) of the General Terms) of the Agreement and our approval of the form and context thereof, we consent to the disclosure of this Valuation Report:
- i. as may be required by any applicable court of competent jurisdiction or other competent judicial or governmental body or any applicable law or regulation or pursuant to government action, regulatory requirement or request;
  - ii. to each Addressee's affiliates and each Addressee's affiliates' respective directors, officers, employees, agents, professional advisers, insurers, auditors and bankers that need to see the Valuation in connection with the Purpose;
  - iii. in the case of Peel Hunt and SCC, in seeking to establish a defence or otherwise in connection with any actual or threatened legal or regulatory proceedings or investigation relating to the matters set out in this Valuation Report or claims that may be brought against them arising from their roles as financial advisers and/or corporate brokers (as applicable) to the Client and/or the Offeree (as applicable);
  - iv. in investor presentations and other investor education materials prepared in connection with the Transaction, and in any private discussions with Investors or other third parties in connection with the Transaction; and
  - v. for the Purpose.

- 1.22 It is a condition of such disclosure that each party in receipt of this Valuation Report that is not an Addressee agrees and acknowledges that this Valuation Report cannot be relied upon by them, and we do not accept any responsibility, duty of care or liability to them, whether in contract, tort (including negligence), misrepresentation or otherwise in respect of the Valuation and the information it contains.
- 1.23 This Valuation Report complies with Rule 29 of the Code and we understand that the publication or reproduction by the Client of this Valuation Report and/or the information contained therein as required by Rules 26 and 29 of the Code is necessary, including in the Scheme Document and any Code Document.
- 1.24 The Addressees agree and acknowledge that we shall have no liability for any error, omission or inaccuracy in this Valuation Report to the extent resulting from our reliance on information provided by or on behalf of the Addressees unless otherwise stated. Notwithstanding the above, we highlight the restricted nature of this instruction, in accordance with the Red Book; as a result the reliance that can be placed on the Valuation is limited.

#### **Verification**

- 1.25 We recommend that before any financial transaction is entered into based upon the Valuation, you obtain verification of any third-party information contained within this Valuation Report.
- 1.26 We would advise you that whilst we have valued the Properties reflecting current market conditions, there are certain risks which may be, or may become, uninsurable. Before undertaking any financial transaction based upon this Valuation, you should satisfy yourselves as to the current insurance cover and the risks that may be involved should an uninsured loss occur.

#### **Limitations on liability**

- 1.27 Knight Frank LLP's total liability for any direct loss or damage (whether caused by negligence or breach of contract or otherwise) arising out of or in connection with this Valuation is limited in accordance with the terms of the Agreement. Knight Frank LLP accepts no liability for any indirect or consequential loss or for loss of profits.
- 1.28 We confirm that we hold adequate and appropriate PII cover for this instruction.
- 1.29 No claim arising out of or in connection with this Valuation may be brought against any member, employee, partner or consultant of Knight Frank LLP. Those individuals will not have a personal duty of care to any party and any claim for losses must be brought against Knight Frank LLP.
- 1.30 Nothing in this Valuation shall exclude or limit our liability in respect of fraud or for death or personal injury caused by our negligence or for any other liability to the extent that such liability may not be excluded or limited as a matter of law or regulation.

## Scope of work

- 1.31 Subject to any alteration agreed between us and set out in the Agreement or any other agreed amendment or restriction set out below, the General Scope of Work forming part of the Agreement sets out the work we agreed to undertake, including the investigations we have undertaken, the limits that applied and the assumptions we have made, unless we have found or have been provided with information to the contrary.

### **Restrictions**

- 1.32 The Valuation has been requested by you for the Purpose. However, we agreed restrictions to the service set out in this Scope of Work section. It is a requirement of the Red Book that we record any limitations or restrictions on the inspection, inquiry and analysis that we have agreed and which may limit the reliance that can be placed on the Valuation. The following restrictions were agreed:

- We have agreed restrictions on the extent to which the Property will be inspected, as set out in paragraph 1.37 below.

### **Information to be relied upon**

- 1.33 We have relied upon the information previously provided to us by you, or by third parties in respect of the 31 March 2025 Valuation and will assume it to be correct for the purposes of the Valuation unless you inform us otherwise, subject only to any verification that we have agreed to undertake.
- 1.34 Where we express an opinion in respect of (or which depends upon) legal issues, any such opinion must be verified by your legal advisors before any Valuation can be relied upon.
- 1.35 We are instructed to rely on floor areas and tenancy information provided by the Client. We have not read lease agreements nor verified accordance between tenancy schedule and lease terms.
- 1.36 Knight Frank LLP cannot be held liable as regards the legal description of the Properties, its use, non-compliance with statutory requirements, technological and natural risks, the areas taken into account, the existence of concealed defects, presence of asbestos, adverse ground condition, presence of soil contamination, presence of insects, noxious animals or plants, rot, or deleterious materials, etc. This Valuation Report comments on the above on the basis of Technical or Environmental reports, if provided.

### **Inspections**

- 1.37 In our ongoing role as External Valuers, we have previously been instructed to carry out an inspection of the Properties, with all Properties being inspected externally and some being inspected internally. This Valuation Report has been prepared in accordance with our previous inspections of the Properties. Our inspections of all the Properties have been undertaken within the last two years. We have assumed that there have been no material changes to the Properties or the surrounding areas between our inspection dates and the valuation date.

The attached General Scope of Work sets out the investigations we made, the limits that applied to those investigations and the assumptions that we made unless we found or were provided with information to the contrary. Notwithstanding the General Scope of Work, there are no assumptions made for the purposes of this Valuation Report.

**Information Provided**

- 1.38 In this Valuation Report we have been provided with information by the Client, its advisors and other third parties. We have relied upon this information as being materially correct in all aspects.
- 1.39 In the absence of any documents or information provided, we have had to rely solely upon our own enquiries as outlined in this Valuation Report.

## 2. Valuation

### Methodology

- 2.1 The Valuation has been undertaken using appropriate valuation methodology and our professional judgement.

#### **Investment method**

- 2.2 The Valuation has been carried out using the comparative and investment methods. In undertaking the Valuation, we have made our assessment on the basis of a collation and analysis of appropriate comparable investment and rental transactions, together with evidence of demand within the vicinity of the subject Properties. With the benefit of such transactions we have then applied these to the Properties, taking into account size, location, terms, covenant and other material factors.

### Valuation bases

- 2.3 The basis of value for the Valuation as required by the Code is Market Value and therefore these valuations have been prepared on a Market Value basis.

#### **Market Value**

- 2.4 Market Value is defined within RICS Valuation – Global Standards 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.”

#### **Portfolios**

- 2.5 In a valuation of a property portfolio, we have valued the individual properties separately and we have assumed that the individual properties have been marketed in an orderly way.

### Market Value

#### **Market Value**

- 2.6 We are of the opinion that the aggregate Market Value of the freehold, heritable and long leasehold interests in the Properties, as at the valuation date is:

**£2,682,710,000 (Two Billion, Six Hundred and Eighty-Two Million, Seven Hundred and Ten Thousand Pounds).**

**€159,000,000 (One Hundred and Fifty-Nine Million Euros).**



2.7 The tenure of the Properties held by the Client as at 31 March 2025 comprises the following:

	No. of properties	Market Value
Freehold	149	£1,787,130,000
Heritable	11	£71,940,000
Long leasehold	73	£822,475,000
Mixed	1	£1,165,000
<b>Total</b>	<b>234</b>	<b>£2,682,710,000</b>

	No. of properties	Market Value
Freehold	2	€159,000,000
Long leasehold	0	0
<b>Total</b>	<b>2</b>	<b>€159,000,000</b>

2.8 There are no negative values to report.

2.9 There are 2 Properties of the 236 held by the Client as at 31 March 2025 which individually account for more than 5% of the aggregate value of the individual Market Values as at 31 March 2025. These Properties are listed in the table below.

