THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant, or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

If you have sold or otherwise transferred all of your Ordinary Shares, please forward this document as soon as possible to the purchaser or transferee, or to the bank, stockbroker, or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale was effected. **This document does not constitute an offer of any securities for sale**. The distribution of this document into jurisdictions other than the United Kingdom may be restricted by law and, therefore, any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of such jurisdictions. If you have sold only part of your holding of Ordinary Shares you should retain these documents.

Your attention is drawn to the "Letter from the Chairman" set out in Part I of this document which contains a recommendation from the Board that you vote in favour of the Resolution to be proposed at the General Meeting referred to below. For a discussion of certain risks and other factors that should be considered in connection with the Proposed Acquisition discussed in this document, see "Risk Factors" set out in Part II of this document.

HELICAL PLC

(incorporated and registered in England and Wales with registered number 156663)

Proposed acquisition of 100 New Bridge Street, London, EC4

Circular to Shareholders and Notice of General Meeting

Notice of a General Meeting of the Company to be held at 5 Hanover Square, London W1S 1HQ at 11.00 a.m. on 18 February 2022 is set out at the end of this document. The Company is not distributing a hard copy form of proxy unless specifically requested and Shareholders are encouraged to vote electronically. Please see the notes accompanying the Notice of General Meeting for details regarding methods available to appoint a proxy, which in each case must be received by the Company's registrars, Link Group, not later than 11.00 a.m. on 16 February 2022 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting). Completion of a form of proxy will not prevent a Shareholder from attending and voting in person at the General Meeting. Amended instructions must also be received by Link Group by the deadline for receipt of forms of proxy.

This document, which comprises a circular relating to the Proposed Acquisition, has been prepared in accordance with the Listing Rules. This document has been approved by the FCA. This document does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for, any security.

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FORWARD-LOOKING STATEMENTS

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "anticipates", "targets", "aims", "continues", "projects", "assumes", "expects", "intends", "may", "will", "would" or "should", or in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts.

They appear in a number of places throughout this document and include statements regarding the Directors', the Company's and the Group's and the Enlarged Group's intentions, beliefs or current expectations concerning, among other things, the Group's and the Enlarged Group's results of operations, financial condition, prospects, growth strategies and the industries in which the Group and the Enlarged Group will operate. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements, including without limitation: conditions in the markets, the market position of the Group and the Enlarged Group, earnings, financial position, cash flows, return on capital, anticipated investments and capital expenditures, changing business or other market conditions and general economic conditions. These and other factors could adversely affect the outcome and financial effects of the plans and events described in this document.

Forward-looking statements contained in this document based on past trends or activities should not be taken as a representation that such trends or activities will continue in the future. However, these forward-looking statements and other statements contained in this document regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved. Except to the extent required by applicable law, the Listing Rules, the Disclosure Guidance and Transparency Rules and other applicable regulations, the Company disclaims any obligation or undertaking to update any forward-looking statement contained in this document to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

PRESENTATION OF INFORMATION ON THE ENLARGED GROUP

Unless the context otherwise requires, references in this document to the "**Enlarged Group**" are to the Group as constituted immediately following completion of the Proposed Acquisition ("**Completion**") and, therefore such references include the Group as enlarged by the Proposed Acquisition. Completion is subject to the conditions set out in Part III of this document.

FINANCIAL INFORMATION RELATING TO FPM 100 NEW BRIDGE STREET LIMITED

All financial information relating to FPM 100 New Bridge Street Limited contained in this document, unless otherwise stated, has been prepared to reflect the historical financial performance of FPM 100 New Bridge Street Limited, applying accounting policies (as described in the notes to the historical financial information in Part IV of this document) which are consistent with those used by the Group in its audited annual financial statements as at and for the year ended 31 March 2021. Unless otherwise stated, all financial information relating to FPM 100 New Bridge Street Limited in this document has been prepared in accordance with the basis of preparation set out in note 2 to the historical financial information set out in Section A of Part IV of this document and should be read in conjunction with Grant Thornton UK LLP's report thereon set out in Section B of Part IV of this document.

DEFINITIONS AND GLOSSARY

Capitalised and certain technical terms contained in this document have the meanings set out in Part VII of this document.

ROUNDING

Certain figures included in this document have been subject to rounding adjustments. Accordingly, any apparent discrepancies in tables between the totals and the sums of the relevant amounts are due to rounding.

This document is dated 2 February 2022.

CONTENTS

DIRECTORS, COMPANY SECRETARY AND ADVISERS

Directors of the Company:	Richard Grant *(Chairman)* Gerald Kaye *(Chief Executive)* Tim Murphy *(Director)* Matthew Bonning-Snook *(Director)* Richard Cotton *(Senior Independent Director)* Sue Clayton *(Non-executive Director)* Sue Farr *(Non-Executive Director)* Joe Lister *(Non-Executive Director)*
All of:	5 Hanover Square London W1S 1HQ
Registered Office:	5 Hanover Square London W1S 1HQ
Telephone Number:	020 7629 0113
Company Secretary:	James Moss
Sponsor and Broker:	**Peel Hunt LLP** 7th Floor 100 Liverpool Street London EC2M 2AT
Reporting Accountants:	**Grant Thornton UK LLP** 30 Finsbury Square London EC2A 1AG
Legal Advisers to the Company:	**Clifford Chance LLP** 10 Upper Bank Street London E14 5JJ
Legal Advisers to the Sponsor:	**Norton Rose Fulbright LLP** 3 More London Riverside London SE1 2AQ
Registrars:	**Link Group** 10th Floor Central Square 29 Wellington Street Leeds LS1 4DL
Property Valuers:	**Savills Advisory Services Limited** 33 Margaret Street London W1G 0JD

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Proposed Acquisition	**17 December 2021**
Announcement of the publication and posting of this document and Notice of General Meeting to Shareholders	2 February 2022
Latest time and date for receipt of Forms of Proxy	by 11.00 a.m. on 16 February 2022
General Meeting	11.00 a.m. on 18 February 2022
Completion of the Proposed Acquisition	1 March 2022

Notes:

(1) Each of the times and dates set out in the above timetable and mentioned in this document is subject to change by the Company. The Company will notify the Financial Conduct Authority and, where appropriate, Shareholders of any such changes.

(2) All references to times in this document are to London times unless stated otherwise.

PART I

LETTER FROM THE CHAIRMAN

Helical plc

(*incorporated and registered in England and Wales with registered number 156663*)

Directors:
Richard Grant (*Chairman)*
Gerald Kaye *(Chief Executive)*
Tim Murphy *(Director)*
Matthew Bonning-Snook *(Director)*
Richard Cotton *(Senior Independent Director)*
Sue Clayton *(Non-executive Director)*
Sue Farr *(Non-Executive Director)*
Joe Lister *(Non-Executive Director)*

Registered Office:
5 Hanover Square
London W1S 1HQ

2 February 2022

Dear Shareholder

Proposed acquisition of 100 New Bridge Street, London, EC4

1. INTRODUCTION

On 17 December 2021, Helical plc ("**Helical**" or the "**Company**"), a leading UK real estate company specialising in the redevelopment, refurbishment and repositioning of highly sustainable, best-in-class London office buildings, announced that it has entered into a conditional agreement with 100 New Bridge Street Limited, a BVI incorporated Company, to acquire a 999 year long leasehold interest in 100 New Bridge Street, London EC4 ("**100 NBS**" or the "**Property**") for a cash consideration of £160m. As 100 NBS is held in a special purpose vehicle, the Proposed Acquisition will be structured as an acquisition of 100% of the share capital of FPM 100 New Bridge Street Limited, a Guernsey incorporated company ("**FPM 100 NBS**").

In view of the size of the Proposed Acquisition, which constitutes a Class I transaction under the Listing Rules, the Proposed Acquisition is conditional on Shareholder approval at the General Meeting. The General Meeting will be held at the offices of Helical, 5 Hanover Square, London W1S 1HQ at 11.00 a.m. on 18 February 2022.

The purpose of this document is to provide Shareholders with details of the Proposed Acquisition and to explain why the Board considers it to be in the best interests of Shareholders as a whole and to recommend that Shareholders vote in favour of the resolution approving the Proposed Acquisition.

2. DESCRIPTION OF THE PROPERTY

100 NBS is a 999 year long leasehold interest in land (originally granted by Network Rail in 1990 for a peppercorn rent) on which stands a 167,026 sq. ft building with offices on the 1st to 8th floor and retail units on the ground floor. The offices comprise 153,535 sq. ft. and are let to solicitors, Baker McKenzie LLP ("**Baker McKenzie**"), at an annual gross rent of c.£7,007,000. This lease expires on 31 December 2023 and Baker McKenzie, having pre-let 280 Bishopsgate, London EC2 for their future occupation, will be vacating 100 NBS upon the expiry of their lease. The five ground floor retail units are let to Pret a Manger, Boots, Cards Galore, Café Nero and the Hare and Tortoise (public house). Three of the retail units are let on a turnover rent basis with the remaining two units generating contracted rent of c.£191,500. All of the retail leases have a landlord break or lease expiry on or before 1 January 2024.

3. BACKGROUND TO AND REASONS FOR THE PROPOSED ACQUISITION

Helical is a capital growth stock, seeking to maximise growth in value by successfully letting redeveloped, refurbished and repositioned property. Once stabilised, these assets are either retained for their long-term income and reversionary potential or sold to recycle equity into new schemes.

In the period since 31 March 2011, Helical has redeveloped, refurbished or repositioned 16 central London office buildings comprising 2.0m sq. ft. During the same period, the Company has increased its net assets from £255.4m to £622.6m with net assets per share, as measured by EPRA, increasing from 252.8p to 551.1p. As at the date of this circular, the Company had seven properties in central London (97% of total value) and one in Manchester (3% of total value). Five of the central London properties, plus the Manchester property, have been redeveloped, refurbished or repositioned since 2015 with one remaining development, at 33 Charterhouse Street, London EC1, due for completion in September 2022. These seven properties comprise 99% of the Company's portfolio by value.

The portfolio has an extremely high sustainability rating with 99% rated EPC A or B and 85% rated BREEAM Outstanding or Excellent, by value.

The Board believes that the continued growth of the Company depends on the acquisition of new value-accretive development schemes and that the Proposed Acquisition would be a significant step towards Helical's strategic objective of adding a significant pipeline of development opportunities to its existing best-in-class portfolio.

4. PRINCIPAL TERMS OF THE PROPOSED ACQUISITION

Helical has exchanged contracts for the acquisition of 100% of the share capital of FPM 100 NBS, paying a £16.0m (10.0%) deposit on exchange into an escrow account of which £13.5m is repayable to Helical should the Proposed Acquisition not receive Shareholder approval by 5 p.m. on 28 February 2022. Within seven business days of the receipt of Shareholder approval, the balance of £144.0m will be paid to the Seller. Failure to complete the Proposed Acquisition following receipt of Shareholder approval will, as is customary, result in forfeiture of the entire deposit paid on exchange.

5. FINANCIAL EFFECTS OF AND BENEFITS OF THE PROPOSED ACQUISITION

This document includes three years of financial information on FPM 100 NBS as envisaged by Listing Rule 13.5.1. However, and in accordance with Listing Rules 13.4.4, the Directors have commissioned an external property valuation prepared by Savills on the Property (the "**Valuation Report**"). The Valuation Report (set out in Part VI of this document), together with the Directors' experience of owning and managing similar properties, has comprised the basis of the Directors' financial assessment of the Proposed Acquisition.

As set out in the Valuation Report, as at 31 January 2022, the value of 100 NBS is £160m. It is anticipated that Helical will obtain vacant possession of 100 NBS by 31 December 2023, when the lease to the office tenant, Baker McKenzie, expires. In anticipation of obtaining such vacant possession, Helical will seek planning permission to carry out a major refurbishment of the current building (the "**Project**") which will have less impact on the environment than a ground up development, and which Helical will be able to deliver more quickly. The Company expects this to involve recladding the elevations and incorporating the latest technology as well as high-quality tenant amenities to create a new best-in-class Grade A office building, which will operate to the highest standards of sustainability.

Based on its estimates of total development costs, anticipated market rental levels and future valuation yields on delivery of the refurbished building, Helical anticipates that the completion of the Project will be accretive to value and enhance the future earnings of the Company.

The Proposed Acquisition will be financed by drawing down £100m from the Group's £400m RCF on assets currently secured in that facility plus £60m of existing cash balances (£16m of the total payable of £160m has already been paid as a deposit, with the remaining £144m payable on Completion).

Following Completion, Helical will prepare its Enlarged Group consolidated financial statements under International Financial Reporting Standards ("**IFRS**") and will not account for the Proposed Acquisition as a business combination (as defined by IFRS3), but rather as a property acquisition. Upon Completion, Helical's fixed asset investment properties will increase by c.£160m, cash balances will reduce by £60m (£16 million of which has already been paid as a deposit) and the Enlarged Group's long-term liabilities will increase by c.£100m. Helical will receive gross rental income of c.£7.3m per annum until the anticipated expiry of the current leases on 31 December 2023.

As at 30 September 2021, Helical's loan-to-value ("**LTV**") was 25%. Had the Proposed Acquisition completed on that date, the Company's pro-forma LTV would have been 36.5%.

6. CURRENT TRADING, TRENDS AND FUTURE PROSPECTS OF THE ENLARGED GROUP

Since 31 March 2021, Helical has traded in line with the Directors' expectations.

In the Half Year Results Statement issued on 23 November 2021, the Company noted that:

"The performance for the half year to 30 September 2021 is the result of a decision taken five years ago to focus solely on the redevelopment, refurbishment and repositioning of office buildings. That we are able to announce such strong results, coming out of a global pandemic and when uncertainties remain about the strength of the economic recovery and the impact of inflationary pressures, is testimony to the quality of our portfolio and the dedication and drive of our experienced management team.

Helical is moving forward in all areas with corporate and property sustainability at the forefront. We are making progress on our Pathway to Net Zero and improving our sustainability benchmark ratings. Our property portfolio, which is EPC A or B and highly rated under the BREEAM criteria, provides superior wellness, technology and amenities, all contributing to deliver best-in-class office space.

