



URBAN LOGISTICS
REIT PLC

URBAN LOGISTICS REIT PLC

NOTICE OF ANNUAL GENERAL MEETING

(Incorporated and registered in England and Wales with registered number 9907096)

Buchanan Communications Ltd, 107 Cheapside, London EC2V 6DN 9.00 a.m. on 20 July 2022

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspects of the proposals in this document or the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other independent professional adviser.

If you have sold or otherwise transferred all your shares in Urban Logistics REIT plc, please forward this notice of the Annual General Meeting 2022, together with any accompanying documents (except any personalised forms), as soon as possible to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass this document to the person who now holds the shares.

ACCESSING THE 2022 ANNUAL REPORT AND ACCOUNTS

A printed copy of the 2022 Annual Report and Accounts will only be sent to you if you have opted to receive a paper copy of communication from the Company. You may access the 2022 Annual Report and Accounts by visiting the Company's website www.urbanlogisticsreit.com. If at any time you would like to change your preference on how you receive documents, please contact our Registrar, Computershare Investor Services PLC, whose contact details are set out below. By choosing to receive communications electronically, by email and on our website, you will have access to Company information more quickly. In addition, reducing the need to print shareholder communications supports the Company's commitment to manage our business' environmental impact and helps us grow our business in a sustainable way.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (“**AGM**”) of Urban Logistics REIT plc (the “**Company**”) will be held at the offices of Buchanan Communications Ltd, 107 Cheapside, London EC2V 6DN at 9.00 a.m. on 20 July 2022 for the purpose of considering and, if thought fit, passing the following resolutions (which will be proposed, in the case of resolutions 1 to 14, as ordinary resolutions and, in the case of resolutions 15 to 18, as special resolutions):

Ordinary business

ORDINARY RESOLUTIONS

1. To receive the Annual Report and Accounts of the Company for the financial year ended 31 March 2022.
2. To approve the Directors' Remuneration Policy included in the Annual Report and Accounts of the Company for the financial year ended 31 March 2022.
3. To approve the Directors' Remuneration Report included in the Annual Report and Accounts of the Company for the financial year ended 31 March 2022.
4. That Nigel Rich be re-elected as a Director of the Company with effect from the end of the meeting.
5. That Jonathan Gray be re-elected as a Director of the Company with effect from the end of the meeting.
6. That Bruce Anderson be re-elected as a Director of the Company with effect from the end of the meeting.
7. That Richard Moffitt be re-elected as a Director of the Company with effect from the end of the meeting.
8. That Mark Johnson be re-elected as a Director of the Company with effect from the end of the meeting.
9. That Heather Hancock be re-elected as a Director of the Company with effect from the end of the meeting.
10. To re-appoint RSM UK Audit LLP as auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at which the Company's accounts are laid.
11. To authorise the Audit Committee of the Company to determine the amount of the auditor's remuneration.
12. To approve the Company's dividend policy, authorising the Directors of the Company to declare and pay all dividends of the Company as interim dividends and for the second dividend referable to a financial year not to be categorised as a final dividend that is subject to shareholder approval.

Special business

ORDINARY RESOLUTIONS

13. That the maximum fees payable to Directors under article 106 of the Company's Articles of Association be increased from £400,000 a year in aggregate to £500,000 a year in aggregate.
14. That the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the “**Act**”) to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate maximum nominal amount of £943,950.82 (equating to 94,395,082 ordinary shares of £0.01 each (“**Ordinary Shares**”) and representing approximately 20.00% of the ordinary share capital of the Company as at Wednesday 22 June 2022) provided that this authority shall expire (unless renewed, varied or revoked by the Company in general meeting) on the earlier of the conclusion of the next Annual General Meeting of the Company and 30 September 2023 save that the Company shall be entitled to make, prior to the expiry of such authority, any offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert any security into shares to be granted after the expiry of such authority and the Directors may allot shares or grant rights to subscribe for or convert securities into shares in pursuance of such offer or agreement as if the authority conferred hereby had not expired. For the avoidance of doubt, the authority granted by this resolution shall not replace the existing authorities granted to the Directors at a general meeting of the Company held on 12 November 2021 pursuant to section 551 of the Act to allot any shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company.