Address	Tenure
Ramsay, Rivers Hospital, High Wych Road, Sawbridgeworth, CM21 0HH	FH
Alton Towers Park, Wootton Lane, Alton, Stoke-on-Trent, ST10 4DB	LLH

2.10 For the purposes of Rule 29.5 of the Code, we confirm that in our opinion the current valuation of the Properties as at the date of this Valuation Report would not be materially different from the valuation of the Properties as at the valuation date.

2.11 We are not aware, as a result of our role as an External Valuer of the Properties of any matter which would materially affect the Market Value of the Properties which is not disclosed in this Valuation Report (subject to the assumptions set out in this Valuation Report) and we are not aware of any matter in relation to this Valuation Report that we believe should be and has not yet been brought to the attention of the Addressees.

## Responsibility

- 2.12 For the purposes of the Code, 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 (having taken all reasonable care to ensure that such is the case), the information contained in this Valuation Report is in accordance with the facts and contains no omissions likely to affect its import. This Valuation Report complies with, and is prepared in accordance with, and on the basis of, the Code, and in particular we confirm that we meet the requirements of Rule 29.3(a) of the Code. We authorise its contents for the purpose of Rule 29 of the Code.

## Consent

- 2.13 Knight Frank LLP has given and has not withdrawn its consent to the inclusion of this Valuation Report:
- a) in this Scheme Document in the form and context in which it is included; and
  - b) on any websites as required pursuant to Rules 26 and 29 of the Code.

## Appendix 1 List of Properties

Property Code	Property Address	Tenure
XTABE1	9 Bridge Street, Aberdeen, AB11 6JL	Heritable
XTABE2	Travelodge, A96 Inverurie Road, Bucksburn, Aberdeen , AB21 9BB	Mixed
XTALFR	Travelodge, Old Swanwick, Colliery Road, Alfreton, DE55 1HJ	Freehold
XALTO1	Alton Towers Hotel, Wootton Lane, Alton, ST10 4DB	Leasehold
XALTO2	Alton Towers Park, Wootton Lane, Alton, ST10 4DB	Leasehold
XANDO2	Columbus Quarter, Andover, SP10 5NT	Leasehold
XANDO1	Andover Business Park, Andover, SP11 8BP	Freehold
XARMA1	Apple Mews 1, 95 Cathedral Road, Armagh, BT61 8AB	Leasehold
XARMA2	Apple Mews 2, 95 Cathedral Road, Armagh, BT61 8AB	Leasehold
XTARUN	Travelodge, A27/A29 Fontwell, Arundel Fontwell, BN18 0SB	Freehold
XASTON	Co-op Service Station Aston, Worksop Road, Aston	Freehold
XBARRY	Barry Penny Lane, Barry, CF63 4BA	Leasehold
XTBEDF	Travelodge, A421 Beancroft Rd, Bedford , MK43 0QP	Freehold
XBERWI	Aldi Berwick Upon Tweed, Berwick Upon Tweed	Freehold
XBICES	Co-op Bicester, Bure Park, Bicester, OX26 3HA	Freehold
XBIGGI	Bombardier Maintenance, Biggin Hill Airport	Leasehold
XBINGL	Ramsay Yorkshire Clinic, Bradford Road, Bingley, BD16 1TW	Freehold
XBLAC1	Squires Gate, Blackpool, FY4 2AY	Leasehold
XBLAC2	Co-op Blackpool, Thornton Centre, Blackpool, FY5 5DX	Freehold
XTBOUR	Travelodge, Cooper Dean Roundabout, Bournemouth, BH7 7DP	Leasehold
XBRAD2	17 Ashfield Road, Shipley, Bradford, BD18 4JX	Freehold
XBRAD3	Woodlands Park Drive, Apperley Bridge, Bradford, BD10 9SG	Freehold
XBRAD5	Aldi, Scott Works, Clayton Road, Bradford, BD7 2SG	Freehold
XBRAD4	Norman Road, Bradford	Leasehold
XBRAD6	Bradford Victoria Shopping Centre, Bradford , BD8 9BN	Leasehold
XTBRIG	165-167 Preston Road, Brighton, BN1 6AU	Freehold
XBRIS1	31 Druid Stoke Avenue, Bristol, BS9 1DE	Freehold
XBRIS2	73-75 Birchwood Road, Brislington, Bristol, BS4 4QN	Freehold
XBROMS	Buntsford Park Road, Bromsgrove	Leasehold
XBURNL	Motorpoint Burnley, Rosegrove Lane, Burnley, BB12 6EH	Freehold
XTCAM1	Travelodge Camborne, Cornwall, Tolvaddon Road, Camborne, TR14 8NQ	Freehold
XCAMBO	Cambridge Belfry Hotel, Back Lane, Cambourne, Cambridge, CB23 6BW	Freehold
XTCAM2	Travelodge, A11 Fourwentways, Abington, Fourwentways, Cambridge , CB1 6AP	Freehold
XCANNO	Orbital 7, Orbital Park, Cannock, WS11 8XW	Leasehold
XCANT	Travelodge, A299 Thanet Way, Faversham, Canterbury, ME13 9EL	Freehold
XCANVE	Canvey Island, Northwick Road, Canvey Island, SS8 0PT	Leasehold
XCARD2	Sports Village, Cardiff, CF11 0JP	Leasehold
XCAR1	Travelodge, Circle Way East off A48, Llanedeyrn, Cardiff, CF23 9NZ	Freehold

