THIS REGISTRATION DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from an independent financial adviser who specialises in advising on shares or other securities and who is authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") or, if you are not resident in the UK, from another appropriately authorised independent financial adviser in your own jurisdiction.

This Registration Document, the Securities Note and the Summary together comprise a prospectus (the "**Prospectus**") relating to LXi REIT plc (the "**Company**") prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority ("**FCA**") made pursuant to section 73A of FSMA.

This Registration Document has been approved by the FCA under the UK Prospectus Regulation. The FCA only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer that is the subject of this Registration Document. This Registration Document has been drawn up as part of a simplified prospectus in accordance with Article 14 of the UK Prospectus Regulation.

This Registration Document is valid for a period of 12 months following its publication and, save in circumstances where the Company is obliged to publish a supplementary prospectus or a supplement to the Registration Document, will not be updated. A future prospectus for any issuance of additional Ordinary Shares may, for a period of up to 12 months from the date of the publication of this Registration Document, consist of this Registration Document, a Future Summary and Future Securities Note applicable to each issue and subject to a separate approval by the FCA on each issue. Persons receiving this Registration Document should read the Prospectus together as a whole and should be aware that any update in respect of a Future Summary and Future Securities Note may constitute a material change for the purpose of the Prospectus Regulation Rules.

The Company and each of the Directors, whose names appear on page 18 of this Registration Document, accept responsibility for the information contained in this Registration Document. To the best of the knowledge of the Company and the Directors, the information contained in this Registration Document is in accordance with the facts and the Registration Document makes no omission likely to affect its import.

LXi REIT plc

(Incorporated in England and Wales with company number 10535081 and registered as an investment company under section 833 of the Companies Act 2006)

REGISTRATION DOCUMENT

Investment Advisor
LXi REIT Advisors Limited

AIFM
Alvarium Fund Managers (UK) Limited

Sponsor, Joint Global Co-ordinator, Joint Broker, Joint Bookrunner and Intermediaries Offer Adviser
Peel Hunt LLP

Joint Global Co-ordinator, Joint Broker and Joint Bookrunner
Jefferies

Each of Peel Hunt LLP ("**Peel Hunt**"), Jefferies International Limited, both of which are authorised and regulated in the United Kingdom by the FCA, and Jefferies GmbH, registered in Germany and authorised and regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht (together, Jefferies International Limited and Jefferies GmbH, being "**Jefferies**"), is acting exclusively for the Company and for no-one else and will not regard any other person (whether or not a recipient of this Registration Document) as its client in relation to the Initial Issue, the Share Issuance Programme and the other arrangements referred to in the Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, nor for providing advice in connection with the Initial Issue, the Share Issuance Programme, any Admission and the other arrangements referred to in the Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed upon Peel Hunt or Jefferies by the FCA or under FSMA, or the regulatory regime established thereunder or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Peel Hunt nor Jefferies nor any person affiliated with them, assumes any responsibility whatsoever and makes no representation or warranty, express or implied, as to the contents of the Prospectus, including its accuracy, completeness or verification, or for any other statement made or purported to be made by Peel Hunt, Jefferies, or on their behalf, the Company or any other person in connection with the Company, the New Ordinary Shares, the Initial Issue, the Share Issuance Programme or any Admission and nothing contained in the Prospectus is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. Neither Peel Hunt nor Jefferies (together with their respective affiliates) assumes any responsibility for the accuracy, completeness or verification of the Prospectus and accordingly each of them disclaims, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which it might otherwise be found to have in respect of the Prospectus or any such statement.

The New Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**US Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold into or within the United States, except pursuant to an exemption from the registration requirements of the

US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. Outside the United States, the New Ordinary Shares may be sold pursuant to Regulation S under the US Securities Act ("**Regulation S**"). Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved of these securities or determined if this document is truthful or complete. Any representation to the contrary is a US criminal offence.

The Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, New Ordinary Shares in any jurisdiction where such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, Peel Hunt or Jefferies. The offer and sale of New Ordinary Shares has not been and will not be registered under the applicable securities law of Canada, Japan, Australia, Singapore or the Republic of South Africa. Subject to certain exemptions, the New Ordinary Shares may not be offered to or sold within Canada, Japan, Australia, Singapore or the Republic of South Africa or to any national, resident or citizen of Canada, Japan, Australia, Singapore or the Republic of South Africa. None of the Company, Peel Hunt or Jefferies, or any of their respective representatives, is making any representation to any offeree or purchaser of the New Ordinary Shares regarding the legality of an investment in the New Ordinary Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the New Ordinary Shares.