SPECIAL RESOLUTIONS

15. That, subject to the passing of resolution no. 14, the Directors be and are hereby empowered pursuant to sections 570 and 573 of the Act to allot equity securities (as defined in section 560 of the Act) for cash either pursuant to the authority conferred by resolution no. 14 above or by way of sale of treasury shares as if section 561(1) of the Act did not apply to such allotment, provided that this power shall be limited to the allotment and/or transfer of equity securities up to an aggregate nominal amount of £471,975.41 (equating to 47,197,541 Ordinary Shares and representing approximately 10.00% of the ordinary share capital of the Company as at Wednesday 22 June 2022) that this authority shall expire (unless renewed, varied or revoked by the Company in general meeting) on the earlier of the conclusion of the next Annual General Meeting of the Company and 30 September 2023 save that the Company shall be entitled to make, prior to the expiry of such authority, offers or arrangements which would or might require equity securities to be allotted and/or transferred after such expiry, and the Directors may allot and/or transfer equity securities in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired. For the avoidance of doubt, the authority granted by this resolution shall not replace the existing authorities granted to the Directors at a general meeting of the Company held on 12 November 2021 to allot equity securities for cash or by way of a sale of treasury shares as if section 561(1) of the Act did not apply.
16. That, subject to the passing of resolution no. 14 and in addition to the authority granted in resolution no. 15, the Directors be and are hereby empowered pursuant to sections 570 and 573 of the Act to allot equity securities (as defined in section 560 of the Act) for cash either pursuant to the authority conferred by resolution no. 14 above or by way of sale of treasury shares as if section 561(1) of the Act did not apply to such allotment, provided that this power shall be limited to the allotment and/or transfer of equity securities up to an aggregate nominal amount of £471,975.41 (equating to 47,197,541 Ordinary Shares and representing approximately 10.00% of the ordinary share capital of the Company as at Wednesday 22 June 2022) provided that this authority shall expire (unless renewed, varied or revoked by the Company in general meeting) on the earlier of the conclusion of the next Annual General Meeting of the Company and 30 September 2023 save that the Company shall be entitled to make, prior to the expiry of such authority, offers or arrangements which would or might require equity securities to be allotted and/or transferred after such expiry, and the Directors may allot and/or transfer equity securities in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired. For the avoidance of doubt, the authority granted by this resolution shall not replace the existing authorities granted to the Directors at a general meeting of the Company held on 12 November 2021 to allot equity securities for cash or by way of a sale of treasury shares as if section 561(1) of the Act did not apply.
17. That the Company be authorised generally and unconditionally, in accordance with section 701 of the Act, to make market purchases (within the meaning of section 693(4) of the Act) of Ordinary Shares provided that:
- (a) the maximum number of Ordinary Shares that may be purchased is 70,796,311 representing approximately 14.99 per cent. of the issued ordinary share capital as at Wednesday 22 June 2022;
 - (b) the minimum price which may be paid for an Ordinary Share is 1 pence; and
 - (c) the maximum price which may be paid for an Ordinary Share is the higher of: (i) 5% above the average of the mid-market quotation of an Ordinary Share for the 5 business days before the purchase is made; and (ii) the higher of the last independent trade and the highest current independent bid for any number of Ordinary Shares on the trading venue where the purchase is carried out.

The authority conferred by this resolution will expire on the earlier of the conclusion of the next Annual General Meeting of the Company and 30 September 2023 save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase Ordinary Shares which will or may be executed wholly or partly after the expiry of such authority.

18. That a general meeting of the Company, other than an Annual General Meeting, may be called on not less than 14 clear days' notice.