Property Code	Property Address	Tenure
XCARL1	Ford Carlisle, 57a Kingstown Industrial Estate, Carlisle, CA3 0ET	Leasehold
XCARL2	Currock Road, Carlisle, CA2 4AX	Freehold
XCARMA	Parc Pensam, Carmathen, SA31 2NF	Leasehold
XCHELM	Ramsay Springfield Hospital, Lawn Lane, Chelmsford, CM1 7GU	Freehold
XCHES2	116 Fairfield Road, Widnes, Cheshire, WA8 6SJ	Freehold
XCHES3	Smith House, Stanney Lane, Chester, Cheshire, CH2 4HT	Freehold
XPCHE1	Griffin Inn, 184 Warrington Road, Cheshire, WA8 3XT	Freehold
XPCHE2	Shrewsbury Arms, 38 Cloughton Firs Prenton, Cheshire, WA8 3XT	Freehold
XPCHE3	Unicorn, Adlington Road, Cheshire, SK9 2LN	Freehold
XTCHES	Travelodge, Warrington Road, Mickle Trafford, Chester, CH2 4EX	Leasehold
XCHES1	Premier Inn Chesterfield, Elder Way, Chesterfield, S40 1UN	Freehold
XTCHI2	Travelodge, Moto Service Area, Leigh Delamere, M4 Westbound, Chippenham, SN14 6LB	Leasehold
XTCHI1	Travelodge, M4 Motorway, Moto Service Area, Leigh Delamere, Chippenham, SN14 6LB	Leasehold
XTCIRE	Travelodge, Hare Bushes, A429 Burford Rd, Cirencester, GL7 5DS	Leasehold
XCOALV	Co-op Coalville, 99a Midland Road, Ellistown, Coalville	Freehold
XCOLC1	Ramsay Oaks Hospital, Oaks Place, 120 Mile End Road, Colchester, CO4 5XR	Freehold
XCORBY	Geddington Road, Land at North East and South West Side of Geddington Rd, Corby	Freehold
XPCOUN	Brinkburn, Lady Kathryn Grove, County Durham, DL3 0YR	Freehold
XCOWDE	North End Retail Park, High Street, Cowdenbeath, KY4 9QA	Heritable
XCRAML	GE Cramlington, North Nelson Industrial Estate, Cramlington, NE23 1WW	Freehold
XPCRAM	The Blagdon Arms, Village Square, Cramlington, NE23 1DN	Freehold
XCROYD	Q-Park, Surrey Street, Croydon	Freehold
XTDERB	Travelodge, Nottingham Road, Chaddesden, Derby, DE21 6LZ	Leasehold
XDERBY	124 Hadfield Road, Derbyshire, SK13 2DR	Freehold
XDONC2	65 Bawtry Road, Bessacarr, Doncaster, DN4 7AD	Freehold
XDONC3	70 High Street, Hatfield, Doncaster, DN7 6RY	Freehold
XTDORK	Travelodge, A25 Reigate Road, Dorking, RH4 1QB	Freehold
XDUND2	Mears Student Dundee, 21 Brown Street, Dundee, DD1 5EF	Heritable
XDUND3	1 Afton Way, Dundee, DD4 8BR	Leasehold
XDURHA	Gestamp, Aycliffe Industrial Estate, Durham	Leasehold
XPEAST	The Grey Horse, Front Street, East Boldon, NE36 0SJ	Freehold
XEAST2	Lidl East Ham, The Brickyard, High Street / Barking Road, East Ham	Leasehold
XEDIN2	Q-Park, Quartermile Car Park, Simpson Loan, Edinburgh, EH3 9AU	Heritable
XTEDI1	Travelodge South Gyle Broadway, Edinburgh Park, Edinburgh, EH12 9LR	Heritable
XEDIN3	Ferry Road, 102 Pilton Drive, Edinburgh, EH5 2XS	Leasehold
XTEDI2	Travelodge, 33 St. Mary's Street, Edinburgh Central, EH1 1TA	Leasehold
XEGHA1	Thorpe Park, Egham, KT16 8PN	Leasehold
XEGHA2	Thorpe Park Hotel Site, Egham, KT16 8PN	Leasehold
XBASIL	St Hilary Retail Park, Basildon, Essex	Freehold
XEVESH	Sinclair Retail Park, Evesham, WR11 1FN	Freehold
XEXETE	Premier Inn Exeter, 398 Topsham Road, Exeter, EX2 6HE	Freehold
XTFRIM	Travelodge, 114 Portsmouth Road, Frimley, GU15 1HS	Leasehold
XGLAS2	Q-Park, Candleriggs Car Park, 37 Albion Street, Glasgow, G1 1LH	Heritable

Property Code	Property Address	Tenure
XTGLA1	Travelodge, 251 Paisley Road, Glasgow, G5 8RA	Leasehold
XGLAS3	Co-op Glasgow, 63 Cumbernauld Road, Glasgow, G33 6HZ	Heritable
XGLAS4	Junction 24 Retail Park, Helen Street, Glasgow, G51 3HR	Heritable
XTGLA2	Travelodge, 5-11 Hill Street, Glasgow Central, G3 6RP	Heritable
XGLOUC	BGC Gloucester, Haresfield, Gloucester, GL10 3DP	Freehold
XPGLOU	The Abbey, 53 Northgate Street, Gloucester, GL1 2AJ	Freehold
XTGOSP	High Street, Gosport, PO12 1BX	Freehold
XTGRAN	Travelodge, Great North Road, South Witham, Grantham, NG33 5BN	Leasehold
XHALE1	Ramsay West Midlands Hospital, Colman Hill, Halesowen, B63 2AH	Freehold
XHARRO	Abbotsford House, 15 Kent Road, Harrogate, HG1 2LH	Freehold
XPHATH	Spread Eagle Hotel, Hatherlow, SK6 3DR	Freehold
XTHELL	Travelodge, A22 Boship Farm Roundabout, Hellingly Eastbourne, BN27 4DP	Freehold
XHITCH	Ramsay Pinehill Hospitals, Benslow Lane, Hitchin, SG4 9QZ	Freehold
XHOUGH	Newbottle Street Retail Park, Newbottle Street, Houghton Le Spring, DH4 4AU	Freehold
XTHUNT	Travelodge, A14 Eastbound, Huntingdon Fenstanton, PE28 9HY	Leasehold
XTILMI	Travelodge, A303, Southfield Roundabout, Horton Cross, Ilminster, TA19 9PT	Freehold
XTINVE	Travelodge, Stonyfield, A96 Inverness Road, Inverness, IV2 7PA	Leasehold
XKENDA	Queen Katherines Avenue, Kendal	Leasehold
XKETTE	Ramsay Woodland Hospital, Rothwell Road, Kettering, NN16 8XF	Freehold
XPKIRK	The Exchequer, 60-64 High Street, Kirkcaldy, KY1 1NB	Heritable
XLANC2	116 Sharoe Green Lane, Fulwood, Preston, Lancashire, PR2 8HL	Freehold
XLANC3	119 Heapey Road, Chorley, Lancashire, PR6 9BJ	Freehold
XLANC4	Longsands Lane, Preston, Lancashire, PR2 9PS	Freehold
XLANC1	PGL Travel, Winmarleigh Hall, Church Lane, Lancaster, PR3 0LA	Leasehold
XLARGS	M&S Largs, Largs	Heritable
XLEED1	Atkinson Court Care Home, Ings Road, Cross Green, Leeds, LS9 9EJ	Freehold
XLEED2	437 Street Lane, Leeds, LS17 6HQ	Freehold
XLEED3	469 Otley Road, Adel, Leeds, LS16 7NR	Freehold
XLEED4	48 Nursery Lane, Alwoodley, Leeds, LS17 7HW	Freehold
XLEED5	60 North Park Avenue, Leeds, LS8 1HS	Freehold
XTLEED	Travelodge, Bruntcliffe Road, Morley, Leeds, LS27 0LY	Leasehold
XPLEYL	Old Leyland Gates, Golden Hill Lane, Leyland	Freehold
XPLINC	The William Foster, Guildhall Street, Lincoln, LN1 1TT	Freehold
XLINCO	Co-op Homscastle, Lincolnshire	Freehold
XTLIV1	25 Old Haymarket, Liverpool, L1 6ER	Leasehold
XTLIV2	Travelodge, Aigburth Road, Aigburth, Liverpool, L19 9DN	Leasehold
XTLLAN	A48, Cross Hands, Llanelli, SA14 6RD	Freehold
XLLANG	New Berwyn Works, Berwyn Road, Llangollen, LL20 8AE	Freehold
XLOND1	Q-Park Tower Bridge Car Park, Gainsford Street, London, SE1 8NH	Freehold
XLOND2	Florence Nightingale Hospital, 11-19 Lisson Grove, London, NW1 6SH	Freehold
XPLON2	The Brewery, 52 Chiswell St, London, EC1Y 4SA	Freehold
XLOND3	Tesco Welling, Welling High St, London, DA16 1TH	Freehold
XLYTHA	Aldi, Clifton Drive North, Lytham St Annes, FY8 2NA	Leasehold