Copies of this Registration Document, the Securities Note and the Summary (along with any Future Securities Note and/or Future Summary and any supplementary prospectus issued by the Company) will be available on the Company's website and the National Storage Mechanism of the FCA at https://data.fca.org.uk/#/nsm/nationalstoragemechanism.

Dated: 18 February 2021

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RISK FACTORS

An investment in the Company carries a number of risks including (without limitation) the risk that the entire investment may be lost. In addition to all other information set out in the Prospectus, the following specific factors should be considered (alongside the section headed "Risk Factors" in the Securities Note) when deciding whether to make an investment in the Company.

The risks set out below are those which are considered to be the material risks relating to an investment in the Company but are not the only risks relating to the Company or the Group.

An investment in the Company is suitable for institutional investors, professional investors, high net worth investors, professionally advised private investors and retail investors seeking exposure to a diversified portfolio of UK property that benefits from long and index-linked leases with institutional-grade tenants with strong financial covenants. Investors should understand the risks and merits of such an investment and have sufficient resources to be able to bear any losses (which may equal up to the whole amount invested) that may result from such an investment. Furthermore, an investment in the Company should constitute part of a diversified investment portfolio. Additional risks and uncertainties of which the Company is presently unaware or that the Company currently believes are immaterial may also adversely affect its business, financial condition, results of operations or the value of the Ordinary Shares.

As required by the UK Prospectus Regulation, the risk that the Directors consider to be the most material risk in each category, taking into account the negative impact on the Company and the probability of its occurrence, has been set out first. Given the forward-looking nature of the risks, there can be no guarantee that any such risk is, in fact, the most material or the most likely to occur. Investors should, therefore, review and consider each risk.

1. RISKS RELATING TO THE COMPANY, ITS INVESTMENT STRATEGY AND OPERATIONS

The Company's financial performance and prospects may continue to be adversely affected by the COVID-19 pandemic, the long-term impact of which is currently unknown

On 11 March 2020, the World Health Organisation announced that the outbreak of COVID-19 (commonly referred to as Coronavirus) had been declared a global pandemic. COVID-19 has created considerable uncertainty for the UK economy, the real estate market and the sectors in which the Company invests. As a result, COVID-19 has had an effect on the Group's returns, and in particular dividends paid, as a result of lower rent collections. Furthermore, the long-term impacts of the outbreak are unknown and rapidly evolving. There is no assurance that the outbreak will not continue to adversely affect the UK economy and real estate market, thereby having a material adverse impact on the future results of the Company.

The effects of COVID-19 are likely to continue for the foreseeable future, increasing the levels of risk in a number of areas. In particular, the outbreak could increase the risk of tenant default, the extent of which varies significantly by business sector and tenant. The payment of dividends by the Company is dependent on rent collection by the Group and, if rent collection is affected by tenant defaults or otherwise, it could restrict the Company's ability to pay dividends.

Furthermore, the uncertainty caused by the outbreak could cause the market price of the Ordinary Shares to deviate from their underlying NAV, increasing any discount at which the Ordinary Shares trade, and could adversely affect the ability of the Company to raise capital in the near term. In extraordinary circumstances, the effects of COVID-19 could impact the Company's forward funded developments, causing tenant pre-lets to be broken or developers to default on their contractual obligations. Any adverse impact on property valuations or rental income from the Group's investments as a result of the pandemic could increase the risk of the Group breaching financial covenants in its borrowing facilities (in particular those relating to loan to value ratio and interest cover ratio), which could require the Group to repay loans early and sell assets prematurely to fund such early repayment. Furthermore, restrictions on travel or movement could adversely affect the ability of the Board and/or the Company's service providers to discharge their responsibilities to the Company.

The future development of the outbreak is uncertain and the extent of the impact will depend on the continued range of the virus, the emergence of new strains, infection rates, the severity and mortality rates of the virus, the timing, implementation and efficacy of vaccines, the steps taken in the UK and globally to prevent the spread of the virus as well as fiscal and monetary stimuli offered by the UK government and governments globally.

The Company may not meet its investment objective or return objective

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

The Company's investment objective is to provide Shareholders with an inflation protected income and capital growth over the medium-term. The payment of future dividends and the level of any future dividends paid by the Company is subject to the discretion of the Directors and will depend upon, amongst other things, the Company successfully pursuing its investment policy and the Company's earnings, financial position, cash requirements, level and rate of borrowings and availability of profit, as well as the provisions of relevant laws or generally accepted accounting principles from time to time. There can be no assurance that any dividends will be paid in respect of any financial year or period and no guarantee as to the level of any future dividends to be paid by the Company. There is no guarantee that the Company will achieve the stated target total NAV return referred to in this Registration Document and therefore achieve its return objective.