By order of the Board

Link Company Matters Limited

Company Secretary of Urban Logistics REIT plc

22 June 2022

Registered Office:
6th Floor,
65 Gresham Street,
London,
EC2V 7NQ

NOTES

Attendance

1. In accordance with current UK government guidance regarding COVID-19, the AGM is currently intended to be an open meeting allowing shareholders to attend in person. However, whilst there are not expected to be any government restrictions on public gatherings at the time of the AGM, the Board recommends that you continue to monitor and review the UK government guidance and consider whether your travel to, and attendance at, the AGM is necessary. Shareholders are asked to exercise good judgement and not to attend the AGM in person if you have any symptoms of, or have tested positive for, COVID-19.
2. **The rules around capacity at the venue and changes in health and safety requirements, may mean shareholders cannot ultimately attend the meeting. Given this uncertainty, we recommend that all shareholders appoint the Chair of the meeting as proxy.** You are strongly encouraged to exercise your right to cast your votes in respect of the business of the general meeting by voting via proxy in accordance with the instructions below. This will ensure that your vote is counted even if attendance at the meeting is restricted or you or any other proxy you might appoint are unable to attend in person.
3. Shareholders wishing to attend the physical meeting are asked to register their attendance as soon as practicable by sending an email to the Company Secretary at urbanlogisticscosec@linkgroup.co.uk. Attendees will be required to comply with any health and safety measures imposed at the AGM venue in accordance with any instructions from the Company and any guidance from the UK Government in force on the day of the AGM.
4. In the event that government restrictions on public gatherings or social distancing are re-introduced, please note that the Company may be required to change the arrangements for the AGM at short notice. This will be notified to shareholders on our website and/or via a Regulatory Information Service.
5. Shareholders are being given the opportunity to raise questions before the meeting by sending them to ir@urbanlogisticsreit.com and any questions submitted by close of business on 18 July 2022 will be responded to in writing on the Company's website or during the AGM.

Proxies

6. A member is entitled to appoint a proxy to exercise all or any of the member's rights to attend, speak and vote at the AGM. A proxy need not be a member of the Company.
7. A form of proxy is enclosed with this notice. Forms of proxy may also be obtained on request from the Company's registered office. In order to be valid any proxy form or other instrument appointing a proxy must be returned duly completed by one of the following methods no later than 48 hours before the time of the AGM (excluding nonworking days), in hard copy form by post, by courier, or by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY. Submission of a proxy appointment will not preclude a member from attending and voting at the AGM in person should they wish to do so. However please note that to the extent that you attend but do not vote at the meeting, the appointment of the proxy remains effective unless otherwise validly withdrawn.
8. A shareholder may appoint more than one proxy in relation to the AGM to attend, speak and vote provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy, an additional proxy form(s) may be obtained by contacting the Registrar's helpline on 0370 707 1384 or the proxy form should be photocopied and the name of the proxy to be appointed indicated on each form together with the number of shares that such proxy is appointed in respect of (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
9. As an alternative to completing the form of proxy, shareholders can appoint a proxy electronically via the Registrar's online voting portal www.investorcentre.co.uk/eproxy. For an electronic proxy appointment to be valid, your appointment must be received by the Registrar no later than 48 hours before the time of the AGM (excluding nonworking days).
10. To direct your proxy on how to vote on the resolutions, mark the appropriate box on your form of proxy with an 'X'. To abstain from voting on a resolution, select the relevant "Vote withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at their discretion. Your proxy will vote (or abstain from voting) as they think fit in relation to any other matter which is put before the AGM.
11. Any power of attorney or any other authority under which your proxy form is signed (or a duly certified copy of such power or authority) must be returned to the registered office with your proxy form.
12. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

13. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent ID (3RA50) by the latest time(s) for receipt of proxy appointments specified in this notice of AGM. 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. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
14. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
15. 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.

Thresholds and entitlement to vote

16. To be passed, ordinary resolutions require a majority in favour of the votes cast and special resolutions require a majority of not less than 75% of members who vote in person or by proxy at the meeting. On a show of hands every shareholder who is present in person (or being a company is present by a representative not himself, a shareholder) and who is allowed to vote at a general meeting shall have one vote. Upon a poll every member holding Ordinary Shares who is present in person or by proxy (or being a company is represented) shall have one vote for every Ordinary Share of which he is the registered holder.
17. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), specifies that only those members registered in the Company's register of members (the "**Register of Members**") at the close of business on 18 July 2022 (or if the AGM is adjourned, members entered on the Register of Members no later than 48 hours before the time fixed for the adjourned AGM) shall be entitled to attend, speak and vote at the AGM in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries on the Register of Members after the close of business on 18 July 2022 shall be disregarded in determining the rights of any person to attend, speak or vote at the AGM.
18. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Register of Members in respect of the joint holding (the first named being the most senior).
19. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.
20. A person to whom this notice of AGM is sent who is a person nominated under section 146 of the Act to enjoy information rights (a "**Nominated Person**") may, under an agreement between them and the shareholder by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of rights of members in relation to the appointment of proxies above do not apply to a Nominated Person. The rights described in those notes can only be exercised by registered shareholders of the Company.
21. As at Wednesday 22 June 2022, being the latest practicable date before the publication of this notice of AGM, the Company's issued share capital consisted of 471,975,411 Ordinary Shares each carrying one vote. Therefore, the total voting rights in the Company as at Wednesday 22 June 2022 is 471,975,411. All Ordinary Shares carry equal voting rights and there are no restrictions on those voting rights. Voting deadlines are stated in the notes above and form of proxy and are in accordance with the Act. There are no restrictions on the transfer of Ordinary Shares, nor are there any limitations or special rights associated with regard to control attached to the Ordinary Shares.