As we anticipated, we are seeing increasing levels of bifurcation in both the leasing and investment markets between the green buildings and the "brown" buildings. Recent research from Knight Frank noted a significant rental premium for BREEAM Outstanding and Excellent buildings and the investment market is showing strong demand from investors seeking the most sustainable properties.

We are now focused on adding a pipeline of new opportunities to our portfolio and are actively engaged in the market, identifying, appraising and bidding for central London assets. At the same time, we are maintaining our discipline, ensuring that any new scheme will be accretive to our business and continue our growth."

Throughout the Covid-19 pandemic (the "**Pandemic**"), the quality of the portfolio and the tenants it attracts, has resulted in strong rent collection. For those tenants that have been hardest hit, primarily food and beverage operators, Helical offered rent holidays and concessions. The overwhelming majority of tenants continued to pay their rent by the due date and with the Half Year Results Statement, we noted the following:

"As at 22 November 2021, we have collected 94.5% of the September quarter rent, helped by the reopening of our food and beverage tenants, and expect to receive a further 2.6% via agreed payment plans. Concessions have been granted on 0.9% and the remaining 2.0% is subject to ongoing discussions. We have collected 93.7% of the March and June quarter rents, with a further 0.6% to be collected under payment plans. Concessions have been granted over 3.7% and the remaining 2.0% is subject to ongoing discussions."

As at 28 January 2022, Helical had collected 94.5% of the December 2021 quarter rent.

The Central London Office Market

In discussing the central London office market, Helical commented as follows in our Half Year Results Statement:

"Following the significant challenges of the past 18 months, the central London commercial property market has begun to demonstrate signs of a sustained recovery, with noticeable increases in occupier and investor demand for best-in-class buildings.

We continue to believe that, with our focus on high quality, sustainable and technologically advanced buildings, we are best placed to take advantage of this evolving market and that our newly developed or refurbished portfolio will continue to outperform.

We view the London commercial property market as the best source of capital profits and believe that our experience and skills are best deployed in this sector, which is rapidly evolving to respond to demand for more sustainable buildings.

London remains a global economic centre that attracts a diverse range of innovation and creativity-led businesses, whilst continuing to see growth from traditional sectors, with financial, insurance and professional services firms representing almost half of all take-up this year.

The London market continues to attract significant inflows of global real estate capital, with the UK ranking second to the US in 2021. As global markets experience turbulence, the "safe-haven" reputation of the London market should result in sustained significant inbound investment.

The outlook for the central London office market is increasingly positive, with key indicators of occupational demand and investment activity continuing to demonstrate growth.

From an occupational perspective, the successful vaccine roll out has led to a sustained return of employees to the office. This is translating into increased demand for new space within the market. CBRE has noted that space that is "under offer" grew by 42% in Q3 2021 to 3.9m sq. ft, which represents the highest level the market has seen since Q3 2019. In particular, occupiers are seeking to acquire the best available space to ensure they provide an amenity rich, attractive working environment for their employees. This has been demonstrated with 89% of the take-up in the first half of the year being for Grade A space. Promisingly, the number of new requirements is continuing to grow with Savills noting active requirements for 10.2m sq. ft. of assets currently in the market.

Within the trend of increased take-up there continues to be a noticeable difference between best-in-class and secondary space, with new build vacancy standing at 1.6% compared to 8.0% for secondary stock. Of all vacant office supply, 75% relates to second-hand space which has been driven by an increase in tenant released space, albeit this trend appears to be slowing. We see this rise in vacancy in secondary stock as an opportunity for Helical to apply its skillset to redevelop or refurbish obsolete space into new sustainable offices.

While the current global economic turbulence has seen an increase in material prices and instability to supply chains, development activity within the space-constrained central London market has continued at pace and we expect these macro challenges to be short-term. CBRE report that 10.2m sq. ft of office space is under construction and due to complete between 2022-2025. Encouragingly, of this new space, 30% is already let or under offer. CBRE have noted that the projected level of future completions is likely to result in an undersupply of c.9m sq. ft of high-quality office space. It would therefore suggest that the upward pressure on best-in-class office rents will be sustained as we move forward.

Investment volumes continue to remain strong at £6.1bn with double the transaction volume recorded in the year to date when compared to the same period last year. The continued demand to acquire central London investment opportunities is increasingly putting downward pressure on yields. CBRE has noted that both City and West End yields have compressed by 25 bps. Furthermore, investors' focus on buildings with the highest ESG credentials and the continuation of a yield differential between London and key European markets should drive further yield compression, even if there begins to be upward pressure on interest rates.

Looking Forward

We continue to believe that the key trends we have identified of sustainability, wellness, amenity and technology will be of utmost importance to occupiers and investors within the central London market. Furthermore, these trends are increasingly being shown to be accretive to value, with Knight Frank recently reporting a 12.3% rental premium for achieving a BREEAM Outstanding rated building. We also believe that the gap between prime and secondary property will continue to widen, which will enhance the value of our existing portfolio and will provide significant opportunity for us to apply our strategy of redeveloping, refurbishing and repositioning properties that are no longer fit for purpose."

The Board views the prospects of the Group and the Enlarged Group for the current financial year with confidence.

7. RISK FACTORS

Shareholders should consider fully and carefully the risk factors associated with the Proposed Acquisition, the Enlarged Group and the industry in which the Group and FPM 100 NBS operate, and your attention is drawn to the risk factors set out in Part II of this document.

8. GENERAL MEETING

In view of the size of the Proposed Acquisition, Shareholders' approval is required in order for Helical to proceed with the Proposed Acquisition. Notice of a General Meeting of the Company to be held at 5 Hanover Square, London W1S 1HQ at 11.00 a.m. on 18 February 2022 is set out at the end of this document, at which a resolution in connection with the Proposed Acquisition, a summary of which is set out below, will be proposed.

Resolution

To approve the Proposed Acquisition and to authorise the Directors to take all necessary or appropriate steps and do all necessary or appropriate things to complete, or procure the completion, of the Proposed

Acquisition and give effect thereto with such modifications, variations, revisions, waivers or amendments of a non-material nature as the Directors may deem necessary, expedient or appropriate in connection with the Proposed Acquisition.

The full text of the Resolution is set out in the Notice of General Meeting set out at the end of this document. In the event that the Resolution is not passed, the Proposed Acquisition will not be completed.

9. FURTHER INFORMATION

You are advised to read all the information contained in this document before deciding what action to take in respect of the General Meeting.

10. ACTION TO BE TAKEN

Shareholders are able to complete and return a form of proxy in accordance with the procedures set out below in order to vote in advance of the General Meeting. Shareholders are strongly encouraged to appoint the Chairman of the General Meeting as their proxy, which will ensure their votes are cast in accordance with their wishes, even where the Shareholder, or any other person they might wish to appoint as proxy, is unable to attend the meeting in person. Shareholders may alternatively appoint one or more persons other than the Chairman of the General Meeting to be their proxy or proxies to exercise all or any of their rights to vote at the General Meeting and such a proxy need not also be a Shareholder of the Company. Where more than one proxy is appointed, each proxy must be appointed to exercise the rights attached to a different share or shares held by the Shareholder. The Company is not distributing a hard copy form of proxy unless specifically requested and Shareholders are encouraged to vote electronically. The methods available to appoint a proxy are set out below:

(a) completing the online form of proxy by logging on to www.signalshares.com and selecting Helical plc. If you have not yet registered with www.signalshares.com you will need your IVC which is detailed on your share certificate or is available by calling the Company's registrar, Link Group on +44 371 664 03000 (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. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales);

(b) requesting a hard copy form of proxy from Link Group on the telephone number shown above and returning the completed form to the address shown on the form;

(c) in the case of CREST members, using the CREST electronic proxy appointment service, in accordance with the procedures set out in Note 5 of the notes accompanying the Notice of General Meeting,

and in each case with instructions to be received by Link Group not later than 11.00 a.m. on 16 February 2022 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting). Completion of a form of proxy will not prevent a Shareholder from attending the General Meeting or any adjournment thereof. Amended instructions must also be received by Link Group by the deadline for receipt of forms of proxy.

11. RECOMMENDATION TO THE SHAREHOLDERS

Your Board considers the Proposed Acquisition to be in the best interests of Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolution, as each individual Director intends to do in respect of his beneficial holdings. In aggregate, the Directors' beneficial holdings amounted to 4,431,056 Ordinary Shares as at 1 February 2022 (the Latest Practicable Date prior to the publication of this document), representing approximately 3.6%. of the Company's entire issued ordinary share capital (excluding treasury shares).

Yours faithfully,

Richard Grant
Chairman

PART II

RISK FACTORS

This section describes the risk factors which are considered by the Board to be material in relation to the Proposed Acquisition, the new material risks to the Group as a result of the Proposed Acquisition and the existing material risks which may be affected by the Proposed Acquisition, as well as the material risks to the Group if the Proposed Acquisition were not to proceed. However, these should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties. Additional risks and uncertainties not presently known to the Board, or that the Board considers immaterial, or that the Board considers material to the Group but will not be affected by the Proposed Acquisition, may also adversely affect the Group's business, results of operations or financial condition. If any or a combination of the following risks materialise, the Group's business, financial condition, operational performance, future performance and share price could be materially adversely affected. In such circumstances, the market price of the Company's Ordinary Shares could decline and you may lose all or part of your investment. The information given is as of the date of this document and, except as required by the FCA, the London Stock Exchange, the Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules or any other applicable law or regulation, will not be updated.

You should consider carefully the risks and uncertainties described below, together with all other information contained in this document and the information incorporated by reference herein, before deciding whether to vote in favour of the Resolution.

RISKS RELATING TO THE PROPOSED ACQUISITION

The Proposed Acquisition is conditional on Shareholder approval

The Proposed Acquisition is conditional upon the passing of the Resolution at the General Meeting. If Shareholders do not approve the Resolution at the General Meeting, Completion will not occur, and the Company will forego the benefits of the Proposed Acquisition as set out in this document. Furthermore, were the Proposed Acquisition not to receive Shareholder approval, some transactional and other costs, including advisory fees, would be incurred by the Group without obtaining the benefits anticipated from the purchase, and specifically, the Seller will be entitled to retain £2.5m of the £16.0m deposit.

The Group may not be successful in completing the Project as planned, or achieve targeted returns

Development projects often require substantial capital expenditure for land procurement and construction and they usually take a considerable amount of time to complete and generate rental income. Certain general risks affect development and refurbishment activities, including:

- the risk of not obtaining, or delays in obtaining, necessary administrative permits, statutory consents and planning permissions;
- risks relating to the financing of the development;
- the possibility of construction overruns (both in terms of time and budget); and
- risks relating to completion of the development.

The continuing dislocation in global supply chains is leading to heightened risk of material cost inflation and labour shortages which may impact the proposed development and increase total project costs.

The planned development of the Property relies on consultants' advice, and further discussions will be needed with various third parties to assess the impact of the proposed development. The Property is located adjacent to City Thameslink railway station and above a mainline railway and adjacent to a Transport for London red route. There will therefore be logistical and legal issues to work through with numerous stakeholders throughout the course of the Project.

The proposals for the refurbishing and enhancement of the existing building is subject to the approval of the City of London. Without the requisite approvals, the development of the site may be subject to delays and could incur significant costs with respect to amending plans to meet the planning restrictions or requirements.

There is a risk that a substantial proportion of the Property could remain vacant for longer than anticipated after Completion due to inaccurate assessment of the development opportunity or adverse market conditions or a reduction in tenant demand due to competition from other offices. In such circumstances, pressure may be exerted on the Group to provide unbudgeted rental or capital incentives to prospective tenants or purchasers.

In addition, there are risks associated with obligations in development agreements which may give rise to additional expenditure commitments and there are also risks of failure by third parties, for instance insolvency of building contractors or sub-contractors or failure of building contractors or sub-contractors to perform obligations.

Any of the factors listed above could increase the cost of, or could delay or prevent completion of the development of the Property and could result in a delay or reduction to expected valuation increases or return of capital invested and loss of revenues. Furthermore, if the development overruns due to any of the aforementioned factors, this may have an adverse impact on the financial viability of the proposed development and may lead to the need for additional funding.

Consequently, there can be no assurance that the proposed development of the Property by the Group will not have an adverse effect on the Group's business, operational profit and/or financial condition.

Inability to realise Shareholder value if the Proposed Acquisition does not complete

The Directors believe that the Proposed Acquisition is in the best interests of Shareholders as a whole and that it currently provides the best opportunity to realise an attractive development opportunity for the Company, which can contribute to the long-term success of the business and enhancement of Shareholder value. If the Proposed Acquisition does not complete there can be no assurance that Helical would be able to deploy its funds into alternative acquisitions or development or partnership opportunities in the short to medium-term. The Board has determined that the Proposed Acquisition offers an attractive route to improving the prospects of the Group in the short to medium-term.

Damage to the Company's reputation could adversely impact the Group's financial results and operations

If the Proposed Acquisition does not proceed, there may be an adverse impact on the reputation of the Group due to amplified media/market scrutiny arising in connection with the attempted acquisition of the Property and the Group's broader strategy. Any such reputational risk could adversely affect the Group's ability to secure new acquisitions, its financial condition, the share price and business generally.

Failure to complete the Proposed Acquisition could have a disruptive effect on the Group

If the Proposed Acquisition does not proceed, whilst the Group will be able to continue operations through asset management and rent collection, the Group's growth ambitions may be delayed. Helical is a capital growth stock and without new development schemes, the Group may be unable to grow and may not generate adequate returns for its Shareholders. The disruption caused by the failure to complete the Proposed Acquisition could inhibit the furtherance of the Group's current strategy.

RISKS RELATING TO REAL ESTATE

Property valuation is inherently subjective and uncertain

The valuation of property and property-related assets is inherently subjective and, consequently, valuations are subject to uncertainty. Furthermore, all property valuations are based on assumptions which may not prove to reflect the true position. There is no assurance that the valuations of the properties and property-related assets will reflect actual sale prices, regardless of whether the sales occur shortly after the relevant valuation date.

In addition, property valuations are dependent on the level of rental income receivable and expected to be receivable on that property in the future. Therefore, declines in rental income could have an adverse impact on revenue and the value of the Group's properties.