The Company's targeted returns are based on estimates and assumptions that are inherently subject to significant uncertainties and contingencies, and the actual rate of return may be materially lower than the targeted returns

The Company's target total NAV return set out in this Registration Document is a target only (and, for the avoidance of doubt, is not a profit forecast). There can be no assurance that the Company will meet this target, or any other level of return, or that the Company will achieve or successfully implement its investment objectives. The Company may not be able to implement its investment objective and investment policy in a manner that generates returns in line with its targets. The existence of the target total NAV return should not be considered as an assurance or guarantee that it can or will be met by the Company.

Although the target total NAV return figure is presented as a specific figure in this Registration Document, the actual returns achieved by the Company's investment portfolio may vary from the target total NAV return and these variations may be material. The target total NAV return figure is based on the Investment Advisor's assessment of appropriate expectations for returns on the investments that the Company has made and proposes to make and the ability of the Investment Advisor to enhance the return generated by those investments through active asset management and based on assumptions including those relating to forecasts of increases in property capital, loan and rental values. There can be no assurance that these assessments, expectations and assumptions will be proved correct and failure to achieve any or all of them may materially adversely impact the Company's ability to achieve the target total NAV return.

In addition, numerous factors, including, without limitation, taxation and fees payable by the Company or its intermediary holding entities, could prevent the Company from achieving its target total NAV return, even if the individual investments made by the Company were to achieve returns in line with the Company's stated targets.

The target total NAV return figure is based on estimates and assumptions about a variety of factors including, without limitation, purchase price, yield and performance of the Company's investments (including the impact of COVID-19), which are inherently subject to significant business, economic and market uncertainties and contingencies, all of which are beyond the Company's control and which may adversely affect the Company's ability to achieve its targeted returns. In particular, the target assumes that future rent collection is not materially lower than that achieved so far throughout the COVID-19 pandemic. Furthermore, the target total NAV return figure is based on the general and local market conditions and the economic environment at the time of assessing the targeted returns, and is therefore subject to change. In particular, the Company's stated target total NAV return assumes no material changes occur in government regulations or other policies, or in law and taxation, or changes in the political approach to real estate investment, and that the Company is not affected by natural disasters, terrorism, social unrest or civil disturbances or the occurrence of risks described elsewhere in this Registration Document. There is no guarantee that actual (or any) returns can be achieved at or near the levels set out in this Registration Document. Accordingly, the actual rate of return achieved may be materially lower than that targeted, or may result in a partial or total loss, which could have a material adverse effect on the Company's profitability, the NAV and the price of the Ordinary Shares.

The Company's due diligence may not identify all risks and liabilities in respect of an acquisition

Prior to the Company entering into an agreement to acquire a property, the Investment Advisor, on behalf of the Company, will perform due diligence on the property concerned. In doing so it would typically rely on third parties to conduct a significant portion of this due diligence (including legal reports on title and property valuations). There can be no assurance, however, that any due diligence examinations carried out by third parties on behalf of the Company in connection with any assets the Company may acquire will reveal all of the risks associated with that asset, or the full extent of such risks. To the extent that such third parties underestimate or fail to identify risks and liabilities (including any environmental liabilities) associated with the property in question, the Company may be affected by defects in title, or exposed to environmental, structural or operational defects or liabilities requiring remediation, which may not be covered by indemnities or insurance, or may be unable to obtain necessary permits or permissions which may have a material adverse effect on the Company's profitability, the NAV and the price of the Ordinary Shares.

A due diligence failure may also result in properties that are acquired failing to perform in accordance with projections, particularly as to rent and occupancy, which may have a material adverse effect on the Company's profitability, the NAV and the price of the Ordinary Shares.

Even where the Investment Advisor has been able to identify relevant risks and liabilities associated with a potential acquisition through the due diligence process, the contractual protections in the acquisition documentation may not be sufficient to protect the Group from such risks and liabilities. As a consequence, the Group may be affected by or exposed to risks against which it has insufficient or no protection or available remedies which may have a material adverse effect on the Group's financial condition, business, prospects and results of operations.

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

The Group uses borrowings to seek to enhance equity returns and to enable the Company to pursue its investment objective and will seek to continue to do so in the future, which exposes the Company to a variety of risks associated with borrowing.

Any amounts that are secured under a bank facility are likely to rank ahead of Shareholders' entitlements and accordingly, should returns derived from the Company's investments not be sufficient to cover the costs and liabilities of such borrowings, on a liquidation of the Company, Shareholders may not recover their initial investment and in certain circumstances may lose their entire investment.

Whilst the use of borrowings should enhance the NAV per Ordinary Share where the value of the Group's investments is rising, it will have the opposite effect where the value of the Group's investments is falling. In addition, in the event that rental income from the Group's investments falls (for example as a result of defaults by tenants) the use of borrowings will increase the impact of such falls on the net income of the Group and this in turn will have an adverse effect on the Company's ability to pay dividends.