Property Code	Property Address	Tenure
XTMACC	Travelodge, London Road, South Adlington, Macclesfield, Macclesfield, SK10 4NG	Freehold
XMANC2	Q-Park, Waterside Car Park, 5 Broad Road, Manchester, M33 2AE	Freehold
XMANC1	Q-Park, Piazza Car Park, St James Street, Manchester, M1 4BP	Leasehold
XMANC4	Manchester Arena, Manchester, M3 1AR	Leasehold
XMANC3	68 Leigh Road, Atherton, Manchester, M46 0PA	Freehold
XTMANC	Travelodge, 11 Blackfriars Street, Salford, Manchester Central, M3 5AL	Freehold
XTMELK	Travelodge Melksham, Commerce Way, Melksham, SN12 6AD	Freehold
XMIDD1	Premier Inn Middlesbrough, Wilson Street, Middlesbrough, TS1 1AE	Freehold
XMIDD2	Sainsburys, Gateway Retail Park, Cargo Fleet Road, Middlehaven, Middlesbrough, TS3 6AT	Freehold
XPMD1	The Blue Bell Hotel, Acklam Road, Middlesbrough, TS5 7HL	Freehold
XPMD2	Norman Conquest, Flatts Lane, Middlesbrough, TS6 0NP	Freehold
XTMIL1	Travelodge, A5 Old Stratford Roundabout, Old Stratford, Milton Keynes, MK19 6AQ	Freehold
XTMIL2	Travelodge, 199 Grafton Gate, Milton Keynes Central, MK9 1AL	Freehold
XMORPE	BGC Morpeth, Heighley Gate, Morpeth, NE61 3DA	Freehold
XNEWBU	31 Tumpike Road, Newbury, RG14 2NX	Freehold
XNEWCA	Goose Street, Newcastle Under Lyme, ST5 3HY	Leasehold
XPNEW1	Britannia, Bradwell Lane, Newcastle Under Lyne, ST5 8JR	Freehold
XPNEW2	County Hotel, High Street, Newcastle Upon Tyne, NE3 1HB	Freehold
XPNEW3	Duke of Wellington, Kenton Lane, Newcastle Upon Tyne, NE3 3BQ	Freehold
XNEWTO	Edenmore Care Home, 646 Shore Road, Newtownabbey, BT37 0PR	Freehold
XNORT1	1 Hartwith Way, Harrogate, North Yorkshire, HG3 2XA	Freehold
XNORT2	Kettering Road, Northampton, NN3 6AA	Leasehold
XNORW1	Copenhagen Way, Norwich, NR3 2RT	Freehold
XNORW2	Co-op Service Station New Cottsey, Wayside Service Station, Dereham Road, Norwich, NR5 0SE	Freehold
XTNOTT	Travelodge, Riverside Retail Park, Tottle Road, Nottingham, NG2 1RT	Freehold
XNOTTI	Victoria Parkway, Nottingham, NG4 2PA	Leasehold
XTNUNE	A444 Southbound, Bedworth, Nuneaton, CV10 7TF	Freehold
XTOSWE	Travelodge, A5/A483, Mile End Service Area, Oswestry, SY11 4JA	Leasehold
XOSWES	Smithfield Park, Oswestry	Leasehold
XTOXF1	Travelodge, Moto Service Area, Peartree Roundabout, Woodstock Road, Oxford, OX2 8JZ	Leasehold
XTOXF2	Travelodge, London Road, Wheatley, Oxford, OX33 1JL	Freehold
XTPERT	Travelodge, Crieff Road, Perth, PH1 3JJ	Leasehold
XTPET2	Travelodge, A1 Southbound, Alwalton, Peterborough, PE7 3UG	Freehold
XPETE2	Lincoln Road, Peterborough, PE4 6WS	Leasehold
XPETE1	Ramsay Fitzwilliam Hospital, Milton Way, South Bretton, Peterborough, PE3 9AQ	Freehold
XTPET1	Travelodge, Crowlands Road, Eye Green, Peterborough, PE6 7TN	Leasehold
XPLYMO	Jurys Inn, 50 Exeter Street, Plymouth, BN1 4DJ	Freehold
XTPLYM	Travelodge, Derriford Road, Derriford, Plymouth, PL6 8BD	Leasehold
XPONTY	Co-op Pontypridd, Penrhiwfer Rd, Pontypridd, CF39 8EY	Freehold
XPOOLE	Veolia Poole, Plot 3 Holton Heath Trading Park, Poole, BH16 6LT	Freehold
XPORT1	Premier Inn, Porthmadog	Freehold
XPRES2	Riversway, Preston, PR2 6BX	Leasehold
XPRES1	Ramsay Fulwood Hospital, Midgery Lane, Fulwood, Preston, PR2 9SZ	Freehold

Property Code	Property Address	Tenure
XTREA2	Travelodge, Moto Service Area, M4 Motorway, Burghfield, M4 Westbound, Reading, RG30 3UQ	Leasehold
XTREA1	Travelodge, Moto Service Area, M4 Motorway, Burghfield, M4 Eastbound, Reading, RG30 3UQ	Leasehold
XREADI	BGC Reading, Hyde End Road, Shinfield, Reading , RG2 9ER	Freehold
XREDDI	Warwick Highway, Redditch, B98 0SW	Leasehold
XTRETF	Travelodge, A1 Northbound, Markham Moor, Retford, DN22 0QU	Freehold
XROMFO	Premier Inn Romford, 25-29 Market Place, Romford	Leasehold
XROTHER	Stobart Rotherham, Greaseborough Depot North Drive, Rotherham, S6 1RL	Freehold
XSALE	83 Broad Road, Sale, M33 2EU	Freehold
XSALFO	Ramsay Oaklands Hospital, 19 Lancaster Road, Salford, M6 8AQ	Freehold
XSANDB	Co-op Sandbach, Lawton Way, Elworth, Sandbach, CW11 1TF	Freehold
XTSAND	Travelodge, Discovery Park, Sandwich	Freehold
XSAWBR	Ramsay Rivers Hospital, High Wych, Sawbridgeworth, CM21 0HH	Freehold
XSCUN2	Lakeside Parkway, Scunthorpe	Leasehold
XSCUN1	Prime Life Phoenix, Phoenix Park Care Village, Phoenix Avenue, Scunthorpe, DN15 8HN	Freehold
XSHEF1	Q-Park Sheffield, Rockingham Street, Sheffield, S1 4NL	Freehold
XSHEF2	Q-Park, Riverside Car Park, 5 Millsands, Sheffield, S3 8NH	Leasehold
XTSHRE	Travelodge, A5 / A49 Roundabout, Bayston Hill Services, Shrewsbury, SY3 0DA	Leasehold
XSMETH	Cornwall Road, Smethwick	Freehold
XSOLIH	The Priory Care Home, 1 Shelley Crescent, Monkspath, Shirley, Solihull, BS9 1DE	Freehold
XSOLTA1	Heide Park Soltau Germany	Freehold
XSOLTA2	Heide Park Hotel Soltau Germany	Freehold
XTSOU1	Travelodge, 144 Lodge Road, Southampton, SO14 6QR	Freehold
XTSOU2	Travelodge, Ham Farm, Twyford Road, Eastleigh, Southampton, SO50 4LF	Freehold
XSOUT2	63a Scarisbrick New Road, Southport, PR8 6PA	Freehold
XSOUT3	Co-op Southport, Station Rd, Ainsdale, Southport, PR8 3HR	Freehold
XTSTAF	Travelodge, Moto Service Area, M6 Motorway Northbound, Eccleshall Road, Stafford, ST15 0EU	Leasehold
XSTOC2	Waitrose Poynton, 89 Park Lane, Poynton, Stockport, SK12 1RD	Freehold
XPSTOC	Bulls Head, 341 London Road, Stockport, SK7 4PS	Freehold
XSTOC1	Teeside Retail Park, Newmarket Avenue, Thornby, Stockton-on-Tees, TS17 7BP	Leasehold
XSTOKE	Ridgway Drive, Stoke, ST1 5NY	Leasehold
XTSTO1	Travelodge, Longton Road, Stoke on Trent, ST4 8BU	Leasehold
XSTONE	Yarnfield Park Training & Conference Centre, Stone, ST15 0NL	Freehold
XTSTRA	Travelodge, Oversley Mill, Alcester, Stratford, B49 6PQ	Leasehold
XSUNDE	Turbine Business Park, Nissan Way, Sunderland, SR5 3QY	Freehold
XSURRE	3 Simplemarsh Road, Addlestone, Surrey, KT15 1QH	Freehold
XTSWAN	Travelodge, Moto Service Area, M4 Motorway, Penllergaer, Swansea, SA4 9GT	Leasehold
XTSWIN	Travelodge Swindon, Barnfield Close, Swindon, SN2	Freehold
XSWIND	Co-op Swindon, Taw Hill Village Centre, Swindon , SN21 2UH	Freehold
XTEESI	Belasis Business Park, 10-11 Belasis Business Park, Billingham, Teeside, TS23 4EB	Freehold
XTTOWC	Travelodge, A43 Towcester Bypass, Towcester, NN12 6TQ	Freehold
XTRURO	Ramsay Duchy Hospital, Pentevinnie Lane, Truro, TR1 3UP	Freehold
XWALLA	Co-op Wallasey, 83-85 Wallasey Village, Wallasey, CH45 3LE	Freehold
XWALSA	Wallows Lane, Walsall	Leasehold