The Group faces inherent risks relating to property investment and development activities

The value of the Group's portfolio, the Group's operating expenses and the profits earned from the management of the portfolio, are subject to a number of inherent risks. Such risks include, among others:

- changes in legislation and governmental regulations relating to real estate, including those governing permitted usage and planning, taxes and government charges, health and safety and environmental and sustainability compliance. Such changes may lead to unforeseen capital expenditure or an increase in property management expenses to ensure compliance. Revisions to existing laws or the enactment of new laws may also vary or restrict rights related to particular properties;
- increases in business rates;
- increases in energy costs and payroll expenses;
- the need to periodically renovate, repair and re-lease space, and the cost thereof;
- the Group's ability to collect rent and service charge payments from tenants on a timely basis or at all;
- the existence of a competitive rental market, affecting rental levels and/or occupancy levels at the Group's properties;
- the Group's ability to manage increases in the cost of services provided by third-party providers and/or increases in the cost of maintaining properties including, but not limited to, unforeseen capital expenditure;
- the Group's ability to obtain adequate maintenance or insurance services on commercial terms and at acceptable premiums or at all;
- tenants seeking the protection of bankruptcy laws which could result in delays in receipt of rental and other contractual payments, inability to collect such payments, the termination of a tenant's lease or the failure of a tenant to vacate a property, all of which could hinder or delay the sale or re-letting of a property; and
- whether the Group's properties are perceived as sustainable, desirable, geographically well-located and safe in order to attract premium rents.

A deterioration in global or UK economic conditions could impact UK real estate markets, resulting in a decrease in the value of the Group's properties or their respective rental income, which could have an adverse impact on the Group's business and financial condition

The Group's business is subject to inherent risks arising from macro-economic conditions in the UK and globally, both generally and as they specifically affect real estate companies. The Group is subject to the risks of ownership, development and management of commercial office buildings in central London and Manchester and is particularly exposed to the condition of the UK economy, including interest rates, exchange rates, levels of unemployment, house prices and inflation.

Returns from a property investment, such as the Proposed Acquisition, are largely dependent upon the amount of rental income generated from the property versus the expenses incurred in the management of the asset, as well as movements in its market value, compared to costs incurred in the acquisition and construction or redevelopment of the asset.

The Group's revenues are linked to portfolio occupancy levels, rental payments (including the timeliness thereof) and the scope for rental increases. Should the financial condition of a significant number of the Group's tenants (including actual tenant failure) be negatively impacted, this could result in a significant decrease in the Group's rental income, which would adversely impact the Group's business, operational profit and/or financial condition.

In addition, a deterioration in the macro-economic environment or the relative attractiveness of other asset classes could result in widening yields. Such economic and market conditions could adversely affect the value of the Group's properties. Since the Group operates in the real estate sector, any deterioration in the property markets may have an adverse impact on the Group.

The precise nature of all the risks the Group may face as a result of a deterioration in economic conditions cannot be predicted and many of these risks are outside the Group's control.

All of these factors may adversely affect the Group's ability to maintain or grow rental income and could have an adverse impact on the value of the Group's properties and the Group's business, reputation, financial condition and/or operational profits.

The Pandemic, together with the reduced use of commercial offices and working from home regulations, may have a material adverse effect on the Group

The London office market has been significantly impacted by the Pandemic, which has resulted in a large portion of the Group's portfolio of offices being occupied by a much-reduced number of workers for significant periods of time due to the periodic imposition of restrictions and/or national or local lockdowns in the UK.

The Pandemic has also negatively impacted (and may continue to negatively impact) the businesses of many of the tenants of the Group and in some cases has challenged (and may in the future challenge) their ability to meet their lease payment obligations, or to extend or renew their leases with the Group. Any future further lockdown, social distancing or other preventative measures which may be implemented as a result of the continuation of the Pandemic could further adversely affect the Group and its respective tenants.

Despite the resurgence of cases of Coronavirus infection, there is growing evidence that the latest variant, Omicron, leads to less severe infections and proportionately lower rates of hospitalisations and deaths. Should this early evidence prove to be incorrect, or if new variants emerge that lead to higher hospitalisations and deaths, there may be a return to increased restrictions and national or local lockdowns in central London. In this event, there is the possibility that the net rental income of the Group and the valuations of the Group's portfolio could be adversely affected.

The post-Pandemic impact on tenants' behaviour and their preferences may continue in the medium to long-term. Office workers may have a different attitude to working in the office, with health and safety at the forefront of priorities, and as a result may prefer to work from home and may reduce their visits to the office.

All of the aforementioned risks relating to the Pandemic could adversely affect the Group's ability to maintain or grow rental income and could adversely affect valuations of the Group's portfolio, and the Group's business, financial condition, reputation and/or operational results.

RISKS RELATING TO THE ENLARGED GROUP

The future strategy of the Enlarged Group may be impacted

The future success of the Enlarged Group will depend on the successful implementation of its business strategy following the Proposed Acquisition. The implementation of this business strategy will be subject to certain risks and factors outside management's control, including global macro-economic factors and changes in the markets in which the Group currently operates.

Moreover, the level of investment required to implement the Enlarged Group's strategy may be greater than anticipated and/or the Enlarged Group may require extra funding or financing in order to implement such future strategy. In such circumstances, management may be compelled to re-evaluate the Enlarged Group's business strategy.

The concentration of the Enlarged Group's properties in central London means that the Enlarged Group will have increased exposure to external events affecting central London beyond the control of the Enlarged Group

The majority of the Group's properties are concentrated in central London, with one property being located in Manchester. Central London's status/popularity as a global and financial business centre and as a place for investment in commercial property could be adversely impacted by a number of factors, including the following:

- significant and prolonged public transport disruption, detrimental changes to local or national transport policy, including the current restrictions imposed on international travel, or limits on capacity at London's bus/train stations or airports could decrease the accessibility of central London. Such a decrease could potentially result in declining occupancy levels and tenant demand for the Enlarged Group's properties;
- the occurrence of events such as a) an outbreak of an infectious disease (such as Covid-19); b) terrorist attacks; c) air traffic restrictions; d) cyber-attacks; or e) other serious public health concern or natural disaster could result in a reduction of demand for the Group's office buildings. Additionally, actual or threatened war or terrorist attacks could damage infrastructure or inhibit access to central London and could discourage businesses from choosing central London as the location for their offices; and

- if London's status as a global financial and business hub was damaged, tenant demand for office space in central London and, in turn, demand for commercial property could decrease. This could consequently reduce the Enlarged Group's ability to let vacant space, leading to decreases in lease rents and decreasing property values in central London.

Were any of the above factors/scenarios to be realised, this could result in the Enlarged Group's properties no longer being perceived as desirable, safe and geographically well-positioned. This could have an adverse effect on the Enlarged Group's ability to sustain or grow rental income and could negatively impact the value of the Group's portfolio, as well as the Enlarged Group's business, reputation, financial condition and/or operational results.

RISKS RELATING TO BORROWINGS

As a result of the Proposed Acquisition, the indebtedness and financial leverage of Helical will have increased.

In connection with the Proposed Acquisition, members of the Group intend to draw down from existing committed facilities. It is expected that the Proposed Acquisition will be funded using £60m of free cash and drawing an additional c.£100m of the existing £400m RCF. To provide additional short-term liquidity to the Group, a new 12 month £60m RCF has been agreed at the Helical plc level with NatWest plc.

As a result, the Proposed Acquisition will increase the overall indebtedness and financial leverage of the Enlarged Group, which will result in increased repayment commitments and borrowing costs. This increase in indebtedness and leverage could limit the Enlarged Group's commercial and financial flexibility, causing it to reprioritise the uses to which its capital is put. Therefore, depending on the level of the Enlarged Group's borrowings and prevailing interest rates, this could result in reduced funds being available for the Enlarged Group's expansion, dividend payments and other general corporate purposes.

As a result of the Proposed Acquisition, the LTV of the Enlarged Group on a see-through basis immediately following Completion is expected to be approximately 38.6%.

The Group may be unable to access credit markets, or may be able to access them only on unfavourable terms

The Group's operations are highly capital intensive. The Group has a number of asset-specific financings in place to finance its property acquisitions and development activities.

The ability of the Group to raise funds on favourable terms depends on a number of factors, including the Group's ability to negotiate new or increased or longer-term credit facilities and lenders' estimates of the stability of the Group's cash flows, as well as general economic, political and capital market conditions and credit availability. Although the Group has historically been able to obtain financing on reasonable terms, there is no guarantee that future financing will be available on terms that the Group considers acceptable. It is possible in the current lending environment that the terms of any new facilities entered into by the Group in the future could be more onerous than the terms of the Group's existing financing facilities.

Any of the foregoing factors may have an adverse impact on the Group's business, financial condition and/or results of operations.

The risk factors listed above are not presented in any order of priority and do not necessarily comprise all those risks faced by the Enlarged Group but are the ones judged as material by the Directors.

PART III

PRINCIPAL TERMS OF THE PROPOSED ACQUISITION

This Part III contains a summary of the principal terms of the Proposed Acquisition.

THE PROPOSED ACQUISITION

Pursuant to a share purchase agreement dated 16 December 2021, Helical Bicycle 1 Limited (the "**Buyer**") has conditionally agreed to acquire from 100 New Bridge Street Limited, a BVI incorporated Company, 100% of the issued share capital of FPM 100 NBS. The total purchase price is £160m which, in the usual way, will be adjusted after completion by way of a standard completion accounts mechanism to allow for any additional assets or liabilities of FPM 100 NBS at Completion (if any).

Upon entry into the share purchase agreement, the Buyer paid a £16.0m (10.0%) deposit to the Seller's solicitors to be held as stakeholder, of which £13.5m is repayable should the Proposed Acquisition not receive Shareholder approval. Within seven business days of the receipt of Shareholder approval, the balance of the purchase price will be paid to the Seller.

The Buyer is under an obligation to use all reasonable endeavours to obtain Shareholder approval, subject to a longstop date of 28 February 2022. If Shareholder approval has not been obtained by the longstop date, the Buyer will forfeit £2.5m of the deposit to the Seller.

The Seller has provided the Buyer with a suite of normal representations and warranties, including fundamental warranties relating to title and capacity. The Seller's liability for the non-fundamental warranties is capped at £1 but the Buyer has placed a warranty and indemnity insurance policy with a limit of indemnity of £32.0m. Further protection against certain potential defined tax risks is provided in the form of a retention from the purchase price payable on completion of £3.75m which will be held in an escrow account operated by the Seller's solicitors pursuant to an escrow agreement with the Seller and the Buyer.

There are typical gap controls to deal with the operation of FPM 100 NBS and the Property between exchange and Completion.

PART IV

HISTORICAL FINANCIAL INFORMATION RELATING TO FPM 100 NBS

SECTION A: HISTORICAL FINANCIAL INFORMATION RELATING TO FPM 100 NBS

The tables below set out the financial information for FPM 100 NBS as at and for the years ended 31 December 2018, 31 December 2019 and 31 December 2020.

INCOME STATEMENT

	Notes	Year ended 31 December 2018 £000	Year ended 31 December 2019 £000	Year ended 31 December 2020 £000
Revenue	4	7,194	7,198	7,083
Cost of sales	4	(513)	(604)	(520)
Gross profit before revaluation of investment properties		**6,681**	**6,594**	**6,563**
Revaluation of investment properties	9	135	(2,240)	(8,887)
Other income		7	—	—
Gross profit		**6,823**	**4,354**	**(2,324)**
General and administrative expenses	5	(206)	(36)	(73)
Operating profit/(loss)		**6,617**	**4,318**	**(2,397)**
Finance income		52	73	21
Finance costs	6	(4,810)	(4,810)	(4,810)
Profit/(loss) before tax		**1,859**	**(419)**	**(7,186)**
Tax on profit/(loss) on ordinary activities	7	(424)	(271)	(445)
Profit/(loss) for the year		**1,435**	**(690)**	**(7,631)**
Earnings per share				
Basic and diluted earnings per share	8	4.3p	(2.1)p	(22.9)p

All the activities of the Company are from continuing operations.

The notes form part of this historical financial information.

STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December 2018 £000	Year ended 31 December 2019 £000	Year ended 31 December 2020 £000
Profit/(loss) for the year	1,435	(690)	(7,631)
Total comprehensive income/(loss) for the year	**1,435**	**(690)**	**(7,631)**

BALANCE SHEET

	Notes	As at 31 December 2018 £000	As at 31 December 2019 £000	As at 31 December 2020 £000
Non-current assets				
Investment properties	9	138,058	135,818	126,931
		138,058	135,818	126,931
Current assets				
Trade and other receivables	11	2,342	2,316	8,728
Other assets	12	6,650	7,300	—
Cash and cash equivalents	12	20	42	2,107
		9,012	9,658	10,835
Total assets		**147,070**	**145,476**	**137,766**
Current liabilities				
Trade and other payables	13	(2,728)	(2,205)	(2,045)
Corporation tax payable		(658)	(277)	(358)
		(3,386)	(2,482)	(2,403)
Non-current liabilities				
Shareholder loan	14	(87,456)	(87,456)	(87,456)
		(87,456)	(87,456)	(87,456)
Total liabilities		**(90,842)**	**(89,938)**	**(89,859)**
Net assets		**56,228**	**55,538**	**47,907**
Equity				
Called-up share capital	15	33,300	33,300	33,300
Retained earnings		22,928	22,238	14,607
Total equity		**56,228**	**55,538**	**47,907**

STATEMENT OF CASH FLOWS

	Notes	Year ended 31 December 2018 £000	Year ended 31 December 2019 £000	Year ended 31 December 2020 £000
Cash flows from operating activities				
Profit/(loss) after tax		1,435	(690)	(7,631)
Revaluation deficit/(surplus) on investment properties	9	(135)	2,240	8,887
Shareholder loan interest	6	4,810	4,810	4,810
Interest income		(52)	(73)	(21)
Deferred and income tax credit		436	—	—
Cash inflows from operations before changes in working capital		6,494	6,287	6,045
Change in trade and other receivables		146	8	2,032
Change in trade and other payables		164	(886)	(79)
Change due to related parties		504	—	(8,444)
Cash (used in)/generated from operations		814	(878)	(6,491)
Net cash (used in)/generated from operating activities		**7,308**	**5,409**	**(446)**
Cash flows from investing activities				
Finance income received		52	73	21
Movement in bank deposits (maturity greater than three months)		(2,651)	(650)	7,300
Net cash (used in)/generated from investing activities		**(2,599)**	**(577)**	**7,321**
Cash flows from financing activities				
Shareholder loan repayment	6	(4,810)	(4,810)	(4,810)
Net cash used in financing activities		**(4,810)**	**(4,810)**	**(4,810)**
Net (decrease)/increase in cash and cash equivalents		**(101)**	**22**	**2,065**
Cash and cash equivalents at start of year		121	20	42
Cash and cash equivalents at end of year	12	**20**	**42**	**2,107**

STATEMENT OF CHANGES IN EQUITY

	Share capital £000	Retained earnings £000	Total £000
At 1 January 2018	**33,300**	**21,493**	**54,793**
Total comprehensive income	—	1,435	1,435
At 31 December 2018	**33,300**	**22,928**	**56,228**
Total comprehensive loss	—	(690)	(690)
At 31 December 2019	**33,300**	**22,238**	**55,538**
Total comprehensive loss	—	(7,631)	(7,631)
At 31 December 2020	**33,300**	**14,607**	**47,907**

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. BACKGROUND INFORMATION AND PRINCIPAL ACTIVITIES

FPM 100 New Bridge Street Limited (the "**Company**") is a private limited company incorporated in Guernsey. The principal activity of the company is a real estate investment company in the United Kingdom including acquiring, developing and leasing buildings and its registered office is Redwood House, St Julian's Avenue, St Peter Port, Guernsey, GY1 1WA and registered number is 51367.