The Group's borrowing facilities contain certain financial covenants relating to loan to value ratio and interest cover ratio, a breach of which would lead to a default on the loan. The Group must continue to operate within these financial covenants to avoid default. In the event that the Group breaches any of the financial covenants relating to its facilities, the Group may be required to repay the loans early and, as a consequence, may be forced to sell assets at a price lower than that which would otherwise be achieved in an ordinary sale in order to fund such early repayment.

In addition, it is not certain that the Group will be able to refinance indebtedness as it matures or enter into new facilities on acceptable terms or at all. To date, the Group has either borrowed on a fixed rate basis or entered into hedging arrangements to mitigate the risk of movements in interest rates. To the extent that such arrangements are no longer available or are only available on terms which are not commercially acceptable to, or viable for, the Group, and the Group does not enter into suitable hedging arrangements, the Group may be exposed to interest rate risk due to fluctuations in the prevailing market rates. In the future, the Group may find it difficult or costly to refinance debt within the Group and may be subject to higher interest rates which increase costs. Any of the foregoing events may have a material adverse effect on the Group's financial condition, business, prospects and results of operations and ability to make distributions to Shareholders and may lead to further equity capital raisings by the Company or forced sales of assets.

Unsuccessful transaction costs may adversely affect the Company's business, financial condition, results of operations and prospects

The Company and the Investment Advisor expect to incur significant time and costs in connection with potential acquisitions, including third party costs in connection with identifying suitable investment opportunities, due diligence, negotiating transaction documentation and legal and accounting costs. In addition, the Company expects to incur certain third party costs, including in connection with financing, valuations and professional services associated with sourcing and analysis of suitable assets. Where prospective acquisitions do not proceed to completion, those costs incurred may adversely affect the Company's business, financial condition, results of operations and prospects.

Portfolio concentration risk may mean that the Company's performance is significantly affected by events outside its control

Although the Company has, and aims to maintain, a portfolio diversified by sector and tenant, all of the Company's assets are, and will be, invested in UK property. Consequently, any downturn in the UK and its economy or regulatory changes in the UK, due to Brexit or otherwise, could have a material adverse effect on the Company's results of operations or financial condition. In addition, there are no limits on the percentage of the Company's gross assets which may be invested in any one sector, save that the Company must be invested in a minimum of two sectors at all times. Greater concentration of investments in any sector or exposure to the creditworthiness of any one tenant may mean that the Company's performance is significantly affected by events outside its control that impact that sector or tenant. This may lead to greater volatility in the value of the Company's properties and the NAV and may materially and adversely affect the performance of the Company and returns to Shareholders.

The Company's use of derivative instruments may expose the Company to greater risk

The Company may utilise derivative instruments for efficient portfolio management purposes. Where the Company utilises derivative instruments, it is likely to take a credit risk with regard to the parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. Accordingly, the Company's use of derivative instruments may expose the Company to greater risk and have a material adverse effect on the Company's performance.

The Company seeks to mitigate interest rate risk using derivative instruments. However, there can be no assurances or guarantees that the Company will successfully hedge against such risks or that adequate hedging arrangements will be available on an economically viable basis. Hedging arrangements may result in additional costs being incurred or losses being greater than if hedging had not been used.

The Company may be adversely affected by the UK's exit from the European Union

The UK left the European Union on 31 January 2020 ("**Brexit**"), following which a UK-EU withdrawal agreement came into force and the UK entered into an 11 month transition period (the "**Transition Period**"). During the Transition Period, most EU law continued to apply to, and in, the UK and the UK continued to be treated for most purposes as if it were still a Member State. The Transition Period ended on 31 December 2020.

While the UK and the EU have concluded a Trade and Cooperation Agreement on the terms of their relationship following the end of the Transition Period, the macroeconomic effect that Brexit will have on the value of investments in the UK real estate sector (and, by extension, the value of the investments in the Group's investment portfolio) is still unknown. As such, it is not possible to state the impact that Brexit will have on the Group and its investments in the medium-to-long-term. Brexit may also make it more difficult for the Company to raise capital in the EU and/or increase the regulatory compliance burden on the Group. This could restrict the Group's future activities and thereby negatively affect returns.

The Group's tenants may also be impacted by the macroeconomic effect of Brexit, the eventual consequences of which may impact upon tenants' ability to comply with their rental obligations causing them to breach the terms of their leases which may materially adversely affect the Group's returns.