Property Code	Property Address	Tenure
XPWARD	The Bridgewater, 23 Barton Road, Wardley	Freehold
XTWAR1	Travelodge, Kendrick St, Warrington, WA1 1UZ	Freehold
XTWAR2	Travelodge, Newton Road, Lowton, Warrington, WA3 1HD	Leasehold
XWARWI	Warwick Castle, Warwick, CV34 6AH	Freehold
XWASHI	Co-op Service Station Washington, Washington, NE37 1EZ	Freehold
XWBRIG	Lidl West Bridgford, West Bridgford	Freehold
XWBROM	Oak Lane, West Bromwich, B70 8PF	Freehold
XIDLE	Cross Road, Idle, Bradford, West Yorkshire, BD10 9RU	Freehold
XWHITL	Premier Inn Whitley Bay, Spanish City Promenade, Whitley Bay, NE26 1AR	Leasehold
XWIDNE	Stobart Widnes, Viking Park, Widnes, WA8 0PE	Freehold
XPWIDN	Church View Inn, 38 Lunts Heath Road, Widnes, WA8 5RY	Freehold
XWIRR1	20 Kingsmead Road, North Prenton, Wirral, CH43 6TB	Freehold
XWIRR2	97 Eleanor Road, Bidston, Wirral, CH43 7QW	Freehold
XPWOL1	Hog's Head, 186 Stafford Street, Wolverhampton, WV1 1NA	Freehold
XPWOL2	Pear and Partridge, The Parkway, Wolverhampton, WV6 7XZ	Freehold
XWORCE	Sainsbury's Dog Lane, Bewdley, Worcestershire, DY12 2BU	Freehold
XTWOR1	Travelodge Workington, William Street, Workington, CA14 3YG	Freehold
XWORKS	Premier Inn, Worksop	Freehold
XTWOR2	Travelodge, St Annes Dr, Worksop, S80 3QD	Freehold
XWREXH	Co-op Wrexham, Borrass Park Rd, Wrexham, LL12 7TH	Freehold
XYEOVI	Lysander Road, Yeovil	Leasehold
XTYOR2	Travelodge, A64 Eastbound, Bilbrough, Steeton, York, LS24 8EG	Freehold
XTYOR1	Travelodge, Hull Road, York, YO10 3LF	Leasehold
XYORK1	Q-Park Kent Street Car Park, Kent Street, York	Leasehold
XYORK2	Q-Park, Shambles Car Park, Garden Place, York, YO1 7NZ	Leasehold
XYORK3	York Biotech Campus, York, YO41 1LZ	Freehold



# Appendix 2 General Terms of Business for Valuation Services

## General Terms of Business for Valuation Services

### Important Notice

If you have any queries relating to this Agreement please let us know as soon as possible and in any event before signing the Terms of Engagement Letter and/or giving us instructions to proceed.

Your instructions to proceed (howsoever received, whether orally or in writing) will constitute your offer to purchase our services on the terms of the Agreement.

Accordingly, our commencement of work pursuant to your instructions shall constitute acceptance of your offer and as such establish the contract between us on the terms of the Agreement.

These General Terms of Business for Valuation Services (the "**General Terms**"), the General Scope of Valuation Work (the "General Scope of Work") and our Terms of Engagement Letter (the "**Engagement Letter**") together form the agreement between you and us (the "**Agreement**"). References to "**you**", "**your**" etc. are to persons or entities who are our client and, without prejudice to clauses 3 and 4 below, to any persons purporting to rely on our Valuation.

Unless the context otherwise requires, all other terms and expressions used but not defined herein shall have the meaning ascribed to them in the Engagement Letter.

When used within these General Terms, the General Scope of Work and/or in the Engagement Letter, the term "**Valuation**" shall mean any valuation report, supplementary report or subsequent/update report, produced pursuant to our engagement and any other replies or information we produce in respect of any such report and/or any relevant property. Any words following the terms "**including**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

All of the terms set out in these General Terms shall survive termination of the Agreement.

In the event of any inconsistency between these General Terms, the General Scope of Work and the Engagement Letter, the order of precedence should be as follows: (1) the Engagement Letter, (2) the General Scope of Work and (3) these General Terms.

### **1. Knight Frank**

- 1.1 Knight Frank LLP ("**Knight Frank**", "**our**", "**us**", "**we**") is a limited liability partnership with registered number OC305934; this is a corporate body which has *members* and not *partners*.
- 1.2 Our registered office is at 55 Baker Street, London W1U 8AN where a list of members may be inspected.
- 1.3 Any representative of Knight Frank described as *partner* is either a member or an employee of Knight Frank and is not a partner in a partnership. The term *partner* has been retained because it is an accepted way of referring to senior professionals. The term "**Knight Frank Person**" shall, when used herein, mean any member, employee, "*partner*" or consultant of Knight Frank.
- 1.4 Our VAT registration number is 438 2690 74.
- 1.5 The details of our professional indemnity insurance will be provided to you on request.

- 1.6 Knight Frank LLP is regulated by RICS for the provision of surveying services. This means we agree to uphold the RICS Rules of Conduct for Firms and all other applicable mandatory professional practice requirements of RICS, which can be found at [www.rics.org](http://www.rics.org). As an RICS regulated firm we have committed to cooperating with RICS in ensuring compliance with its standards. The firm's nominated RICS Responsible Principal is Philip Gardner, Chief Risk Officer ([rics.principal@knightfrank.com](mailto:rics.principal@knightfrank.com)).
- 1.7 Any Valuation provided by us may be subject to monitoring under RICS Valuer Registration. In accordance with our obligations it may be necessary to disclose valuation files to RICS. By instructing us you give us your permission to do so. Where possible we will give you prior notice before making any such disclosure, although, this may not always be possible. We will use reasonable endeavours to limit the scope of any such disclosure and to ensure any disclosed documents are kept confidential.
- 1.8 Valuations will be carried out in accordance with the relevant edition of the RICS valuation standards, the RICS Red Book (the "**Red Book**"), by valuers who conform to its requirements and with regard to relevant statutes or regulations.
- 1.9 As required by RICS, a copy of our complaints procedure is available on request. Please contact [complaints@knightfrank.com](mailto:complaints@knightfrank.com) if you would like to make a complaint.
- 1.10 Knight Frank LLP is a member of an international network of independent firms which may use the "Knight Frank" name and/or logos as part of their business name and operate in jurisdictions outside the United Kingdom (each such firm, an "**Associated Knight Frank Entity**").
- 1.11 Unless specifically agreed otherwise, in writing, between you and us: (i) no Associated Knight Frank Entity is our agent or has authority to enter into any legal relations and/or binding contracts on our behalf; and (ii) we will not supervise, monitor or be liable for any Associated Knight Frank Entity or for the work or actions or omissions of any Associated Knight Frank Entity, irrespective of whether we introduced the Associated Knight Frank Entity to you.
- 1.12 You are responsible for entering into your own agreement with any relevant Associated Knight Frank Entity.
- 1.13 This document has been originally prepared in the English language. If this document has been translated and to the extent there is any ambiguity between the English language version of this

document and any translation thereof, the English language version as prepared by us shall take precedence.