The historical information presented incorporates the financial information of the Company. The principal accounting policies applied in the preparation of this historical financial information has been set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2. BASIS OF PREPARATION

The historical financial information of the Company has been prepared using the recognition and measurement principles of International Financial Reporting Standards as adopted by the European Union ("**EU**") ("**IFRS**"). IFRS comprise standards and interpretations approved by the International Accounting Standards Board ("**IASB**") and the International Financial Reporting Interpretations Committee ("**IFRIC**") as adopted in the EU.

The historical financial information has been prepared for inclusion in the circular of Helical dated 2 February 2022 (the "**Circular**") on the basis of the accounting policies set out in note 3 which are consistent with those used by Helical in its annual financial statements for the year ended 31 March 2021. This historical financial information is required by the Listing Rules of the Financial Conduct Authority (the "**Listing Rules**") and is given for the purpose of complying with them and for no other purpose.

The historical financial information does not constitute statutory accounts as defined in section 434 of the Companies Act 2006.

The historical financial information has been prepared under the historical cost convention except for investment properties which are measured at fair value. The historical financial information is presented in British Pounds and all values are rounded to the nearest thousand (£'000), except when otherwise indicated.

Use of estimates and judgements

The preparation of historical financial information in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future periods affected. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to historical financial information are disclosed in note 3.

Going concern

The Directors have considered the appropriateness of adopting a going concern basis in preparing the historical financial information. Their assessment is based on forecasts for the 12-month period from approval of the historical financial information and assurance of continued support from Helical on a change in ownership. On this basis the historical financial information is prepared on a going concern basis.

Changes in accounting policies and disclosures

The Company has adopted the following IFRSs in this historical financial information:

- Amendments to IFRS 16 Covid-19 Related Rent Concessions (effective date: 1 June 2020).

The following adopted IFRSs have been issued but have not yet been applied in these financial statements. Their adoption is not expected to have a material effect on the historical information unless otherwise indicated:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Report – Phase 2 (effective for periods beginning on or after 1 January 2021);
- Annual Improvements to IFRS Standards 2018-2020 (effective for periods beginning on or after 1 January 2022);
- Amendments to IFRS 3 Reference to the Conceptual Framework (effective for periods beginning on or after 1 January 2022);

- Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract (effective for periods beginning on or after 1 January 2022);
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current (effective for periods beginning on or after 1 January 2023);
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current – Deferral of Effective Date (effective for periods beginning on or after 1 January 2023);
- Amendments to IFRS 4 Extension of the Temporary Exemption from Applying IFRS 9 (effective for periods beginning on or after 1 January 2023);
- Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies (effective for periods beginning on or after 1 January 2023); and
- Amendments to IAS 8 Definition of Accounting Estimates (effective for periods beginning on or after 1 January 2023).

3. PRINCIPAL ACCOUNTING POLICIES

RENTAL INCOME

Rental income receivable is recognised in the Income Statement on a straight-line basis over the lease term. Any incentive for lessees to enter into a lease agreement and any costs associated with entering into the lease are spread over the same period. Initial direct costs incurred in negotiating and arranging a lease are recognised as an expense over the lease term on the same basis as the rental income.

OPERATING SEGMENTS

Operating Segments are defined as discrete components of the Company's operations whose results are regularly reviewed by the Chief Operating Decision Maker (being the Chief Executive) to allocate resources to those segments and to assess their performance. All revenue is generated solely from the Company's single investment property within the United Kingdom and as such, one business segment is recognised.

TAXATION

The taxation charge represents the sum of tax currently payable and deferred tax. The charge for current taxation is based on the results for the year as adjusted for items which are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date. Tax payable upon realisation of revaluation gains recognised in prior periods is recorded as a current tax charge with a release of the associated deferred taxation.

The tax position is subject to challenge by the UK tax authorities ("**HMRC**") and the tax benefit of an uncertain tax position will only be recognised if it is more likely than not the position is sustainable upon examination by HMRC based on the technical merits. The tax benefit recognised is measured as the largest amount of benefit which is more likely than not to be realised upon settlement with HMRC.

The interest accrued and penalties related to unrecognised tax benefits are recognised under IAS 37 – Provisions, Contingent Liabilities and Contingent Assets. Significant judgment is required to evaluate uncertain tax positions. The evaluations are based upon a number of factors, including changes in facts or circumstances, changes in tax law or guidance, correspondence with tax authorities during the course of audits and effective settlement of audit issues.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the historical financial information and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable timing differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible timing differences can be utilised. The measurement of deferred tax assets and liabilities reflects the tax consequences of the manner in which the Company expects, at the balance sheet date, to recover or settle the carrying amount of those assets and liabilities. Such assets and liabilities are not recognised if the timing differences arise from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled. It is recognised in the Income Statement except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

INVESTMENT PROPERTIES

Investment properties are properties owned or leased by the Company which are held for long-term rental income and for capital appreciation. Investment properties are initially recognised at cost, including associated transaction costs, and subsequently at fair value adjusted for the carrying value of lease incentive and letting cost receivables. These fair values are based on market values as determined by professionally qualified external valuers or are determined by the Directors of the Company based on their knowledge of the property.

Gains or losses arising from changes in the fair value of investment properties are recognised as gains or losses on revaluation in the Income Statement of the period in which they arise.

In accordance with IAS 40, as the Company uses the fair value model, no depreciation is provided in respect of investment properties including integral plant.

When the Company redevelops an existing investment property for continued future use as investment property, the property remains an investment property measured at fair value and is not reclassified. Interest is capitalised before tax relief until the date of practical completion.

Details of the valuation of investment properties can be found in note 9.

Investment properties are derecognised on completion of sale.

FINANCIAL ASSETS

The Company's financial assets comprise cash and cash equivalents and trade and other receivables. Financial assets are stated initially at fair value and subsequently measured at amortised cost. The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire or on transfer of the asset and of the associated risks and rewards to another party.

Trade and other receivables

Trade and other receivables do not carry any interest and are stated initially at fair value and subsequently at amortised cost as reduced by appropriate loss allowances. The loss allowance is based on the lifetime expected credit losses, if the credit risk of a receivable has increased significantly since initial recognition. This is reduced to 12 months where the credit risk has not increased significantly.

Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at amortised cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits with banks, cash held at solicitors, cash in blocked accounts and other short-term, highly liquid investments with original maturities of three months or less.

FINANCIAL LIABILITIES

The Company's financial liabilities comprise interest-bearing loans, client advances, accruals and trade and other payables. All financial liabilities are initially recognised at fair value and subsequently at amortised cost. The Company derecognises financial liabilities when they are extinguished, which occurs when the obligation associated with the liability is discharged, cancelled or expires.

LEASES

The Company's accounting policies for leases are set out below. The Company has leases for which it must account from the position of a lessor.

Leases to tenants where substantially all the risks and rewards of ownership are retained by the Company as the lessor are classified as operating leases. Payments made under operating leases, including prepayments, and net of any incentives provided by the Company, are charged to the Income Statement on a straight-line basis over the period of the lease. Any lease incentives are presented as a current asset in the line item 'Trade and other Receivables' in the balance sheet. Lease modifications to operating leases are recognised as a new lease from the effective date of the modification, with any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

The Company held no material leases as a lessee in any period.

The adoption of IFRS 16 in January 2019 did not have any material impact on the Company's lessor accounting.

EARNINGS PER SHARE

Earnings per share have been calculated in accordance with IAS 33 *Earnings per Share*.

USE OF JUDGEMENTS AND ESTIMATES

To be able to prepare the historical financial information according to the accounting principles, management must make estimates and assumptions that affect the assets and liabilities and revenue and expense amounts recorded in the historical financial information. These estimates are based on historical experience and other assumptions that management and the Board of Directors believe are reasonable under the particular circumstances. The results of these considerations form the basis for making judgements about the carrying value of assets and liabilities that are not readily available from other sources.

Critical accounting judgements in applying the Group's accounting policies

The tax position is subject to challenge by the UK tax authorities ("**HMRC**"), and the tax benefit of an uncertain tax position will only be recognised if it is more likely than not the position is sustainable upon examination by HMRC based on the technical merits. The tax benefit recognised is measured as the largest amount of benefit which is more likely than not to be realised upon settlement with HMRC.

Significant judgment is required to evaluate uncertain tax positions. The evaluations are based upon several factors, including changes in facts or circumstances, changes in tax law or guidance, correspondence with tax authorities during the course of audits and effective settlement of audit issues. Changes in the recognition or measurement of uncertain tax positions could result in material increases or decreases in the corporation tax expense in the period in which the change is made, which could have a material impact on the effective tax rate and operating results. There is an ongoing HMRC enquiry into the deductibility of interest on the shareholder loan. If HMRC were to be successful in their challenge, the estimated additional tax liability is not expected to exceed £3.0 million. This has not been included in the tax provision as the company continues to defend the deductibility of the interest.

The key area containing estimation uncertainty has been detailed below.

Valuation of investment properties

Investment properties are stated at fair value. The Company used an external, independent valuer to determine the fair value of the investment property. The independent valuer uses the market situation, estimated yield and expected future cash flows, and the recent real estate transactions with similar characteristics and location of properties for the valuation of investment properties. The inputs used for valuation is considered to be Level 3, that is neither active nor observable being based on active markets and is therefore considered unobservable.

Sensitivity analysis

At 31 December 2020, if the market rate for investment property (valued using Market capitalisation method – multiple earning) had been higher/lower by 1% with all other variables held constant, the calculated fair valuation gain/(loss) on investment property for the year would have been £1.3 million lower (2019: £1.4 million lower; 2018: £1 million lower) and £1.3 million higher (2019: £1.4 million higher; 2018: £1 million higher) mainly as a result of higher/lower fair value gain/(loss) on investment property.

4. SEGMENTAL INFORMATION

IFRS 8 *Operating Segments* requires the identification of the Company's operating segments, which are defined as being discrete components of the Company's operations whose results are regularly reviewed by the Chief Operating Decision Maker (being the Chief Executive) to allocate resources to those segments and to assess their performance. All revenue is generated solely from a single investment property. As such, the Company recognises one reportable segment, namely:

- United Kingdom investment properties, which are owned or leased by the Company for long-term income and for capital appreciation.

	Year ended 31 December 2018 £000	Year ended 31 December 2019 £000	Year ended 31 December 2020 £000
Revenue			
Rental income (including straight lining of lease incentives)	7,194	7,198	7,083
Revenue	**7,194**	**7,198**	**7,083**

The Company has granted incentives such as rent-free periods to new tenants. The average rent-free period granted is eighteen months. The net amount of lease incentives not fully amortised are included in the statement of financial position under trade and other receivables.

	Year ended 31 December 2018 £000	Year ended 31 December 2019 £000	Year ended 31 December 2020 £000
Cost of sales			
Operating expenses and facility management fee	(513)	(604)	(520)
Cost of sales	**(513)**	**(604)**	**(520)**

	Year ended 31 December 2018 £000	Year ended 31 December 2019 £000	Year ended 31 December 2020 £000
Profit/(loss) before tax			
Revenue	7,194	7,198	7,083
Cost of sales	(513)	(604)	(520)
Revaluation of investment properties	135	(2,240)	(8,887)
Segmental profit/(loss)	6,816	4,354	(2,324)
Other operating income	7	—	—
Gross profit/(loss)	6,823	4,354	(2,324)
General and administrative expenses	(206)	(36)	(73)
Finance costs	(4,810)	(4,810)	(4,810)
Finance income	52	73	21
Profit/(loss) before tax	**1,859**	**(419)**	**(7,186)**

5. ADMINISTRATIVE EXPENSES

	Year ended 31 December 2018 £000	Year ended 31 December 2019 £000	Year ended 31 December 2020 £000
Legal, acquisition and other professional fees	34	7	17
Auditing, accounting and tax services	41	29	18
Write-off of receivables	131	—	38
Total administrative expenses	**206**	**36**	**73**

6. FINANCE COSTS

	Year ended 31 December 2018 £000	Year ended 31 December 2019 £000	Year ended 31 December 2020 £000
Interest on shareholder loan	4,810	4,810	4,810
Total finance costs	**4,810**	**4,810**	**4,810**

7. TAXATION

	Year ended 31 December 2018 £000	Year ended 31 December 2019 £000	Year ended 31 December 2020 £000
Current income tax			
Current income tax charge	(424)	(271)	(445)
Income tax charge reported in the statement of profit and loss	**(424)**	**(271)**	**(445)**

For the purpose of determining the taxable results for the year, the accounting profits of the Company were adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense. The adjustments are based on the current understanding of the existing laws, regulations and practices of the Company.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are generally recognised for all deductible temporary differences to the extent that future taxable profits will be available against which those deductible temporary differences can be utilised.