The Company may face delays in deployment of the Net Issue Proceeds

The Company has not entered into any legally binding contractual arrangements to acquire any further properties from any potential vendors. There can therefore be no assurance as to how long it will take for the Company to invest the Net Issue Proceeds.

Although the Company, acting on advice from the Investment Advisor, has identified a number of available properties that are consistent with its investment objective and policy (details of which are set out in paragraph 4 of part 2 of this Registration Document), there can be no certainty that the Company will be able to acquire these or other properties on acceptable terms or at all. The past performance of the Investment Advisor in terms of the speed of deployment of the £843 million of equity and debt raised on and since the Company's IPO cannot be taken as an indication of the speed of deployment of the Net Issue Proceeds.

Even where the Company, acting on advice from the Investment Advisor, has identified and approved the acquisition of a property in line with its investment objective and investment policy it may encounter a number of delays before the property is finally acquired. These delays may arise as a result of, *inter alia*, conducting full and proper due diligence on the new property and any tenant(s), negotiating acceptable purchase contracts, proceeding to completion of the acquisition and obtaining any necessary approvals, consents and/or permits. Necessary approvals may be refused, or granted only on onerous terms, and any such refusals, or the imposition of onerous terms, may result in an investment not proceeding as originally intended and could result in significant costs associated with aborting the transaction being incurred by the Company.

In addition, the Company will also face competition from other property investors in identifying and acquiring suitable properties. Competitors may have greater financial resources than the Company and a greater ability to borrow funds to acquire properties and may have the ability or inclination to acquire real estate assets at a higher price or on terms less favourable than those the Company may be prepared to accept. Competition in the property market may also lead either to an oversupply of properties in the target market through over development or the price of existing properties being driven up through competing bids by potential purchasers.

Any delays in deployment of the Net Issue Proceeds may have an impact on the Company's results of operations, cash flows and the ability of the Company to pay dividends to Shareholders and to achieve the stated target total NAV return referred to in this Registration Document and therefore to achieve its return objective. Pending deployment of the Net Issue Proceeds, the Company intends to invest cash in cash deposits and cash equivalents for cash management purposes. Interim cash management is likely to yield materially lower returns than the expected returns from investments.

Investor returns will be dependent upon the performance of the Company's portfolio and the Company may experience fluctuations in its operating results as a result of risks inherent in real estate asset investment

Returns achieved are reliant primarily upon the performance of the Company's portfolio. No assurance is given, express or implied, that Shareholders will be able to realise the amount of their original investment in the New Ordinary Shares. Revenues earned from, and the capital value and disposal value of, real estate assets held by the Company and the Company's business may be materially adversely affected by a number of factors inherent in investment in real estate assets. The Company may experience fluctuations in its operating results due to a number of factors, including changes in the values of properties in the Company's portfolio from time to time, changes in its rental income, operating expenses, occupancy rates, material litigation with tenants, the degree to which it encounters competition and general economic and market conditions. In addition, the Company is exposed to the creditworthiness of tenants which could result in delays in receipt of rental and other contractual payments, inability to collect such payments at all including the risk of tenants defaulting on their obligations and seeking the protection of bankruptcy laws, the renegotiation of tenant leases on terms less favourable to the Company, or the termination of tenant leases. Further, although 100 per cent. of the Company's properties are let or pre-let under "triple net, full repairing and insuring leases", there may be increases in operating and other expenses or cash needs without a corresponding increase in turnover or tenant reimbursements, including as a result of increases in the rate of inflation in excess of rental growth, property taxes or statutory charges or insurance premiums, costs associated with tenant vacancies and unforeseen capital expenditure affecting properties which cannot be recovered from tenants.

Such variability in its operating results may be reflected in dividends, may lead to volatility in the market price of the Ordinary Shares and may cause the Company's results for a particular period not to be indicative of its performance in a future period. In addition, if the Company's revenues earned from tenants or the value of its real estate assets are adversely impacted by the above or other factors, the Company's financial condition, business, prospects and results of operations may be materially adversely affected.

Changes in laws or regulations governing the Group's operations may adversely affect the Group's business

The Group is subject to laws and regulations enacted by national and local governments. In particular, the Group is subject to and will be required to comply with certain regulatory requirements that are applicable to listed closed-ended investment companies. In addition, the Company is subject to the continuing obligations imposed by the FCA on all investment companies whose shares are listed on the Official List.

The Group's properties must comply with laws and regulations which relate to, among other things, property, land use, development, zoning, health and safety requirements and environmental compliance. All of these laws and regulations are subject to change, which may be retrospective, and changes in regulations could adversely affect existing planning consent, costs of property ownership, the capital value of the Group's assets and the income arising from the Group's portfolio. Such changes could also adversely affect the Company's ability to use a property as intended and could cause the Group to incur increased capital expenditure or running costs to ensure compliance with new applicable laws or regulation. Changes in laws and governmental regulations governing leases could restrict the Company's ability to increase the rent payable by tenants, terminate leases or determine the terms on which a lease may be renewed.