Miscellaneous

22. Copies of the Directors' letters of appointment are available for inspection at the registered office of the Company during normal business hours from Wednesday 22 June 2022 and will be available for inspection at the place where the meeting is being held from 15 minutes prior to and during the meeting.
23. This notice of AGM, the information required by section 311A of the Act and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice of AGM, will be available on the Company's website at www.urbanlogisticsreit.com.
24. Members who have general queries about the AGM should email the Company Secretary at urbanlogisticscosec@linkgroup.co.uk. Shareholders may not use any electronic address provided either in the notice of AGM or any related documents (including the form of proxy) to communicate with the Company for any purpose other than those expressly stated.
25. The Company must cause to be answered any question asked by a shareholder relating to the business to be dealt with at the meeting unless: (a) answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
26. Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the Chair of the AGM as their proxy is to ensure that both they and their proxy comply with their respective disclosure obligations under the UK Disclosure Guidance and Transparency Rules.
27. Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommend that the shareholders subject all messages to virus checking procedures prior to use. Any electronic communication received by the Company that is found to contain any virus will not be accepted.
28. Under Section 527 of the Act, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's financial statements (including the Auditor's Report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual financial statements and reports were laid in accordance with Section 437 of the Act (in each case) that the shareholders propose to raise at the relevant meeting. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under Section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required under Section 527 of the Act to publish on a website.

Explanation of certain resolutions

29. **Resolution 1 – Receipt of the Annual Report and Accounts** – the Directors are required to present the Annual Report and Accounts of the Company to the meeting.
30. **Resolution 2 – Directors' Remuneration Policy** – the Directors' Remuneration Policy (the "**Policy**") is contained in the Directors' Remuneration Report and can be found on page 74 of the Annual Report and Accounts. As the Company is now a constituent of the Main Market of the London Stock Exchange, Directors are required to seek shareholder approval for a Remuneration Policy at least every three years, except in the event that a change to the Policy is proposed or the advisory vote on the Directors' Remuneration Report is not passed in any year subsequent to the approval of the Policy. Accordingly, the Directors have recommended that the Policy be submitted for shareholder approval at the 2022 AGM. Accordingly, shareholders are invited to approve the Policy by voting on resolution 2. The Policy sets out the Company's forward looking policy on Directors' remuneration and is subject to a binding shareholder vote. If resolution 2 is passed, the Policy will take effect from the date of the AGM (the "**Effective Date**") and, from the Effective Date, the Company may not make a remuneration payment or payment for loss of office to a person who is, or is to be, or has been a director of the Company unless that payment is consistent with the approved Policy, or such payment has otherwise been approved by a shareholders' resolution.
31. **Resolution 3 – Directors' Remuneration Report** – this resolution seeks shareholder approval of the Directors' Remuneration Report (excluding the Directors' Remuneration Policy), which is set out on pages 72 and 73 of the Annual Report and Accounts. The Company's auditors have audited those parts of the Directors' Remuneration Report that are required to be audited and their report may be found on pages 80 to 85 of the Annual Report and Accounts. This resolution is subject to an 'advisory vote' by shareholders. In the event that the resolution is not passed, payments made or promised to Directors will not have to be repaid, reduced or withheld.