## 2. Governing law and jurisdiction

2.1 The Agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation or any Valuation shall be governed by and construed in accordance with English law.

2.2 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Agreement or its subject matter or formation or any Valuation. This will apply wherever the relevant property or the client, or any relevant third party, is located or the service is provided.

## 3. Limitations on liability

3.1 Subject to clause 3.8, our maximum total liability in connection with or arising out of this Agreement and/or its subject matter and/or the Valuation is limited to the higher of £250,000 or fifty times our fee as set out in the Engagement Letter.

3.2 Subject to clause 3.8, we will not be liable for any loss of profits, loss of data, loss of chance, loss of goodwill, or any indirect or consequential loss of any kind.

3.3 Our liability to you shall be reduced to the extent that we prove that we would have been able to claim a contribution pursuant to the Civil Liability (Contribution) Act 1978 from one or more of the other professionals instructed by you in relation to any relevant property and/or the Purpose (and in each case if, as a result of an exclusion or limitation of liability in your agreement with such professional, the amount of such contribution would be reduced, our liability to you shall be further reduced by the amount by which the contribution we would be entitled to claim from such professional is reduced).

3.4 Subject to clause 3.8, any limitation on our liability will apply however such liability is or would otherwise have been incurred, whether in contract, tort (including negligence), for breach of statutory duty, or otherwise.

3.5 Except as set out in clauses 3.6 and 4.7 and 4.8 below no third party shall have any right to enforce any of the terms of this Agreement, whether under the Contracts (Rights of Third Parties) Act 1999 or otherwise.

3.6 No claim arising out of or in connection with this Agreement may be brought against any Knight Frank Person. Those individuals will not have a personal duty of care to you or any other person and any such claim for losses must be brought against Knight Frank. Any Knight Frank Person may enforce this clause under the Contracts (Rights of Third Parties) Act 1999 but the terms of this Agreement may be varied by agreement between the client and Knight Frank at any time without the need for any Knight Frank Person to consent.

3.7 No claim, action or proceedings arising out of or in connection with the Agreement and/or any Valuation shall be commenced against us after the expiry of the earlier of (a) six years from the Valuation Date (as set-out in the relevant Valuation) or (b) any limitation period prescribed by law.

3.8 Whether or not specifically qualified by reference to this clause, nothing in the Agreement 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 so excluded or limited as a matter of applicable law.

## 4. Purpose, reliance and disclosure

4.1 The Valuation is prepared and provided solely for the stated purpose. Unless expressly agreed by us in writing, it cannot be relied upon, and must not be used, for any other purpose and, subject to clause 3.8, we will not be liable for any such use.

4.2 Without prejudice to clause 4.1 above, the Valuation may only be relied on by our Client. Unless expressly agreed by us in writing the Valuation may not be relied on by any third party and we will not be liable for any such purported reliance.

4.3 Subject to clause 4.4 below, the Valuation is confidential to our Client and must not be disclosed, in whole or in part, to any third party without our express written consent (to be granted or withheld in our absolute discretion). Subject to clause 3.8, no liability is accepted to any third party for the whole or any part of any Valuation disclosed in breach of this clause.

4.4 Notwithstanding any statement to the contrary in the Agreement, you may disclose documents to the minimum extent required by any court of competent jurisdiction or any other competent judicial or governmental body or the laws of England.

4.5 Neither the whole nor any part of the Valuation and/or any reference thereto may be included in any published document, circular or statement nor published in any way whatsoever whether in hard copy or electronically (including on any website) without our prior written consent and approval of the form and context in which it may appear.

4.6 Where permission is given for the publication of a Valuation neither the whole nor any part thereof, nor any reference thereto, may be used in any publication or transaction that may have the effect of exposing us to liability for actual or alleged violations of the Securities Act 1933 as amended, the Securities Exchange Act of 1934 as amended, any state Blue Sky or securities law or similar federal, state provincial, municipal or local law, regulation or order in either the United States of America or Canada or any of their respective territories or protectorates (the "Relevant Securities Laws"), unless in each case we give specific written consent, expressly referring to the Relevant Securities Laws.

4.7 You agree that we, and/or any Knight Frank Person, may be irreparably harmed by any breach of the terms of this clause 4 and that damages may not be an adequate remedy. Accordingly, you agree that we and/or any Knight Frank Person may be entitled to the remedies of injunction or specific performance, or any other equitable relief, for any anticipated or actual breach of this clause.

4.8 You agree to indemnify and keep fully indemnified us, and each relevant Knight Frank Person, from and against all liabilities, claims, costs (including legal and professional costs), expenses, damages and losses arising from or in connection with any breach of this clause 4 and/or from the actions or omissions of any person to whom you have disclosed (or otherwise caused to be made available) our Valuation otherwise than in accordance with this clause 4.

4.9 You warrant and represent that all information provided to us shall be accurate, complete and up-to-date and can be relied upon by us for the purposes of the Agreement and you shall be liable to us or any other third party for any such information provided by you that is not accurate, complete or up-to-date.

## 5. Severance

If any provision of the Agreement is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable and, to the greatest extent possible, achieves the intended commercial result of the original provision. If express agreement regarding the modification or meaning of any provision affected by this clause is not reached, the provision shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision shall be deemed deleted. Any modification to or deletion of a provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.

## 6. Entire agreement

6.1 The Agreement, together with any Valuation produced pursuant to it (the Agreement and such documents together, the "**Contractual Documents**") constitute the entire agreement between you and us and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between you and us, whether written or oral, relating to its subject matter.

6.2 Subject to clause 3.8 above, you agree that in entering into the Agreement you do not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not expressly set out in the Contractual Documents. You further agree that you shall have no claim for innocent or negligent misrepresentation based on any statement set out in the Contractual Documents.

6.3 The Engagement Letter, the General Scope of Work and these General Terms shall apply to and be incorporated in the contract between us and will prevail over any inconsistent terms or conditions contained or referred to in your communications or publications or which would otherwise be implied. Your standard terms and conditions (if any) shall not govern or be incorporated into the contract between us.

6.4 Subject to clause 3.8 and clause 6, no addition to, variation of, exclusion or attempted exclusion of any of the terms of the Contractual Documents will be valid or binding unless recorded in writing and signed by duly authorised representatives on behalf of the parties.

## 7. Assignment

You shall not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any of the rights and obligations under the Agreement without our prior written consent (such consent to be granted or withheld in our absolute discretion).

## 8. Force majeure

Neither party shall be in breach of this Agreement nor liable for delay in performing, or failure to perform, any of its obligations under this Agreement if such delay or failure results from events, circumstances or causes beyond its reasonable control.