Any change in the law and regulation affecting the Group and its operations may have a material adverse effect on the ability of the Group to carry on its business and successfully pursue its investment policy and on the value of the Company and/or the New Ordinary Shares. In such event, the investment returns of the Company may be materially adversely affected.

2. REAL ESTATE RISKS

Property valuation is inherently subjective and uncertain

Property is inherently difficult to value due to the individual nature of each property and property valuation is inherently subjective. As a result, valuations are subject to uncertainty and there can be no assurance that the estimates resulting from the valuation process will reflect actual sales prices that could be realised by the Group in the future. The Administrator will rely on the independent valuation of the Company's properties in calculating the Company's NAV.

The Property Valuation Report in Part 4 of this Registration Document is made on the basis of certain assumptions which may not prove to reflect the true position. In determining the value of properties, valuers are required to make assumptions in respect of matters including, but not limited to, the existence of willing buyers in uncertain market conditions, title, condition of structure and services, environmental matters, statutory requirements, expected future rental revenues from the property and other information. Such assumptions may prove to be inaccurate. Incorrect assumptions underlying the valuation reports could negatively affect the value of any property assets the Group acquires and thereby have a material adverse effect on the Group's financial condition. This is particularly so in periods of volatility or when there is limited real estate transactional data against which property valuations can be benchmarked. There can also be no assurance that these valuations will be reflected in the actual transaction prices, even where any such transactions occur shortly after the relevant valuation date, or that the estimated yield and annual rental income will prove to be attainable.

Property investment performance can fluctuate over time and values can increase or decrease. Economic, political, fiscal and legal issues can affect values as they can with any other investment. The Group's Portfolio will be valued on each valuation date by a professional independent valuer as may be appointed by the Company from time to time.

To the extent valuations of the Group's properties do not fully reflect the value of the underlying properties, whether due to the above factors or otherwise, this may have a material adverse effect on the Group's financial condition, business, prospects and results of operations. It may also adversely affect the ability of the Group to secure financing on acceptable terms.

The Company is subject to the risk of a tenant defaulting

Dividends payable by the Company will be dependent on the income from the properties it owns. Failure by tenants to comply with their rental obligations could affect the ability of the Company to pay dividends to Shareholders.

The Group's investments are illiquid and may be difficult or impossible to realise at a particular time

The Group invests in commercial properties. Such investments are relatively illiquid (in comparison to other types of investments, such as bonds and securities, which have daily liquidity). Such illiquidity, may affect the Group's ability to adjust, dispose of or liquidate any or all of its portfolio in a timely fashion and at satisfactory prices in response to changes in economic, property market or other conditions.

There can be no assurance that, at the time the Company seeks to dispose of assets (whether voluntarily or otherwise) relevant market conditions will be favourable or that the Company will be able to maximise the returns on such disposed assets. To the extent that the property market conditions are not favourable, the Group may not be able to dispose of property assets at a gain and may even have to dispose of them at a loss. The Group may be forced to realise the disposal of an asset at a discount to the prevailing valuation of the relevant property, which may have a material adverse effect on the Group's profitability, the NAV and the price of the Ordinary Shares.

The Company's performance will be subject to the condition of the property markets in the UK

As all of the Company's assets are, and will be, invested in UK property, the Company's performance will be subject to, among other things, the conditions of the property markets in the UK, which will affect both the value of any assets that the Company acquires and the income these assets produce.

The value of assets and the income produced will be impacted by the general macro-economic climate and the conditions of the real estate property market in the UK. Declines in the performance of the economy or the property market could have a negative impact on investment, consumer spending, levels of employment, rental revenues and vacancy rates and, as a result have a material adverse impact on the Company's financial condition, business, prospectus and results of operations. See also Risk Factors "Portfolio concentration risk may mean that the Company's performance is significantly affected by events outside its control" and "The Company may be adversely affected by the UK's exit from the European Union".

In addition to the impact from the general economic climate, the property markets and prevailing rental rates in the UK may also be affected by factors such as an excess supply of properties, a fall in the general demand for rental property, reductions in tenants' and potential tenants' space requirements, the availability of credit and changes in laws and governmental regulations (both domestic and international), including those governing real estate usage, zoning and taxes, all of which are outside of the Company's control.