At 31 December 2020 the company had an unrecognised deferred tax asset of £4.32 million (2019: £1.97 million; 2018: £nil) in respect of the excess of the tax base cost of its investment property and its carrying value at the period end. This asset would only crystallise on disposal of the property. If a tax loss were to arise on disposal and could not be utilised in the year against other taxable profits it could be carried forward indefinitely for use against other capital gains, alternatively the loss is available for in-year use against capital gains arising in other entities within the same UK tax grouping. The company has not provided for deferred tax assets in respect of capital losses due to the inherent uncertainty over the timing of suitable taxable gains against which this loss could reverse.

Reconciliation of effective tax rate

	Year ended 31 December 2018 £000	Year ended 31 December 2019 £000	Year ended 31 December 2020 £000
Profit/(loss) before tax	1,859	(419)	(7,186)
Tax using corporate tax rate of 19% (Non-resident landlord tax rate 2019: 20%, 2018: 20%)	(372)	84	1,365
Non-taxable/(deductible) revaluation gains/(losses) on investment property	27	(448)	(1,688)
Unprovided deferred tax	68	33	20
Non-taxable income	10	60	0
Non-deductible expenses	(157)	0	(142)
Tax charge for the year	**(424)**	**(271)**	**(445)**

For the years ended 31 December 2019 and 2018 the substantively enacted corporation tax rate was 17% and this rate has been applied to the unrecognised deferred tax asset. On 11 March 2020 a corporation tax rate of 19% was substantively enacted and this has been applied to the unrecognised deferred tax asset at 31 December 2020. On 24 May 2021 a rate of 25% was substantively enacted from 1 April 2023. As this had not yet been substantively enacted at December 2020 this has not been reflected in this historical financial information but is expected to have a consequential effect on the Company's future tax charge. The impact of the changes would be to increase the unrecognised deferred tax asset by approximately £1,365,000.

8. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year.

The calculation of diluted earnings per share is based on the basic earnings per share.

Reconciliation of the earnings and weighted average number of shares used in the calculations are set out below:

	Year ended 31 December 2018 £000	Year ended 31 December 2019 £000	Year ended 31 December 2020 £000
Ordinary shares in issue	33,300	33,300	33,300
Earnings used for calculation of basic and diluted earnings per share	**1,435**	**(690)**	**(7,631)**
Basic and diluted earnings per share	**4.3p**	**(2.1)p**	**(22.9)p**

SUPPLEMENTARY EPS NOTE:

The table below represents the calculation of basic and diluted earnings per share using the current Helical share structure and includes a reconciliation of the earnings and weighted average number of shares.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares and the post-tax effect of dividends on the assumed exercise of all dilutive options.

	Year ended 31 December 2018 £000	**Year ended 31 December 2019 £000**	**Year ended 31 December 2020 £000**
Ordinary shares in issue	119,363	119,978	121,266
Weighting adjustment	(307)	(133)	(282)
Weighted average ordinary shares in issue for calculation of basic earnings	119,056	119,845	120,984
Weighted average ordinary shares issued on share settled bonuses	862	973	719
Weighted average ordinary shares to be issued under Performance Share Plan	778	1,385	1,434
Weighted average ordinary shares in issue for calculation of diluted earnings per share	120,696	122,203	123,137
Earnings used for calculation of basic and diluted earnings per share	**1,435**	**(690)**	**(7,631)**
Basic earnings per share	**1.2p**	**(0.6)p**	**(6.2)p**
Diluted earnings per share	**1.2p**	**(0.6)p**	**(6.2)p**

9. INVESTMENT PROPERTY

	2018 £000	**2019 £000**	**2020 £000**
Fair value at 1 January	137,923	138,058	135,818
Revaluation surplus/(deficit)	135	(2,240)	(8,887)
Fair value at 31 December	**138,058**	**135,818**	**126,931**

Investment properties are stated at fair value as at 31 December as follows:

	2018 £000	**2019 £000**	**2020 £000**
Fair value at 31 December	138,058	135,818	126,931
Lease incentives and costs included in trade and other receivables	92	82	69
Carrying value at 31 December	**138,150**	**135,900**	**127,000**

The fair value of the Company's investment property was determined by independent external valuers, Cushman & Wakefield, at 31 December for each period presented. The valuations are in accordance with the Royal Institution of Chartered Surveyors ("**RICS**") Valuation – Professional Standards (the "**Red Book**") and the International Valuation Standards and were arrived at by reference to market transactions for similar properties.

The Company has no restrictions on the realisability of its investment property and no contractual obligations to either purchase, construct or develop the investment property or carry out repairs, maintenance and enhancements.

VALUATION METHODOLOGY

The description of the valuation techniques used by the company and key inputs to the valuation of investment property are as follows:

Type of property	Valuation technique	Significant unobservable inputs	Range / weighted average
Commercial property	Income capitalisation or direct comparison	Estimated rental value per sqft per month	£3.64
		Rent growth p.a.	0% – 1%
		Long term vacancy rate	0% – 10%
		Market cap	5% – 5.5%

The rent includes rent free periods for various tenants. In accordance with accounting standards, rent is accrued at an average rate expected over the course of the respective lease period and this income, recognised in advance, is set against the rent being received. The balance of this rent is carried in lease incentives and amounted to £69,476 at 31 December 2020 (2019: £82,183, 2018: £90,988). An amount equivalent to this is set against the fair value of the property so that the overall value of the property is not overstated.

Fair value gains are recognised as "Revaluation of Investment Property" in the income statement and take account of the amounts recognised within other receivables in relation to lease incentives given. Gains and losses are unrealised. The historical cost of the investment property is £113.8 million (2019: £113.8 million; 2018: £113.8 million).

The data used for valuation is considered to be Level 3, that is neither quoted on an active market nor observable being based on active markets and is therefore considered unobservable. There has been no change in category. The Director considers the current use of the property represents its 'highest and best use' and the valuation has been performed on this basis.

See note 10 for details of operating leases relating to the investment properly.

Method of valuation and approaches used as follows:

Income Capitalisation Approach: This approach first determines the income-producing capacity of a property by using contract rents on existing leases and by estimating market rent from rental activity at competing property for the vacant space. Deductions are then made for vacancy and collection loss and operating expenses. The resulting net operating income is divided by an overall capitalisation rate to derive an opinion of value for the subject property. The capitalisation rate represents the relationship between net operating income and value.

Direct Comparison Approach: This approach involves a comparison of the subject property to similar property that have actually been sold in arms length transactions or are offered for sale. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properly in an open and competitive market and is particularly useful in estimating the value of the land and property that are typically traded on a unit basis. Generally, the opinion on value is based on evidence of open market transactions in similar property with adjustments of the comparable to differentiate the differences between the subject properly and the comparable.

Sensitivity analysis

At 31 December 2020, if the market rate for investment property (valued using Market capitalisation method – multiple earning) had been higher/lower by 1% with all other variables held constant, the calculated fair valuation gain/(loss) on investment property for the year would have been £1.3 million lower (2019: £1.4 million lower; 2018: £1 million lower) and £1.3 million higher (2019: £1.4 million higher; 2018: £1 million higher) mainly as a result of higher/lower fair value gain/(loss) on investment property.

Fair value hierarchy

The Company's property is Level 3, as defined by IFRS 13 *Fair Value Measurement*, in the fair value hierarchy as at 31 December for all periods presented and there were no transfers between levels during the periods. Level 3 inputs used in valuing the properties are those which are unobservable, as opposed to Level 1 (inputs from quoted prices) and Level 2 (observable inputs either directly, i.e., as prices, or indirectly, i.e., derived from prices).

10. OPERATING LEASE ARRANGEMENTS

The Company earns rental income by leasing its investment properties to tenants under non-cancellable operating leases. At the balance sheet date, the Company had contracted with tenants to receive the following future minimum lease payments:

	As at 31 December 2018 £000	As at 31 December 2019 £000	As at 31 December 2020 £000
Not later than one year	7,162	7,194	7,194
Later than one year but not more than five years	28,566	21,736	14,460
More than five years	744	—	—
Total operating lease arrangements	**36,472**	**28,930**	**21,654**

During the year £7,083,491 (2019: £7,198,264, 2018: £7,194,438) was recognised as rental income by the Company.

11. TRADE AND OTHER RECEIVABLES

	As at 31 December 2018 £000	As at 31 December 2019 £000	As at 31 December 2020 £000
Amounts owed by group undertakings	—	—	8,444
Trade receivables	2,175	2,158	139
Lease incentives	92	82	69
Other receivables	75	76	76
Total trade and other receivables	**2,342**	**2,316**	**8,728**

The estimated fair values of receivables are the discounted amount of the estimated future cash flows expected to be received and approximate to their carrying value. No receivables are past due or impaired for the periods presented in this historical financial information.

Amounts from group undertakings are unsecured, interest free and repayable on demand. See note 18 for further details regarding amounts owed to group undertakings.

12. CASH AND CASH EQUIVALENTS

	As at 31 December 2018 £000	As at 31 December 2019 £000	As at 31 December 2020 £000
Current accounts	20	42	2,107
Term deposits*	6,650	7,300	—
Total cash and bank balances	**6,670**	**7,342**	**2,107**
Term deposits with original maturity in more than 3 months	(6,650)	(7,300)	—
Total cash and cash equivalents	**20**	**42**	**2,107**

*The term deposits shown above were held with maturity date greater than 3 months (2019: greater than 3 months, 2018: 3 months) from inception with a profit rate of 0% (2019: 0.74%, 2018: 0.74%). The fair value of cash and cash equivalents is equal to the carrying value.

13. TRADE AND OTHER PAYABLES

	As at 31 December 2018 £000	As at 31 December 2019 £000	As at 31 December 2020 £000
Trade payables	125	101	—
Amounts owed to group undertakings	496	—	—
VAT payable	358	344	325
Other payables	76	75	75
Accruals	19	24	25
Client advances	1,654	1,661	1,620
Total trade and other payables	**2,728**	**2,205**	**2,045**

Trade payables are non-interest bearing and are normally settled on 30-day terms or such other terms as may be agreed with the supplier. The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates to fair value and represents the discounted amount of the estimated cash flows expected to be paid. No payables are past due or impaired for the periods presented in the historical financial information.

Amounts owed to group undertakings are unsecured, interest free and repayable on demand. See note 18 for further details regarding amounts owed to group undertakings.

14. SHAREHOLDER LOANS

	As at 31 December 2018 £000	As at 31 December 2019 £000	As at 31 December 2020 £000
Balance at 1 January and 31 December	87,456	87,456	87,456

The shareholder loan, due to 100 New Bridge Street Limited, bears interest at a rate of 5.5% per annum. The principal amount of the loan will be repaid on 31 December 2024 with a remaining term of 4 years.

15. SHARE CAPITAL

	As at 31 December 2018 £000	As at 31 December 2019 £000	As at 31 December 2020 £000
Authorised	33,300	33,300	33,300

The authorised share capital of the Company is £33,300,002 divided into ordinary shares of £1.

	As at 31 December 2018 £000	As at 31 December 2019 £000	As at 31 December 2020 £000
Allotted, called up and fully paid:			
33,300,002 (31 December 2019: 33,300,002, 31 December 2018: 33,300,002) ordinary shares of £1 each	33,300	33,300	33,300

16. FINANCIAL RISK MANAGEMENT

Objectives and policies

The Company's principal financial liabilities comprise trade and other payables and amounts due to related parties. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as cash and bank balances, trade and other receivables which arise directly from its operations.

The main risks arising from the Company's financial instruments are credit risk, liquidity risk and other risks. The Directors review and agree policies for managing each of these risks which are summarised below:

Market risk

Market risk is the risk that changes in market prices, such as foreign currency exchange rates will affect the Company's profit or retained earnings. The objective of market risk management is to manage and control the market risk exposure within acceptable parameters, while optimising return.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates is minimal as its operating activities are wholly within the UK.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is indicated by the carrying amount of its assets which consist of bank balances and trade and other receivables.

With respect to credit risk arising from financial assets of the Company, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments as follows:

	As at 31 December 2018 £000	As at 31 December 2019 £000	As at 31 December 2020 £000
Bank balances	6,670	7,342	2,107
Trade and other receivables	2,250	2,234	8,659
Total	**8,920**	**9,576**	**10,766**

The entire credit risk to which the Company is exposed is concentrated in the United Kingdom.

The Company monitors its exposure to credit risk on an ongoing basis and based on management's assessment and historic default rates. The Company believes that no impairment allowance against financial assets is required across the periods presented. To measure expected credit losses, trade receivables have been grouped together on shared credit risk characteristics and the days past due.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in the repayment plan with the Company, and failure to make contractual payments for a period of greater than 120 days.

The Company reduces the exposure of credit risk arising from bank balances by maintaining bank accounts with reputable banks.

Credit quality of financial assets

Since trade and other receivables have no external rating available and there is no formal internal credit rating established by the Company, the credit quality of these financial assets cannot be disclosed by management.

The credit quality of financial assets that are neither past due nor impaired is assessed by reference to historical information. Credit risk from balances with banks is managed by the finance department of the Company in accordance with the Company's policy. The external credit ratings of the banks are stated below:

	As at 31 December 2018 £000	As at 31 December 2019 £000	As at 31 December 2020 £000
Bank credit rating			
Barclays credit rating A1+	12	12	11
Ahli United Bank A2+	6,658	7,330	2,096

Management of liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when they fall due. The Company's approach to managing liquidity risk is to ensure that, as far possible, it will always have sufficient liquidity to meets it liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of the Company's own reserves and bank facilities. The Company's terms of trade require amounts to be collected within 30 days from the invoiced date.