## 9. Our fees

9.1 Without prejudice to clause 9.3 below, you become liable to pay our fees upon issuance of the Valuation. For the avoidance of doubt, unless expressly agreed otherwise in writing, the payment of our fees is not conditional on any other events or conditions precedent.

9.2 If any invoice remains unpaid after 30 days of the date on which it is presented, we reserve the right to charge interest, calculated daily, from the date when payment was due until payment is made at 4% above the then prevailing bank base rate of National Westminster Bank PLC or (if higher) at the rate provided for under the Late Payment of Commercial Debts (Interest) Act 1998 and its regulations (if applicable).

9.3 If we should find it necessary to use legal representatives or collection agents to recover monies due, you will be required to pay all costs and disbursements so incurred.

9.4 If before the Valuation is concluded you end this instruction, we will charge abortive fees (calculated on the basis of a proportion of the total fee by reference to reasonable time and expenses incurred), with a minimum charge of 50% of the full fee if we have already inspected the property (or any property, if the instruction relates to more than one).

9.5 If you delay the instruction by more than 30 days or materially alter the instruction so that additional work is required at any stage or if we are instructed to carry out additional work that we consider (in our reasonable opinion) to be either beyond the scope of providing

the Valuation or to have been requested after we have finalised our Valuation (including, but not limited to, commenting on reports on title), we will charge additional fees for this work. Such additional fees will be calculated on the basis of a proportion of the total fee by reference to reasonable time and expenses incurred.

9.6 Where we agree to accept payment of our fees from a third party, such fees remain due from you until payment is received by us.

9.7 Any fee paid in advance for our services will not be held by us as client's money pending the completion of our service to you and it will not be subject to the RICS Clients' Money Protection Scheme.

## 10. Anti-bribery, corruption & Modern Slavery

10.1 We agree that throughout the term of our appointment we shall:

10.2 comply with all applicable laws, statutes, regulations, and codes relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010, (the "Relevant Requirements");

10.3 not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK;

10.4 maintain anti-bribery and anti-corruption policies to comply with the Relevant Requirements and any best practice relating thereto; and

10.5 promptly report to you any request or demand for any undue financial or other advantage of any kind in connection with the performance of our services to you.

10.6 We take all reasonable steps to ensure that we conduct our business in a manner that is consistent with our Anti-slavery Policy and comply with applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including the Modern Slavery Act 2015.

## 11. Data Protection

11.1 Data Protection Legislation means the Data Protection Act 2018, the EU Data Protection Directive 95/46/EC, the Regulation of Investigatory Powers Act 2000, the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000 (SI 2000/2699), the Electronic Communications Data Protection Directive 2002/58/EC, the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all applicable laws and regulations relating to processing of personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commissioner's Office. (ICO). The terms "Personal Data", "Data Processor" and "Data Subject" shall have the meanings ascribed to them in the Data Protection Legislation.

11.2 You and we shall comply with applicable requirements of the Data Protection Legislation.

11.3 Without prejudice to the generality of the foregoing, you will not provide us with Personal Data unless the Agreement requires the use of it, and/or we specifically request it from you. By transferring any Personal Data to us you warrant and represent that you have the necessary authority to share it with us and that the relevant Data Subjects have been given the necessary information regarding its sharing and use.

11.4 We may transfer Personal Data you share with us to other Associated Knight Frank Entities and/or group undertakings. Some of these recipients may be located outside of the European Economic Area. We will only transfer such Personal Data where we have a lawful basis for doing so and have complied with the specific requirements of the Data Protection Legislation.

11.5 Full details of how we use Personal Data can be found in our Privacy Statement at <http://www.knightfrank.com/legals/privacy-statement>.

# Appendix 3 General Scope of Valuation Work

## General Scope of Valuation Work

As required by the RICS Valuation – Global Standards (the “Red Book”) this General Scope of Valuation Work describes information we will rely on, the investigations that we will undertake, the limits that will apply to those investigations and the assumptions we will make, unless we are provided with or find information to the contrary.

### Definitions

“**Assumption**” is something which it is agreed the valuer can reasonably accept as being true without specific investigation or verification.

“**Property**” is the interest which we are instructed to value in land including any buildings or other improvements constructed upon it.

“**Valuation**” shall mean any valuation report, supplementary report or subsequent/update report, produced pursuant to this engagement and any other replies or information we produce in respect of any such report and/or any relevant property.

### 12. Property to be valued

12.1 We will exercise reasonable care and skill (but will not have an absolute obligation to you) to ensure that the Property, identified by the address provided in your instructions, is the Property inspected by us and included within our Valuation. If there is ambiguity as to the Property address, or the extent of the Property to be valued, this should be drawn to our attention in your instructions or immediately upon receipt of our Valuation.

12.2 We will rely upon information provided by you or your legal advisers relating to the Property to be valued, including any tenancies, sub-tenancies or other third-party interests. Any information on title and tenure we are provided with by a third party during the course of our investigations will be summarised in our Valuation but will be subject to verification by your legal advisers. We will be under no obligation to make any searches of publicly available land registers. We will not make or commission any investigations to verify any of this information. In particular, we will not investigate or verify that:

- (a) all title information relied upon and referred to in our Valuation is complete and correct,
- (b) all documentation is satisfactorily drawn,
- (c) there are no undisclosed onerous conditions or restrictions that could impact on the marketability of the Property valued, and
- (d) there is no material litigation pending, relating to the Property valued.

12.3 Where we provide a plan of the Property in our Valuation this is for identification only. While the plan reflects our understanding based on the information provided to us it must not be relied upon to define boundaries, title or easements.

12.4 Our Valuation will include those items of plant and machinery normally considered to be part of the service installations to a building and which would normally pass with the Property on a sale or letting. We will exclude all other items of process plant, machinery, trade fixtures and equipment, chattels, vehicles, stock and loose tools, and any tenant's fixtures and fittings.

12.5 Unless agreed otherwise in writing we will neither investigate nor include in our Valuation any unproven or unquantified mineral

deposits, felled timber, airspace or any other matter which may or may not be found to be part of the Property but which would not be known to a buyer or seller on the valuation date.

12.6 Unless agreed otherwise our Valuation will make the Assumption that all parts of the Property occupied by the current owner on the valuation date would be transferred with vacant possession and any tenancies, sub-tenancies or other third party interests existing on the valuation date will continue.

12.7 Where requested legal title and tenancy information is not provided in full, in the absence of any information provided to the contrary, our Valuation will make the Assumption that the subject Property has good title and is free from any onerous restrictions and/or encumbrances or any such matter which would diminish its value.

### 13. Portfolios

13.1 Where instructed to value a portfolio of properties, unless specifically agreed with you otherwise, we will value each Property separately on the basis that it is offered individually to the market.

### 14. Building specification and condition

14.1 We will note the general condition of any building and any building defect brought to our attention and reflect this in our Valuation. We will not undertake a detailed investigation of the materials or methods of construction or of the condition of any specific building element. We will not test or commission a test of service installations. Unless we become aware during our normal investigations of anything to the contrary and mention this in our Valuation, our Valuation will, make the Assumption that:

- (a) any building is in a condition commensurate with its age, use and design and is free from significant defect,
- (b) no construction materials have been used that are deleterious, or likely to give rise to structural defects,
- (c) no potentially hazardous or harmful materials are present, including asbestos,
- (d) all relevant statutory requirements relating to use, construction and fire safety have been complied with,
- (e) any building services, together with any associated computer hardware and software, are fully operational and free from impending breakdown or malfunction and
- (f) the supply to the building of electricity, data cable network and water, are sufficient for the stated use and occupancy.