These factors, including any property market recession or future deterioration in the property market could, *inter alia*: (i) make it harder for the Group to attract new tenants for its properties; (ii) lead to an increase in tenant defaults; (iii) lead to a lack of finance available to the Group; (iv) cause the Group to realise its investments at lower valuations than commercially desirable; and (v) delay the timings of the Group's realisations. A decline in value of the Company's properties may also weaken the Company's ability to obtain financing for new investments. Any of the foregoing could have a material adverse effect on the ability of the Company to achieve its investment objective, on the NAV and on the market price of the Ordinary Shares.

Forward funded projects possess (unless assumed by the developer and/or contractor) potential risks associated with the construction and development of commercial real estate, any of which could result in increased costs and/or damage to persons or property

The investment policy provides that the Company may purchase already built property assets or, in some circumstances, forward fund property assets that are in construction. Forward funded projects are subject to various hazards and risks associated with the construction and development of commercial real estate, including personal injury and property damage, delays in the timely completion of projects and properties being available for occupancy, cost overruns in relation to the services provided by the third party contractors that are not borne by such contractors, fraud or misconduct by an officer, employee or agent of a third party contractor, liability of the Company for the actions of the third party contractors or insolvency of third party contractors.

To the extent that such risks are not assumed by the developer and/or contractor, the occurrence of any of these events could result in increased operating costs, fines and legal fees and potentially in reputational damage or criminal prosecution of the Company, and its Board and Investment Advisor, all of which could have an adverse effect on the Company's business, financial condition, results of operations, future prospects or the market price of the Ordinary Shares.

In addition, there is a risk of disputes with developers and/or contractors should they fail to perform against contractual obligations. Any litigation or arbitration resulting from any such disputes may increase the Group's expenses and distract the Board and the Investment Advisor from focusing their time to fulfil the investment objective of the Group.

In the event that a developer and/or contractor needs to be replaced, whether due to expiry of an existing contract, insolvency, poor performance or any other reason, the Group will be required to appoint a replacement developer and/or contractor. There can be no assurance that the Group would be able to retain a new developer and/or contractor on acceptable terms or at all. Any such replacement developer and/or contractor may be more costly to the Group. If it takes a long time to find a suitable developer and/or contractor, it could potentially lead to delays, lower technical and operating performance or downtime for the relevant asset or cancellation of key contracts. This could have a material adverse effect on the Group's financial position, results of operation and business prospects.

The Company's properties may suffer physical damage resulting in losses (including loss of rent) which may not be fully compensated by insurance or at all

The Company's property assets may suffer physical damage resulting in losses (including loss of rent) which may not be compensated for by insurance, either fully or at all. In addition, there are certain types of losses, generally of a catastrophic nature, that may be uninsurable or are not economically insurable. Inflation, changes in building codes and ordinances, environmental considerations and other factors might also result in insurance proceeds being insufficient to repair or replace a property. Should an uninsured loss or a loss in excess of insured limits occur, the Company may lose capital invested in the affected property as well as anticipated future revenue from that property. In addition, the Company could be liable to repair damage caused by uninsured risks or pay for uninsured environmental clean-up costs. The Company might also remain liable for any debt or other financial obligations related to that property. Any material uninsured losses may have a material adverse effect on the Company's business prospects, results of operations and financial condition.

3. RISKS RELATING TO SERVICE PROVIDERS

The Company is dependent on the expertise of the AIFM, the Investment Advisor and their key personnel to evaluate investment opportunities and to assist in the implementation of the Company's investment objective and investment policy

The Company will be reliant upon, and its success will depend on, the AIFM, the Investment Advisor and their personnel, services, market intelligence, relationships and expertise.

The ability of the Company to successfully pursue its investment objective and investment policy may, among other things, depend on the ability of the AIFM and the Investment Advisor to retain their existing staff and/or to recruit individuals of similar experience and calibre. The retention of key members of the team cannot be guaranteed. Furthermore, in the event of a departure of a key employee of the AIFM or the Investment Advisor, there is no guarantee that the AIFM or the

Investment Advisor would be able to recruit a suitable replacement or that any delay in doing so would not adversely affect the performance of the Company.

The Company is subject to the risk that the Investment Management Agreement and the Investment Advisory Agreement may be terminated and that no suitable replacement will be found. If the Investment Management Agreement and the Investment Advisory Agreement are terminated and a suitable replacement is not secured in a timely manner or key personnel of the AIFM and the Investment Advisor are not available to the Company with an appropriate time commitment, the ability of the Company to execute its investment objective and investment policy may be adversely affected.

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

The Company has no employees and the Directors have all been appointed on a non-executive basis. Whilst the Company has taken all reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations, the Company is reliant upon the performance of third party service providers for certain of its executive functions. In particular, the AIFM, the Investment Advisor, the Administrator, the Depositary and the Registrar perform services which are integral to the operation of the Company, such as the calculation of the Company's NAV, the preparation of the Company's financial statements and the safekeeping of the Company's investments. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company and potentially expose the Group to regulatory penalties, reputational damage or even impact the value of the Company's investments, causing losses for the Group.