The table below summarises the maturity profile of the Company's undiscounted financial liabilities as at 31 December for the periods presented on contractual payment dates and current market profit rates:

2020	Carrying amounts £'000	Contractual cash outflows £000	Less than one year £000	Two to five years £000	Greater than five years £'000
Trade and other payables	425	425	425	—	—
Amounts owned to shareholders	87,456	106,696	4,810	101,886	—
Total	**87,881**	**107,121**	**5,235**	**101,886**	—

2019	Carrying amounts £'000	Contractual cash outflows £000	Less than one year £000	Two to five years £000	Greater than five years £'000
Trade and other payables	544	544	544	—	—
Amounts owned to shareholders	87,456	111,506	4,810	106,696	—
Total	**88,000**	**112,050**	**5,354**	**106,696**	—

2018	Carrying amounts £'000	Contractual cash outflows £000	Less than one year £000	Two to five years £000	Greater than five years £'000
Trade and other payables	578	578	578	—	—
Amounts owed to group undertakings	496	496	496	—	—
Amounts owned to shareholders	87,456	116,316	4,810	19,240	92,266
Total	**88,530**	**117,390**	**5,884**	**19,240**	**92,266**

Other risks

Other risks to which the Company is exposed are regulatory risk, legal risk and reputational risk. Regulatory risk is controlled through a framework of compliance policies and procedures. Legal risk is managed through the effective use of internal and external legal advisers. Reputational risk is controlled through the regular examination of issues that are considered to have reputational repercussions for the Company, with guidelines and policies being issued as appropriate.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. Capital consists of share capital and retained earnings of the Company. The Board of Directors monitors return on capital, which the company defines as net operating income divided by total shareholder equity.

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for its shareholders and benefits for other stakeholders;
- To provide adequate return to the shareholders by pricing products and services commensurately with the level of risk; and
- To remain within the Company's quantitative banking covenants and maintain a good risk grade.

Further the Board seeks to maintain a balance between higher targeted returns that might be possible with higher levels of financing and the advantages and security afforded by the strong capital position of the company.

17. FINANCIAL INSTRUMENTS

CATEGORIES OF FINANCIAL INSTRUMENTS

Financial assets include trade and other receivables and cash and cash equivalents, all of which are included within financial assets measured at amortised cost.

Financial liabilities include shareholder loans and trade and other payables, all of which are classified as financial liabilities at amortised cost.

FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

The financial instruments of the Company as classified in the historical financial information can be analysed under the following categories.

Financial assets	**As at 31 December 2018 £000**	**As at 31 December 2019 £000**	**As at 31 December 2020 £000**
Measured at amortised cost	8,920	9,576	10,766
Fair value through the profit or loss	—	—	—
Total financial assets	**8,920**	**9,576**	**10,766**

These financial assets are included in the balance sheet within the following headings:

	As at 31 December 2018 £000	**As at 31 December 2019 £000**	**As at 31 December 2020 £000**
Trade and other receivables	2,250	2,234	8,659
Investments	6,650	7,300	—
Cash and cash equivalents	20	42	2,107
Total financial assets	**8,920**	**9,576**	**10,766**

Financial assets are stated in accordance with IAS 32 *Financial Instruments: Presentation*.

Financial liabilities	**As at 31 December 2018 £000**	**As at 31 December 2019 £000**	**As at 31 December 2020 £000**
Fair value through the profit or loss	—	—	—
Measured at amortised cost	(88,172)	(87,656)	(87,556)
Total financial liabilities	**(88,172)**	**(87,656)**	**(87,556)**

The financial liabilities are included in the balance sheet within the following headings:

	As at 31 December 2018 £000	As at 31 December 2019 £000	As at 31 December 2020 £000
Trade and other payables	(716)	(2,00)	(100)
Shareholder loan	(87,456)	(87,456)	(87,456)
Total financial liabilities	**(88,172)**	**(87,656)**	**(87,556)**

The carrying value of the bank balances, receivables, payables and other liabilities is not deemed to be materially different from the fair value, largely due to the short-term maturities of these instruments.

18. RELATED PARTY TRANSACTIONS

As at the balance sheet date the Company owed £87,455,524 (2019: £87,455,524; 2018: £87,455,524) to its immediate parent undertaking 100 New Bridge Limited. This consists of a loan principal of £87,455,524 (2019: £87,455,524; 2018: £87,455,524) with interest accruing at 5.5% per annum.

Interest charged on the loan in the year was £4,810,000 (2019: £4,810,000; 2018: £4,810,000) and the interest paid in the year was £4,810,000 (2019: £4,810,000; 2018: £4,810,000). As at the balance sheet date the Company was owed £8,444,101 (2019; £nil; 2018: £nil) from its ultimate parent undertaking Al Duwaliya UK Real Estate Holding Limited. This represents a management fee refund. This balance was interest free and repayable on demand.

The Directors, who are considered to be key management personnel, are not remunerated by the Company.

19. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent undertaking is 100 New Bridge Street Limited, a company registered in the British Virgin Islands. The Company's ultimate parent undertaking is Duwaliya UK Real Estate Holding Limited, a company incorporated in the British Virgin Islands. Duwaliya UK Real Estate Holding Limited is wholly owned by Sheikh Thani Abdullah T.J. Al Thani, who is the ultimate controlling party of FPM 100 New Bridge Street Limited.

SECTION B: ACCOUNTANT'S REPORT IN RESPECT OF THE HISTORICAL FINANCIAL INFORMATION RELATING TO FPM 100 NBS

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2 February 2022

Dear Sir/Madam

FPM 100 New Bridge Street Limited (the Target) – Accountant's Report on Financial Information Table

We report on the Target financial information table set out in Section A of Part IV of Helical plc's Class 1 circular dated 2 February 2022 (the **Circular**), for each of the three years ended 31 December 2020 (the **Financial Information Table**).

Opinion

In our opinion, the Financial Information Table gives, for the purposes of the Circular, a true and fair view of the state of affairs of the Target as at each of 31 December 2018, 31 December 2019 and 31 December 2020 and of its results, cash flows and statement of comprehensive income and changes in equity for each of the three years ended 31 December 2020 in accordance with International Financial Reporting Standards as adopted by the European Union.

Responsibilities

The directors of Helical plc are responsible for preparing the Financial Information Table in accordance with International Financial Reporting Standards as adopted by the European Union and in a form that is consistent with the accounting policies adopted in Helical plc's latest annual financial statements.

It is our responsibility to form an opinion on the Financial Information Table and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to ordinary shareholders as a result of the inclusion of this report in the Circular, 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 connection with this report or our statement, required by and given solely for the purposes of complying with Listing Rule 13.4.1R(6), consenting to the inclusion in the Circular.

Basis of preparation

The Financial Information Table has been prepared for inclusion in the Circular on the basis of the accounting policies set out in notes 2 and 3 to the Financial Information Table.

This report is required by Listing Rule 13.5.21 and is given for the purpose of complying with that regulation and for no other purpose.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of Helical plc and the Target in accordance with relevant ethical requirements, which in the United Kingdom is the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Financial Information Table. It also included an assessment of the significant estimates and judgements made by those responsible for the preparation of the Financial Information Table and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Information Table is free from material misstatement, whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Target's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our report.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Target's ability to continue as a going concern for a period of at least twelve months from the date of the Circular for which the Historical Financial Information and this report were prepared.

In forming our opinion on the Historical Financial Information, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the Historical Financial Information is appropriate.

Yours faithfully

GRANT THORNTON UK LLP

PART V

ADDITIONAL INFORMATION

1. RESPONSIBILITY

The Company and the Directors, whose names appear in paragraph 4 of this Part V, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. SERVICE CONTRACTS

Details of the Director service contracts and Non-Executive Director letters of appointment are disclosed on pages 115-116 of the Helical Annual Report and Accounts 2021 incorporated by reference into this document, and there have been no further changes up to the date of this document.

3. RELATED PARTY TRANSACTIONS

Save as disclosed on page 162 of the Helical Annual Report and Accounts 2021 incorporated by reference into this document, no member of the Group has entered into any related party transactions up to the date of this document.

4. DIRECTORS' INTERESTS IN SHARES

As at 1 February 2022 (the Latest Practicable Date prior to the publication of this document), insofar as known to the Company, the interests of the Directors, their immediate families and those of any connected person (within the meaning of provisions of the Disclosure Guidance and Transparency Rules), the existence of which is known to, or could with reasonable diligence be ascertained by, that Director whether or not held through another party, in the share capital of the Company were as follows:

Director	Number of Ordinary Shares	Percentage of total issued share capital as at 1 February 2022
Richard Grant	15,000	0.01
Gerald Kaye	2,264,691	1.85
Tim Murphy	686,166	0.56
Matthew Bonning-Snook	1,430,888	1.17
Richard Cotton	25,000	0.02
Sue Clayton	0	0
Sue Farr	6,111	0.005
Joe Lister	3,200	0.003
	4,431,056	3.622

5. MAJOR INTERESTS IN SHARES

As at 1 February 2022 (the Latest Practicable Date prior to the publication of this document), and so far as is known to the Company by virtue of the notifications made to it pursuant to the Disclosure Guidance and Transparency Rules, the name of each person other than any Director who, directly or indirectly, is interested in 3%. or more of the Company's share capital, and the amount of such person's interest, is as follows:

Name of Shareholder	Number of Ordinary Shares	Percentage of total issued share capital as at 1 February 2022
Baillie Gifford	11,513,619	9.41
Janus Henderson Investors	11,436,615	9.35
Mr Michael Eric Slade	10,494,817	8.58
BlackRock	7,307,532	5.97
Schroder Investment Management	6,740,706	5.51
Jupiter Asset Management	6,430,825	5.26
Dimensional Fund Advisors	5,189,538	4.24
Vanguard Group	4,256,053	3.48
M&G Investments	4,102,717	3.35
Aviva Investors	3,925,517	3.21
	71,399,939	58.36

6. MATERIAL CONTRACTS

6.1 Helical

The following are all of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by members of the Group (a) within the two years immediately preceding the date of this document which are, or may be, material to the Group; or (b) that have been entered into by the Company or any member of the Group and that contain any provisions under which any member of the Group has an obligation or entitlement that is material to the Group as at the date of this document:

Existing revolving credit facility

Helical (RBS) Finance Limited, a 100% wholly owned subsidiary of Helical, has an English law governed £400m RCF between, among others, Helical and NatWest plc, HSBC UK Bank plc, Barclays Bank plc and Wells Fargo Bank N.A London Branch acting as lenders (the "**Existing RCF**"). The Existing RCF was entered into on 25 July 2019, with £100m terminating in July 2024 and £300m terminating in July 2025 and the option to extend both tranches by one year. As at the Latest Practicable Date, the balance drawn on the Existing RCF is £260m with interest payable on amounts drawn at a rate of SONIA plus a margin of 1.65% and a variable utilisation fee of between 0.00% and 0.30%. The Existing RCF contains representations, information and financial covenants and undertakings that are customary for debt facilities of this nature. The financial covenants in place are:

(a) the actual net interest cover ratio is equal to or more than 200%;

(b) the LTV is no more than 65% and shall apply at all times;

(c) the loan to rental value is no more than 12:1; and

(d) the projected net interest cover ratio is equal to or more than 150%.

The testing periods fall quarterly in line with the interest payment date, being 31 January, 30 April, 31 July, and 31 October.

The Existing RCF also contains a number of restrictive and other covenants, including restrictions on creating security deposits, disposals, mergers, change of business and indebtedness. A commitment fee is payable of 40% of the margin.

New revolving credit facility

On 16 December 2021, Helical as borrower and certain subsidiaries acting as guarantors entered into an English law governed £60m RCF between, among others, Helical and NatWest plc acting as facility agent (the "**New RC**F"). The New RCF has been entered into for the purpose of offering additional short-term liquidity to the Group if required. As of the date of this document, there are no amounts drawn against the New RCF. The New RCF is scheduled to terminate on the first anniversary of the commencement date, and the facility is available for drawing to and including the date falling one month before the termination date. Interest is payable on amounts drawn under the New RCF at a rate of SONIA plus a margin of 2.5% and a commitment fee of 40% of the margin on unutilised amounts. The New RCF contains representations, information and financial covenants and undertakings that are customary for debt facilities of this nature. The financial covenants in place are:

(a) the Group's net assets are at least £400m; and

(b) the Group's LTV is no more than 50%.

The testing dates are 31 March 2022 and 30 September 2022.

The New RCF also contains a number of restrictive and other covenants, including restrictions on creating security interests, disposals, mergers, change of business and indebtedness.

6.2 FPM 100 NBS

Excluding contracts that are entered into in the ordinary course of business, FPM 100 NBS has not been a party: (a) within the two years immediately preceding the date of this document to any agreements that are, or may be, material; or (b) to any agreements that contain any provisions under which FPM 100 NBS has any obligation or entitlement that is material to FPM 100 NBS as at the date of this document, save as disclosed below:

Baker McKenzie leases

As owner of the Property, FPM 100 NBS is the landlord of the leases of the offices which have been demised to Baker McKenzie pursuant to ten separate leases. The tenant's obligations under the leases are guaranteed by certain named individuals (being partners in Baker McKenzie) and there is a mechanism for the list of guarantors to be updated as certain partners are released and replaced by new partners. All of these leases expire on 31 December 2023 and there are no break rights save in the case of damage or destruction to the building. Baker McKenzie benefits from security of tenure pursuant to the Landlord and Tenant Act 1954. The aggregate principal rent payable by Baker McKenzie under the ten leases is £7,006,684 per annum exclusive of VAT. There are no outstanding rent reviews save for a review of the rent payable under the lease of the 7th and 8th floor (which is currently £988,047 per annum exclusive of VAT) and the rent payable under the lease of the north of the 4th floor (which is currently £491,550 per annum exclusive of VAT), each of which is subject to an upwards only open market rent review on 1 August 2022. The landlord insures the building and the tenant pays a due proportion of the cost of this. At the expiry of the leases the tenant is required to yield up the premises in accordance with its repair covenants in the leases and, if reasonably required by the landlord for the purposes of re-using or re-letting the premises, the landlord may also require that certain items are re-instated in accordance with a specification attached to the lease and that other alterations are removed.

7. LEGAL AND ARBITRATION PROCEEDINGS

7.1 Helical

There are no, nor have there been any, governmental, legal or arbitration proceedings (nor is the Company aware of any such proceedings which are pending or threatened) during the last 12 months which may have, or have had in the recent past, a significant effect on Helical and/or the Group's financial position or profitability.

7.2 FPM 100 NBS

There are no, nor have there been any, governmental, legal or arbitration proceedings (nor is the Company aware of any such proceedings which are pending or threatened) during the last 12 months which may have, or have had in the recent past, a significant effect on FPM 100 NBS' financial position or profitability.

8. WORKING CAPITAL

The Company is of the opinion that, taking into account its existing available facilities and existing cash resources, the Enlarged Group has sufficient working capital for its present requirements, that is, for at least the 12 months following the date of this document.