14.2 If you require information on the structure or condition of any building our specialist building surveyors can provide a suitable report as a separate service.

### 15. Environment and sustainability

15.1 Our Valuation will reflect the market's perception of the environmental performance of the Property and any identified



environmental risks as at the valuation date. This may include reflecting information you provide to us that has been prepared by suitably qualified consultants on compliance of existing or proposed buildings with recognised sustainability metrics. Where appropriate we will research any freely available information issued by public bodies on the energy performance of existing buildings.

15.2 We will investigate whether the Property has a current Energy Performance Certificate on the relevant government register and report our findings. As part of our valuation service we will not advise on the extent to which the Property complies with any other Environmental, Social or Governance (ESG) metrics or to what extent the building, structure, technical services, ground conditions, will be impacted by future climate change events, such as extreme weather, or legislation aimed at mitigating the impact of such events. If required KF may be able to advise on ESG considerations and their long-term impact on a Property as a separate service.

## 16. Ground conditions and contamination

16.1 We may rely on any information you provide to us about the findings and conclusions of any specialist investigations into ground conditions or any contamination that may affect the Property. Otherwise our investigations will be limited to research of freely available information issued by Government Agencies and other public bodies for flood risk, recorded mining activity and radon. We will also record any common sources or indicators of potential contamination observed during our inspection.

16.2 Unless specifically instructed by you to do so, we will not commission specialist investigations into past or present uses either of the Property or any neighbouring property to establish whether there is contamination or potential for contamination, or any other potential environmental risk. Neither will we be able to advise on any remedial or preventive measures.

16.3 We will comment on our findings and any other information in our possession or discovered during our investigations in our Valuation.

16.4 Unless we become aware of anything to the contrary and mention this in our Valuation, for each Property valued our Valuation will make the Assumption that:

- (a) the site is physically capable of development or redevelopment, when appropriate, and that no extraordinary costs will be incurred in providing foundations and infrastructure,
- (b) there are no archaeological remains on or under the land which could adversely impact on value,
- (c) the Property is not adversely affected by any form of pollution or contamination,
- (d) there is no abnormal risk of flooding,
- (e) there are no high voltage overhead cables or large electrical supply equipment affecting the Property
- (f) the Property does not have levels of radon gas that will require mitigation work, and
- (g) there are no invasive species present at the Property or within close proximity to the Property.
- (h) There are no protected species which could adversely affect the use of the Property.

## 17. Planning and highway enquiries

17.1 We may research freely available information on planning history and relevant current policies or proposals relating to any Property being valued using the appropriate local authority website. We will not commission a formal local search. Our Valuation will make the Assumption that any information obtained will be correct, but our findings should not be relied on for any contractual purpose.

17.2 Unless we obtain information to the contrary, Our Valuation will make the Assumption that:

- (a) the use to which the Property is put is lawful and that there is no pending enforcement action,
- (b) there are no local authority proposals that might involve the use of compulsory purchase powers or otherwise directly affect the Property.

17.3 We do not undertake searches to establish whether any road or pathways providing access to the Property are publicly adopted. Unless we receive information to the contrary or have other reason to suspect an adjoining road or other access route is not adopted, our Valuation will make the Assumption that all such routes are publicly adopted.

## 18. Other statutory and regulatory requirements

18.1 A property owner or occupier may be subject to statutory regulations depending on their use. Depending on how a particular owner or occupier uses a building, the applicable regulations may require alterations to be made to buildings. Our valuation service does not include identifying or otherwise advising on works that may be required by a specific user in order to comply with any regulations applicable to the current or a proposed use of the Property. Unless it is clear that similar alterations would be required by most prospective buyers in the market for a property, our Valuation will make the Assumption that no work would be required by a prospective owner or occupier to comply with regulatory requirements relating to their intended use.

18.2 We will not investigate or comment on licences or permits that may be required by the current or any potential users of the Property relating to their use or occupation.

## 19. Measurements

19.1 Where building floor areas are required for our valuation, unless we have agreed to rely on floor areas provided by you or a third party, we will take measurements and calculate the appropriate floor areas for buildings in accordance with the RICS Property Measurement Professional Standard. These measurements will either be wholly taken by us during our inspection or from scaled drawings provided to us and checked by sample measurements on site. The floor areas will be within a tolerance that is appropriate having regard to the circumstances and purpose of the valuation instruction.

19.2 Where required, any site areas will be calculated from our understanding of the boundaries using digital mapping technology, subject to clause 1.3 above.

## 20. Investment properties

20.1 Where the Property valued is subject to a tenancy or tenancies, we will have regard to the market's likely perception of the financial status and reliability of tenants in arriving at our valuation. We will not undertake detailed investigations into the financial standing of any tenant. Unless advised by you to the contrary our Valuation will be made the Assumption that there are no material rent arrears or breaches of other lease obligations.

## 21. Development properties

21.1 If we are instructed to value Property for which development, redevelopment or substantial refurbishment is proposed or in progress, we strongly recommend that you supply us with build cost and other relevant information prepared by a suitably qualified construction cost professional, such as a quantity surveyor. We shall be entitled to rely on such information in preparing our valuation. If a professional estimate of build costs is not made available, we will rely on published build cost data but this must be recognised as being less reliable as it cannot account for variations in site conditions and design. This is particularly true for refurbishment work or energy efficiency and environmental upgrades. In the absence of a professionally produced cost

estimate for the specific project we may need to qualify our report and the reliance that can be placed on our valuation.

- 21.2 For Property in the course of development, we will reflect the stage reached in construction and the costs remaining to be spent at the date of valuation. We will have regard to the contractual liabilities of the parties involved in the development and any cost estimates that have been prepared by the professional advisers to the project. For recently completed developments we will take no account of any retentions, nor will we make allowance for any outstanding development costs, fees, or other expenditure for which there may be a liability.

## **22. VAT, taxation and costs**

- 22.1 The reported valuation will be our estimate of the price that would be agreed with no adjustment made for costs that would be incurred by the parties in any transaction, including any liability for VAT, stamp duty or other taxes. It is also gross of any mortgage or similar financial encumbrance.

## **23. Property insurance**

- 23.1 Except to the limited extent provided in clause 3 and clause 4 above we do not investigate or comment on how potential risks would be viewed by the insurance market. Our Valuation will be on the Assumption that each Property would, in all respects, be insurable against all usual risks including fire, terrorism, ground instability, extreme weather events, flooding and rising water table at normal, commercially acceptable premiums.

## **24. Reinstatement cost estimates**

- 24.1 We can only accept a request to provide a building reinstatement cost estimate for insurance purposes alongside our Valuation of the Property interest on the following conditions:
- (a) the assessment provided is indicative, without liability and only for comparison with the current sum insured, and
  - (b) The building is not specialised or listed as being of architectural or historic importance.

- 24.2 Otherwise we can provide an assessment of the rebuilding cost by our specialist building surveyors as a separate service.

## **25. Legal advice**

- 25.1 We are appointed to provide valuation opinion(s) in accordance with our professional duties as valuation surveyors. The scope of our service is limited accordingly. We are not qualified legal practitioners and we do not provide legal advice. If we indicate what we consider the effect of any provision in the Property's title documents, leases or other legal requirements may have on value, we strongly recommend that this be reviewed by a qualified lawyer before you take any action relying on our valuation.

## **26. Loan security**

- 26.1 If we are requested to comment on the suitability of the Property as a loan security we are only able to comment on any risk to the reported value that is inherent in either its physical attributes or the interest valued. We will not comment on the degree and adequacy of capital and income cover for an existing or proposed loan or on the borrower's ability to service payments.