32. **Resolutions 4 to 9 – Re-appointment of Directors** – the Board, led by the Chair, has considered each of the Directors and has concluded that each of them makes positive and effective contributions to the meetings of the Board and the committees on which they sit, and that they demonstrate commitment to their roles. The Board is satisfied that each independent non-executive director offering themselves for re-appointment is independent in character and there are no relationships or circumstances likely to affect their character or judgement. Biographies of each of the Directors are provided on pages 56 and 57 of the Annual Report and Accounts and are also available from the Company's website: www.urbanlogisticsreit.com. The Board unanimously recommends the re-appointment of each of the Directors.
33. **Resolutions 10 and 11 – Auditor appointment and remuneration** – the auditor of a company must be reappointed at each general meeting at which accounts are laid. Resolution 10 proposes the appointment of the RSM UK Audit LLP until the next general meeting at which accounts are presented. Resolution 11 is a separate resolution which proposes to grant authority to the Audit Committee to determine the auditor's remuneration.
34. **Resolution 12 – Dividend payment policy** – the Company's policy is to pay dividends on a half-yearly basis. As the second dividend in respect of a financial period is declared prior to the relevant annual general meeting, it is declared as an interim dividend and, accordingly, no final dividend is payable. The Board is conscious that this means that shareholders will not be given the opportunity to vote on the payment of a final dividend. However, if a final dividend was to be declared, this would be subject to shareholder approval which would delay payment. Accordingly, it has been decided that shareholders will be asked at each AGM to confirm their approval of the Company's dividend policy. The Company's current dividend policy is to continue to pay half-yearly interim dividends with the objective of providing shareholders with regular, sustained distributions over the long term.
35. **Resolution 13 – Directors' fees** – In accordance with the Company's Articles of Association, the maximum aggregate fees payable to the Directors are £400,000. Although there are currently no plans to make any material changes to Directors' fees other than the changes disclosed on page 72 of the Annual Report and Accounts, the Board believes it is desirable to increase the fee limit to reflect the growth of the Group and to provide flexibility for any future increase in Directors' fees or any further increase in the number of Directors, and therefore seeks shareholder approval to raise the aggregate maximum fees payable to its Directors by £100,000, to £500,000 a year.
36. **Resolution 14 – General authority to allot** – this resolution, to be proposed as an ordinary resolution, relates to the grant to the Directors of authority to allot unissued Ordinary Shares until the earlier of the conclusion of the annual general meeting to be held in 2023 and 30 September 2023 (being six months after the financial year end of the Company), unless the authority is renewed or revoked prior to such time. This authority is limited to a maximum nominal amount of £943,950.82 (representing approximately 20.00 per cent. of the issued Ordinary Share capital of the Company as at Wednesday 22 June 2022 (the latest practicable date prior to the publication of this document)). The Directors may exercise this authority if they decide to carry out one or more equity fundraisings in the short to medium term. This authority is in addition to the existing authorities previously granted to the Directors at a general meeting of the Company held on 12 November 2021 pursuant to section 551 of the Act to allot any shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company.
37. **Resolutions 15 and 16 – Statutory pre-emption rights** – the Act requires that if the Directors decide to allot unissued shares in the Company or transfer them out of treasury, the shares proposed to be issued or transferred must be first offered to existing shareholders in proportion to their existing holdings. This is known as shareholders' pre-emption rights. However, to act in the best interests of the Company, the Directors may require flexibility to allot and/or transfer shares out of treasury for cash without regard to the provisions of section 561(1) of the Act. Therefore resolution 15, to be proposed as a special resolution, seeks authority to enable the directors to allot and/or transfer equity securities out of treasury up to a maximum nominal amount of £471,975.41 (representing approximately 10.00 per cent. of the issued Ordinary Share capital of the Company as at Wednesday 22 June 2022 (the latest practicable date prior to the publication of this document)). This authority expires on the earlier of the conclusion of the Annual General Meeting to be held in 2023 and 30 September 2023 (being six months after the financial year end of the Company), unless the authority is renewed or revoked prior to such time. This authority is in addition to the existing authorities previously granted to the Directors at a general meeting of the Company held on 12 November 2021 to allot equity securities for cash or by way of a sale of treasury shares as if section 561(1) of the Act did not apply.
- Resolution 16, to be proposed as a special resolution, seeks authority to enable the Directors to allot and/or transfer equity securities out of treasury up to a further maximum nominal amount of £471,975.41 (representing approximately 10.00 per cent. of the issued Ordinary Share capital of the Company as at Wednesday 22 June 2022 (the latest practicable date prior to the publication of this document)). This authority expires on the earlier of the conclusion of the annual general meeting to be held in 2023 and 30 September 2023 (being six months after the financial year end of the Company), unless the authority is renewed or revoked prior to such time. This authority is in addition to the existing authorities previously granted to the Directors at a general meeting of the Company held on 12 November 2021 to allot equity securities for cash or by way of a sale of treasury shares as if section 561(1) of the Act did not apply.
- In the event that resolution 15 is passed but resolution 16 is not passed, the Directors will, in addition to the authorities granted at a general meeting of the Company held on 12 November 2021, only be authorised to issue Ordinary Shares up to an aggregate nominal value of £471,975.41 on a non-pre-emptive basis, which represents approximately 10.00 per cent. of the Company's issued Ordinary Share capital as at Wednesday 22 June 2022.