9. SIGNIFICANT CHANGE

There has been no significant change in the financial position or financial performance of the Group since 30 September 2021, being the end of the last financial period for which financial information has been published.

There has been no significant change in the financial position or financial performance of FPM 100 NBS since 31 December 2020, being the end of the last financial period for which financial information has been published.

There has been no significant change in the value of the Property since 31 January 2022, being the effective date of the Valuation Report

10. CONSENTS

Peel Hunt has given and has not withdrawn its written consent to the inclusion in this document of its name in the form and context in which it is included or referenced.

Grant Thornton UK LLP has given, and has not withdrawn, its written consent to the inclusion in this document of its accountant's report on the historical financial information relating to FPM 100 NBS set out in Section B of Part IV in the form and context in which it is included.

Savills has given and has not withdrawn its written consent to the inclusion in this document of the Valuation Report in the form and context in which it is included. With the exception of the Valuation Report, Savills did not prepare and does not accept any responsibility for any part of this document or any other materials produced in relation to the Proposed Acquisition.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available on the Company's website at https://www.helical.co.uk/investors/shareholder-information/egm/ and for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of (i) the Company, at 5 Hanover Square, London W1S 1HQ, and (ii) Clifford Chance LLP, at 10 Upper Bank Street, London E14 5JJ, from the date of this document up to and including the conclusion of the General Meeting:

(a) the articles of association of the Company;

(b) the Helical Annual Report and Accounts 2021;

(c) the Half Year Results Statement;

(d) the written consents referred to in paragraph 10 above;

(e) the Acquisition Agreement;

(f) this document and the form of proxy;

(g) the report from Grant Thornton UK LLP on the historical financial information of FPM 100 NBS set out in Section B of Part IV of this document; and

(h) the Valuation Report.

Dated: 2 February 2022

PART VI

VALUATION REPORT

PROPERTY VALUATION IN RESPECT OF THE PROPERTY COMPRISING THE ACQUISITION

2 February 2022

Charlotte Aschan MRICS
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Helical plc ("**Helical**")
5 Hanover Square
London W1S 1HQ

and

Peel Hunt LLP ("**Peel Hunt**") in their capacity as Sponsor
Peel Hunt
100 Liverpool Street
London
EC2M 2AT

(together the "**Addressees**")

Dear Sirs

HELICAL PLC – INDEPENDENT PROPERTY VALUERS' REPORT OF 100 NEW BRIDGE STREET, LONDON EC4V 6JJ

1. INSTRUCTIONS

In accordance with instructions received from Helical and Peel Hunt in their capacity as Sponsor, dated 15 December 2021 (the "**Instruction Letter**"), we have undertaken a valuation (the "**Valuation**") of 100 New Bridge Street, London EC4V 6JJ (the "**Property**"). We understand that this valuation report (the "**Valuation Report**") is required for inclusion in an approved Class 1 circular (the "**Document**") to be prepared in accordance with the Listing Rules to be published by Helical plc in connection with its proposed acquisition of the Property (the "**Proposed Acquisition**").

This Valuation Report has been prepared in accordance with the RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2020 together, where applicable, with the UK National Supplement effective 14 January 2019, (together the "**Red Book**"). The Valuation is required in connection with the acquisition of the property. It is important that the Valuation Report is not used out of context or for the purposes for which it was not intended. The Valuation Report will be relied upon by the Addressees.

2. DATE OF VALUATION

Our opinions of Market Value are as at 31 January 2022. We are not aware of any material changes in circumstances between the date of the valuation and the date of this Valuation Report that would affect the valuation and we are not aware, as a result of our role as External Valuer (as defined in the Red Book) of the Property, of any matter which is not disclosed in the Document or which has not been disclosed to Helical in writing and which is required to be brought to their attention.

3. TERMS OF REFERENCE

The Property to be valued is 100 New Bridge Street, London EC4V 6JJ. The property is held leasehold and is to be acquired for redevelopment/investment purposes. The Property comprises an office and retail building multi-let on standard institutional full repairing and insuring terms.

With the exception of the above, the terms of reference are in accordance with the attached Valuation General Assumptions and Conditions in the attached appendices.

4. SOURCES OF INFORMATION

In undertaking our valuations we have been provided with, and have relied upon, information supplied to us by Helical and their advisors. We have assumed that this information is full and correct. It follows that if it is found to contain errors then our opinions of value may change.

Legal Documentation: We have relied on a tenancy schedule provided by Helical. We have made the assumption that the Property has a good and marketable title which is free from any onerous or restrictive conditions. We have not undertaken credit enquiries into the financial status of the tenants and have assumed that they are capable of meeting all of the obligations under the terms of their leases.

Inspection: The Property was inspected on 14 December 2021 by Ian Malden MRICS, Charlotte Aschan MRICS and Caroline Sawle MRICS. We were able to inspect the Property, both externally and internally, but limited to sample office floors and to those areas that were easily accessible or visible. The weather on the date of our inspection was dry and clear. As agreed, except where you have advised us to the contrary, we have assumed that there have been no material changes to the Property or its surroundings that could have a material effect on the value of the vendor's interest since our inspection.

Floor Areas: The Property has not been measured by Savills Advisory Services and we have relied upon floor areas provided with the measured survey prepared by Plowman Craven dated November 2009. We have assumed they have been measured in accordance with the Code of Measuring Practice issued by the Royal Institution of Chartered Surveyors (now incorporated within RICS Property Measurement).

In addition, in respect of the redevelopment/refurbishment scheme, we have relied upon the architect's floor areas contained in the Due Diligence Report prepared by Gensler dated June 2021.

Building Surveys: We have been provided with, and have relied upon, a pre-acquisition survey report produced by Paragon, dated August 2015.

Energy Performance Certificates: We have been provided with EPCs for the Property. The offices were assessed by Carbon Profile Ltd on 1 March 2021 and a rating of D (96) was provided. The retail units were also assessed by Carbon Profile Ltd, albeit on 21 April 2021. The ratings were C (71), C (58), C (56), C (75) and C (71). Accordingly, the Property meets the minimum energy efficiency requirements of the Energy Act.

Environmental Surveys: We have not been provided with any Environmental Surveys. We have assumed that the Property is not adversely affected by any sort of environmental issues.

Planning: We have assumed all previous construction was carried out in accordance with a valid planning permission and there are no outstanding planning issues relating to the Property.

In respect of the proposed redevelopment/refurbishment scheme, we have relied upon the advice provided by DP9 contained in the Due Diligence Report prepared by Gensler dated June 2021.

Redevelopment/Refurbishment Proposals: We have assumed that redevelopment/refurbishment works will be undertaken in accordance with those outlined in the Due Diligence Report prepared by Gensler dated June 2021.

5. FORMAT OF VALUATION REPORT

Our Valuation Report meets the requirements of the RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2020 together, where applicable, with the UK National Supplement effective 14 January 2019, together the "Red Book".

6. STATUS OF VALUER

This valuation has been prepared by Charlotte Aschan MRICS under the supervision of Ian Malden MRICS. We confirm that they are RICS Registered Valuers and have the knowledge, skills and understanding to undertake this valuation competently and are acting in the capacity of External Valuer.

We are required by the Red Book (UKPS5.4) to disclose the following:

- Savills Retail Team provides general retail advice to the vendor, and has recently agreed terms with Caffe Nero.
- Savills Lease Advisory provides ongoing advice to Baker McKenzie in respect of the rent reviews at 100 New Bridge Street.

- Savills advised Baker McKenzie in respect of their pre-let at 280 Bishopsgate and whilst this is not a conflict, we note it for completeness.
- Savills has an ongoing relationship with Helical, predominantly in respect of Building Consultancy advice.

We do not consider any of the above prevents us or in any way conflicts with our responsibility to provide an independent and objective opinion of value of the portfolio in accordance with RICS Valuation – Global Standards 2020.

7. RESTRICTIONS ON USE, DISTRIBUTION OR PUBLICATION

(i) Except as expressly permitted otherwise as set out below, our Valuation Report shall be confidential to, and for the use only of, the Addressees and shareholders of the Company and no responsibility shall be accepted to any third party for the whole or any part of its contents.

(ii) Save for as set out below, neither the whole nor any part of our Valuation 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.

(iii) Notwithstanding the foregoing, we confirm that we consent in principle to our Valuation Report or a summary of our Valuation Report being included in the Document and any ongoing investor materials including, but not limited to, any analyst presentation, press announcement or investor presentation (together, the "**Investor Materials**") in connection with the Proposed Acquisition and being put on public display on Helical's website and made available for inspection at its registered office and that of its appointed firm of solicitors (Clifford Chance LLP), provided that:

a. the Valuation Report or any summary shall not be published until such time as we have first approved the form and context in which the Valuation Report or summary appears (such approval not to be unreasonably withheld or delayed) and are satisfied that the Valuation Report has been accurately reproduced or the summary is sufficiently accurate and comprehensive (as the case may be);

b. the Investor Materials shall make clear that, with the exception of the Valuation Report or summary, Savills does not accept any responsibility for any part of the Investor Materials or any other information issued by Helical or any other person in connection with the Document;

c. such Valuation Report or summary complies in all respects with the requirements of the Red Book and any applicable regulations or directives; and

d. if, in our opinion, any part of our Valuation Report becomes misleading or inaccurate between the date of issue of the Valuation Report and the date of issue of any Investor Materials we reserve the right to withdraw our consent to your use of our Valuation Report or the summary unless and until we have made such amendments to it as we (acting reasonably and without undue delay) deem necessary or desirable, notwithstanding that our doing so may necessitate deferral of publication of the relevant materials.

(iv) This Valuation Report is given solely for the benefit of the Addressees and the shareholders of the Company for the purpose stated herein. No third party may rely on this Valuation Report, and we shall have no liability in respect of any third parties unless otherwise agreed in writing. Without prejudice to the generality of the foregoing, any party who is permitted to rely on this Valuation Report (whether by our agreement, by an assignment, or who otherwise becomes entitled to rely upon this Valuation Report) may only do so subject to the terms of the engagement letter between us and the original Addressees. We shall have no liability that is greater, or for a longer duration, to any party than we have under the terms of the engagement letter. Without limitation to the terms of the engagement letter, any party purporting to rely on this Valuation Report does so subject to the following:

(a) Our aggregate liability due to or under and/or arising out of or in connection with this Valuation Report to any one or more or all parties relying on this Valuation Report, however that liability arises (including, without limitation, liability arising by breach of contract, tort, including the tort of negligence, or breach of statutory duty) shall be limited to the lower of (i) 33% of the Value as defined in this Valuation Report and (ii) £75 million;

(b) This Valuation Report is governed by and shall be construed in accordance with English law, and the English courts shall have exclusive jurisdiction over any claim or proceedings arising hereunder; and

(c) This Valuation Report is confidential and may not be disclosed to any third party without our prior written consent.

8. THE PROPERTY

(i) Description

The Property comprises an office building with five retail units situated at ground floor level situated on New Bridge Street, London EC4. It is afforded good connectivity, being within 150 metres from Blackfriars Mainline Railway Station and City Thameslink Station and 800 metres from Farringdon London Underground and Mainline Railway Station. In addition, Farringdon will benefit from the Elizabeth Line, which is due to open in 2022.

The Property comprises an island site, albeit with pedestrian only access to three sides. The Thameslink railway line runs through the Property at ground floor level, and the remains of the Roman London Wall run beneath the basement.

The Property provides 167,026 sq ft and is arranged over ground and eight upper floors.

(ii) Tenure

The Property is held long leasehold for a term of 999 years which was granted by Network Rail in 1990 at a fixed head rent of a peppercorn.

(iii) Tenancies

The Property is fully let to 6 tenants. Baker McKenzie LLP occupy the 1st to 8th floors, comprising the office accommodation on leases which expire in December 2023. The retail units are let to Pret a Manger (lease expiry January 2024), Boots (lease expiry June 2023), Caffe Nero (holding over), Cards Galore (break January 2023) and Hare & Tortoise (break June 2022).

The aggregate rent receivable is £7,198,184 per annum.

(iv) Business Plan

The Helical business plan for the Property is to undertake a major refurbishment of the building when Baker McKenzie vacate the Property to move to their new building, 280 Bishopsgate, EC2, upon which they have taken a pre-let.

In the interim, Helical are to prepare a scheme to reposition the Property to create "best in class" office space upon completion. The works will include:

- Relocating and expanding the reception in a more prominent position;
- Full replacement of the existing cladding to three elevations to improve the aesthetic appearance of the building;
- Providing circa 15,500 sq ft of roof terraces across four floors, all of which benefit from good views of the River Thames and St Paul's Cathedral;
- Adding an additional floor to provide a further 6,650 sq ft, and infilling elements of the existing building to include the atrium;
- Replacement and upgrading of all M&E to reflect modern best in class requirements;
- Maximising the ESG credentials of the building, including targeting BREEAM "Outstanding";
- Significantly upgrading the level of tenant amenity with new cycle and changing facilities; and
- Upgrading the adjacent public realm, including the addition of a "pocket park".

DP9 has opined that the proposals for the repositioning and enhancement of the existing building will be well received by the City of London. Furthermore, they are of the view that the visual impact of the changes to the massing should not be contentious and the retention of the existing structure will be welcomed.

The proposals will create an additional Net Internal Area (NIA) of 15,494 sq ft, such that the Property will provide an aggregate NIA of 179,979 sq ft. In addition, as noted, the terraces will aggregate to some 15,500 sq ft.

9. MARKET CONDITIONS EXPLANATORY NOTE: NOVEL CORONAVIRUS (COVID-19)

The COVID-19 pandemic and measures to tackle it continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date property markets are mostly functioning, with transaction volumes and other relevant evidence at levels where enough market evidence exists upon which to base opinions of value. Accordingly – and for the avoidance of doubt, our valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

This explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 we highlight the importance of the valuation date.

10. VALUATION

(i) Basis of Valuation

Our valuations have been prepared on the basis of Market Value in accordance with the latest edition of the RICS Valuation – Global Standards, and which is defined in paragraph 30.1 International Valuation Standards 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."

We confirm that our Valuations have been undertaken in accordance with the International Valuation Standards (IVS).

In order to arrive at our opinion of Market Value on the Special Assumption of the acquisition of the company such that there are reduced purchaser's costs, we have undertaken a residual valuation, being the preferred method of valuation in the UK for assessing the value of development projects.

We have arrived at our opinion of the Gross Development Value predominantly by reference to market evidence for comparable properties, both in respect of rental evidence and investment evidence. We have subsequently deducted purchaser's costs to arrive at our opinion of the Net Development Value ("**NDV**").

We have adopted a blended Market Rent of £82.07 per sq ft, given the rental evidence and discussions with our agency colleagues. We have applied letting voids upon completion of the development works. We have targeted a net initial yield of 3.75%.

In order to form our opinion of the current Market Value, we have deducted from the NDV the costs of the development works. The costs include, *inter alia*, construction costs and professional fees; contingency; rent free incentives; marketing costs and letting fees; finance costs; and ancillary costs such as planning fees, CIL and Section 106 costs. These costs have been provided to us by Helical albeit they are provided by their external advisors. In particular, we note that the construction costs have been provided by Arcadis.

We have made no allowance for any Capital Gains Tax or other taxation liability that might arise upon a sale of a Property, nor have we allowed for any adjustment to the Property's income stream to take into account any tax liabilities that may arise. We have excluded from our valuation any additional value attributable to goodwill, or to fixtures and fittings which are only of value in situ to the present occupiers. Our valuations are exclusive of VAT (if applicable).

To our knowledge there are no contractual arrangements on the Property other than the leases as detailed in the report that have a major benefit or are detrimental to the fundamental value base of the Property. In addition, to the best of our knowledge, there are no options in favour of any parties for any purchase of the Property.

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 complied with the relevant EEC legislation.

(ii) Market Value

We are of the opinion that the Market Value of the Property, as at 31 January 2022, is:

£160,000,000

ONE HUNDRED AND SIXTY MILLION POUNDS

11. CONFIDENTIALITY

The contents of this Valuation Report and Valuation may be used for the specific purpose to which they refer. Neither the whole nor any part of this Valuation 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 accept responsibility for the information within this Valuation Report and Valuation and declare that we have taken all reasonable care to ensure that the information contained in the Report and Valuation is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

Yours faithfully

Charlotte Aschan RICS Registered Valuer	Ian Malden RICS Registered Valuer	Caroline Sawle RICS Registered Valuer

For and on behalf of Savills Advisory Services Limited

APPENDIX 1

GENERAL ASSUMPTIONS AND CONDITIONS

General Assumptions

1. Unless otherwise stated in our report, our Valuation has been carried out on the basis of the following general assumptions and conditions in relation to each Property that is the subject of our Valuation Report. If any of the following assumptions or conditions are not valid, this may be that it has a material impact on the figure reported and in that event we reserve the right to revisit our calculations.

2. That the Property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings and good title can be shown. Should there be any mortgages or charges, we have assumed that the property would be sold free of them. We have not inspected the Title Deeds or Land Registry Certificate.

3. That we have been supplied with all information likely to have an effect on the value of the Property, and that the information supplied to us and summarised in this Valuation Report is both complete and correct.

4. That the building has been constructed and is used in accordance with all statutory and bye-law requirements, and that there are no breaches of planning control and any future construction or use will be lawful.

5. That the Property is not adversely affected, nor 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.

6. That the building is 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 parts of the building we have inspected or not, that would cause us to make allowance by way of capital repair. Our inspection of the Property and our Valuation Report do not constitute a building survey or any warranty as to the state of repair or refurbishment of the Property. Our Valuation is on the basis that a building survey would not reveal material defects or cause us to alter our Valuation materially.

7. That there is unrestricted access to the Property and that the site is connected, or capable of being connected without undue expense, to the public services of gas, electricity, water, telephones and sewerage.

8. Sewers, mains services and roads giving access to the Property 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.

9. That in the construction or alteration of the building 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. We have not carried out any investigations into these matters.

10. That the Property has not suffered any land contamination in the past, nor is 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.

11. That the Property is free from environmental hazards, including infestation from invasive plants such as Japanese Knotweed. This assumption is made in recognition of the fact that identifying Japanese knotweed is problematic and cannot be guaranteed. This is partly because during the early stages of its annual life cycle some of the classic visual characteristics are not distinctive and during the winter months the plant sheds its leaves and suffers die back. It is also possible that Japanese knotweed has received a herbicide-based treatment which has removed all visible above ground signs but may not have killed the below ground rhizome (root) which, in turn, may lead to new growth and the spread of the plant in time.

12. That any tenants are capable of meeting their obligations, and that there are no arrears of rent or undisclosed breaches of covenant.

13. Given that we have been asked to value the Property under the special assumption that the Property will be refurbished/redeveloped, we assume there are no adverse site or soil conditions, that the Property is not adversely affected by the Town and Country Planning (Environmental Impact Assessment) Regulations 2017 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.

14. We will not make any allowance for any Capital Gains Tax or other taxation liability that might arise upon a sale of the Property.

15. Our Valuation will be exclusive of VAT (if applicable).

16. No allowance will be made for any expenses of realisation.

17. Excluded from our Valuation is any additional value attributable to goodwill, or to fixtures and fittings which are only of value in situ to the present occupier.

18. No allowance will be been made for rights, obligations or liabilities arising under the Defective Premises Act 1972, and it will be assumed that all fixed plant and machinery and the installation thereof complies with the relevant UK and EU legislation, insofar that the latter is applicable.

19. Our Valuation will be based on market evidence which has come into our possession from numerous sources, including other agents and valuers and from time to time this information is provided verbally. 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 being used as comparables in our Valuation Report, we are unable to warrant that the information on which we have relied is correct.

PART VII

DEFINITIONS

"**100 NBS**" or "**Property**"	The 999 year long leasehold interest in 100 New Bridge Street, London EC4;
"**Acquisition Agreement**"	the conditional share acquisition agreement dated 16 December 2021 between Helical Bicycle 1 Limited and the Seller relating to the Proposed Acquisition and described in Part III of this document;
"**Articles**"	the articles of association of the Company;
"**Board**" or "**Directors**"	the board of directors of the Company, whose names appear on page 4 of this document;
"**BREEAM**"	the Building Research Establishment's Environmental Assessment Method;
"**BVI**"	the British Virgin Islands;
"**Company**" or "**Helical**"	Helical plc, a public limited company incorporated in England and Wales;
"**Completion**"	completion of the Proposed Acquisition in accordance with the terms of the Acquisition Agreement;
"**CREST**"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & International Limited is the Operator (as defined in the CREST Regulations);
"**CREST Regulations**"	The Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time;
"**Disclosure Guidance and Transparency Rules**"	the Disclosure Guidance and Transparency Rules published by the FCA in accordance with section 73A of FSMA;
"**Enlarged Group**"	the Group as enlarged following the Proposed Acquisition;
"**EPC**"	means energy performance certificates;
"**EPRA**"	means European Public Real Estate Association;
"**Existing RCF**"	the English law governed £400m RCF between, among others, Helical and NatWest plc, HSBC UK Bank plc, Barclays Bank plc and Wells Fargo Bank N.A London Branch acting as lenders;
"**Financial Conduct Authority**" or "**FCA**"	the Financial Conduct Authority of the United Kingdom;
"**FPM 100 NBS**"	FPM 100 New Bridge Street Limited, a private company incorporated in Guernsey;
"**FSMA**"	the United Kingdom Financial Services and Markets Act 2000, as amended;
"**General Meeting**"	the general meeting of the Company to be held at 5 Hanover Square, London W1S 1HQ at 11.00 a.m. on 18 February 2022, a notice of which is set out at the end of this document;
"**Group**"	the Company and each of its subsidiaries, associates and joint ventures, prior to Completion;
"**Half Year Results Statement**"	the interim financial statements of the Group for the six months ended 30 September 2021;
"**Helical Annual Report and Accounts 2021**"	the annual report and financial statements of the Group for the year ended 31 March 2021;
"**IFRS**"	International Financial Reporting Standards;

"**Latest Practicable Date**"	1 February 2022;
"**Listing Rules**"	the Listing Rules published by the FCA in accordance with 73A of FSMA;
"**LTV**"	means loan-to-value ratio;
"**New RCF**"	the English law governed £60m RCF between, among others, Helical and NatWest plc acting as facility agent;
"**Ordinary Shares**"	ordinary shares in the capital of the Company which have a nominal value of 1p each;
"**Pandemic**"	the Covid-19 pandemic;
"**Peel Hunt**"	Peel Hunt LLP, sponsor and broker to the Company;
"**Proposed Acquisition**"	the proposed acquisition by Helical of FPM 100 NBS pursuant to the Acquisition Agreement;
"**Project**"	the intended major refurbishment by Helical of the Property;
"Buyer"	Helical Bicycle 1 Limited, a wholly owned subsidiary of the Company;
"**RCF**"	means a revolving credit facility;
"**Resolution**"	the resolution to be proposed at the General Meeting;
"**Savills**"	Savills Advisory Services Limited;
"**Seller**"	100 New Bridge Street Limited, a private company incorporated in the BVI;
"**Shareholders**"	holders of Ordinary Shares in the Company;
"**Sterling**" or "**£**"	the current lawful currency of the United Kingdom;
"**SONIA**"	the Sterling Overnight Index Average interest rate benchmark;
"**UK**" or "**United Kingdom**"	the United Kingdom of Great Britain and Northern Ireland;
"**Valuation Report**"	the valuation report relating to the Property prepared by Savills dated 2 February 2022.

NOTICE OF GENERAL MEETING

HELICAL PLC

(*incorporated in England and Wales with company number 156663*)

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at 5 Hanover Square, London W1S 1HQ at 11.00 a.m. on 18 February 2022 to consider and, if thought fit, pass the following ordinary resolution:

ORDINARY RESOLUTION

THAT the acquisition by the Company of FPM 100 New Bridge Street Limited (the "**Proposed Acquisition**") pursuant to the conditional share acquisition agreement dated 16 December 2021 between the Company and 100 New Bridge Street Limited (the "**Acquisition Agreement**"), as more particularly described in the circular to shareholders of the Company dated 2 February 2022 (a copy of which has been laid before the meeting and initialled by the Chairman for identification purposes only), and all agreements and arrangements made or entered into, or which may in the future be made or entered into, by the Company, or any of its subsidiaries, in connection with, or which are ancillary to, the Proposed Acquisition, including the Acquisition Agreement, be and are hereby approved and that the directors (or any duly constituted committee thereof) of the Company be and are hereby authorised to make any non-material amendment, variation, waiver or extension to the terms or conditions of the Proposed Acquisition, the Acquisition Agreement and/or any ancillary agreement which the directors (or any duly constituted committee thereof) consider necessary, desirable or expedient and to do all such other things as they may consider necessary, desirable or expedient in connection with the Proposed Acquisition.

By order of the Board

James Moss
Secretary

2 February 2022

Notes:

(1) Shareholders are able to complete and return a form of proxy in accordance with the procedures set out below in order to vote in advance of the General Meeting. Shareholders are strongly encouraged to appoint the Chairman of the General Meeting as their proxy, which will ensure their votes are cast in accordance with their wishes, even where the Shareholder, or any other person they might wish to appoint as proxy, is unable to attend the meeting in person. Shareholders may alternatively appoint one or more persons other than the Chairman of the General Meeting to be their proxy or proxies to exercise all or any of their rights to vote at the General Meeting and such a proxy need not also be a Shareholder of the Company. Where more than one proxy is appointed, each proxy must be appointed to exercise the rights attached to a different share or shares held by the Shareholder. The Company is not distributing a hard copy form of proxy unless specifically requested and Shareholders are encouraged to vote electronically. The methods available to appoint a proxy are set out below:

- completing the online form of proxy by logging on to www.signalshares.com and selecting Helical plc. If you have not yet registered with www.signalshares.com you will need your IVC which is detailed on your share certificate or is available by calling the Company's registrar, Link Group on +44 371 664 03000 (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. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales);
- requesting a hard copy form of proxy from Link Group on the telephone number shown above and returning the completed form to the address shown on the form;
- in the case of CREST members, using the CREST electronic proxy appointment service, in accordance with the procedures set out in paragraph 5 below,

and in each case with instructions to be received by Link Group not later than 11.00 a.m. on 16 February 2022 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting). Completion of a form of proxy will not prevent a Shareholder from attending the General Meeting or any adjournment thereof. Amended instructions must also be received by Link Group by the deadline for receipt of forms of proxy.

(2) In accordance with Section 325 of the Companies Act 2006 (the "**Act**"), the right to appoint proxies does not apply to persons nominated to receive information rights under Section 146 of the Act. Persons nominated to receive information rights under Section 146 of the Act who have been sent a copy of this notice of meeting are hereby informed, in accordance with Section 149(2) of the Act, that they may have a right under an agreement with the registered member by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for this meeting. If they have no such right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights. Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.

(3) In the case of joint holders, the vote of the senior who tenders the 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 names stand in the Company's relevant register of members for certificated or uncertificated shares of the Company (as the case may be) (the "**Register**") in respect of the joint holding.

(4) In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, the Company gives notice that only those ordinary Shareholders entered on the Register at 6.00 p.m. on 16 February 2022 (the "**Specified Time**") will be entitled to attend or vote at the General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the Register after the Specified Time will be disregarded in determining the rights of any person to attend or vote at the General Meeting. Should the General Meeting be adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned General Meeting. Should the General Meeting be adjourned for a longer period, then to be so entitled, members must be entered on the Register at the time which is 48 hours before the time fixed for the adjourned General Meeting or, if the Company gives notice of the adjourned General Meeting, at the time specified in the notice.

(5) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournments of it by using the procedures described in the CREST Manual.

CREST personal members or other CREST sponsored members, and those CREST members who have appointed voting service provider(s), should refer to their CREST sponsors or voting service providers, who will be able to take the appropriate action on their behalf.

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 UK & International Limited's specifications and must contain the information required for those 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 the previously appointed proxy, must, to be valid, be transmitted so as to be received by the Company's Registrar (Participant ID: RA10) by the latest time for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. No messages received through the CREST network after this time will be accepted. 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 Euroclear UK & International Limited 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. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

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 voting service providers, to procure that its CREST sponsors or voting service providers take) 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.

(6) A copy of the notice of General Meeting, and other information required by Section 311A of the Act, can be found at the Company's website: https://www.helical.co.uk/investors/shareholder-information/egm/