Explanation of certain resolutions continued

37. Resolutions 15 and 16 – Statutory pre-emption rights continued

Resolutions 15 and 16 will, if passed, give the Directors power, pursuant to the authority granted by resolution 14 to allot and/or transfer equity securities out of treasury for cash without first offering them to existing shareholders in proportion to their existing holdings, in addition to the authorities granted at a general meeting of the Company held on 12 November 2021, up to a maximum nominal amount of, in aggregate £943,950.82 which represents approximately 20.00 per cent. of the number of Ordinary Shares in issue as at Wednesday 22 June 2022.

The Directors may decide to allot unissued shares in the Company or transfer them out of treasury without first offering to existing shareholders in proportion to their existing holdings if they decide to carry out one or more equity fundraisings in the short to medium term.

The Directors are aware that the combined authority to dis-apply pre-emption rights in respect of up to 20.00 per cent. of the Company's issued Ordinary Share capital sought under resolutions 15 and 16 is higher than the 10.00 per cent. typically sought by investment companies. However, the Directors believe that a higher authority is justified to enable the Company to pursue future investment opportunities in line with its investment policy, where they believe such investment opportunities would create further value for shareholders.

Any new Ordinary Shares issued, or Ordinary Shares sold from treasury, under the authority of resolutions 15 and 16 will, in accordance with the Listing Rules, be at a minimum issue or sale price equal to the prevailing Net Asset Value ("NAV") per Ordinary Share at the time of allotment or sale to avoid dilution of the NAV of the then existing Ordinary Shares held by shareholders.

Resolution 17 – Market purchases – the Directors are requesting authority for the Company to make market purchases of up to 70,796,311 Ordinary Shares (representing approximately 14.99 per cent. of the issued Ordinary Share capital of the Company as at Wednesday 22 June 2022 (the latest practicable date prior to the publication of this document)). There is no present intention to exercise such general authority. Any repurchase of Ordinary Shares will be made subject to the Act and within guidelines established from time to time by the Directors (which will take into account the income and cash flow requirements of the Company) and will be at the absolute discretion of the Directors, and not at the option of shareholders. Subject to shareholder authority for the proposed repurchases, general purchases of the Ordinary Shares in issue will only be made through the market. Such purchases may only be made provided the price to be paid is not more than the higher of: (i) five per cent. above the average of the middle market quotations for the Ordinary Shares for the five business days before the purchase is made; or (ii) the higher of the price of the last independent trade and the highest current independent bid at the time of purchase. Any Ordinary Shares purchased will either be cancelled or, if the Directors so determine, held in treasury.

The Act permits companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. This provides the Company with the ability to re-issue Ordinary Shares quickly and cost effectively, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base. No Ordinary Shares will be sold from treasury at a price less than the (cum-income) NAV per existing Ordinary Share at the time of their sale unless they are first offered pro rata to existing shareholders. At the period end and at the date of this notice of AGM, no Ordinary Shares were held in treasury.

38. **Resolution 18 – Notice period for general meetings** – the notice period required by the Act for general meetings of the Company is clear 21 days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days (annual general meetings must always be held on at least 21 clear days' notice.) This resolution, if passed, authorises the calling of general meetings other than an annual general meeting on not less than 14 clear days' notice, and will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed. In order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting. The flexibility offered by this resolution will be used where, taking into account the circumstances, the Directors consider this appropriate in relation to the business to be considered at the meeting and in the interests of the Company and shareholders as a whole. This resolution will be proposed as a special resolution.

Recommendation

The Board considers that all the resolutions to be put to the AGM are in the best interests of the Company and its shareholders as a whole. The Board unanimously recommends that shareholders vote in favour of the resolutions.