The Company's service providers are reliant on information and technology systems that may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorised persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires. Although the Company's service providers have implemented various measures to manage risks relating to these types of events, any failure of these systems for any reason could cause significant interruptions in a service provider's operations, impact its ability to perform its obligations to the Company, result in a failure to maintain the security, confidentiality or privacy of sensitive data belonging to the Company and potentially expose the Company to legal claims and/or reputational damage.

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

The AIFM, the Investment Advisor and their affiliates may provide services to other clients which could compete directly or indirectly with the activities of the Company and may be subject to conflicts of interest in respect of their activities on behalf of the Company

The AIFM, the Investment Advisor and their affiliates are involved in other activities which may on occasion give rise to conflicts of interest with the Company. In particular: (i) the AIFM, the Investment Advisor or their affiliates may manage and/or advise other funds and may provide investment management, investment advisory or other services in relation to these funds or future funds which may have similar investment policies to that of the Company; (ii) the AIFM, the Investment Advisor and their affiliates may carry on investment activities for their own accounts and for other accounts in which the Company has no interest; and (iii) the AIFM, the Investment Advisor and their affiliates may give advice and recommend investments to other managed accounts or investment funds which may differ from advice given to, or investments recommended or bought for, the Company, even though their investment policies may be the same or similar. If these conflicts of interest are managed to the detriment of the Company by the AIFM or the Investment Advisor they could materially and adversely affect the performance of the Company.

4. RISKS RELATING TO TAXATION

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

The Company cannot guarantee that the Group will remain qualified as a REIT. If the Group fails to qualify or remain qualified as a REIT, the Group will be subject to UK corporation tax on some or all of its property rental income and chargeable gains on the sale of properties, which would reduce the amounts available to distribute to Shareholders.

The requirements for maintaining REIT status are complex. Minor breaches of certain conditions within the REIT regime may result in additional tax being payable or, if remedied within a given period of time, will not be penalised, provided that the regime is not breached more than a certain number of times. A serious breach of the REIT regime may lead to the Company or a member of the Group ceasing to be a, or a member of a, REIT. If the Company or the Group fails to meet certain of the statutory requirements to maintain its status as a REIT, it may be subject to UK corporation tax on the profits of its Property Rental Business including any chargeable gains on the sale of some or all of its properties. This could reduce the reserves available to make distributions to Shareholders and the yield on the Ordinary Shares. In addition, incurring a UK corporation tax liability might require the Company to borrow funds, liquidate some of its assets or take other steps that could negatively affect its operating results. Moreover, if the Group's REIT status is withdrawn altogether because of a failure to meet one or more REIT conditions, disqualification from being a REIT may take effect from the end of the accounting period preceding that in which the failure occurred.

A change in the tax status of the Company or a member of the Group or in taxation legislation in the UK could adversely affect the Company's profits and portfolio value and/or returns to and/or the tax treatment for Shareholders

The levels of and reliefs from taxation may change, adversely affecting the financial prospects of the Company and/or the returns payable to and/or the tax treatment for Shareholders.

Investors should consult their tax advisers with respect to their particular tax situation and the tax effects of an investment in the Company. Statements in the Prospectus concerning the taxation of investors or prospective investors in Ordinary Shares are based upon current tax law and tax authority practice, each of which is potentially subject to change. The value of particular tax reliefs, if available, will depend on each individual Shareholder's circumstances. The Prospectus does not constitute tax advice and must not therefore be treated as a substitute for independent tax advice.

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

To maintain REIT status and as a result obtain full exemption from UK corporation tax on the profits (and, where relevant, gains) of its Property Rental Business, the Company is required to distribute annually to Shareholders an amount sufficient to meet the 90 per cent. distribution test by way of PIDs. The Company would be required to pay tax at regular UK corporation tax rates on any shortfall to the extent that the Company distributes as PIDs less than the amount required to meet the 90 per cent. distribution test for each accounting period.

In addition, differences in timing between the receipt of cash and the recognition of income for the purposes of the REIT Regime and the effect of any potential debt amortisation payments could require the Company to borrow funds to meet the distribution requirements that are necessary to achieve the full tax benefits associated with qualifying as a REIT, even if the then-prevailing market conditions are not favourable for these borrowings.

As a result of these factors, the constraints of maintaining REIT status could limit the Company's and the Group's flexibility to make investments.

The Company's status as a REIT may restrict the Company's distribution opportunities to Shareholders

The Company may become subject to an additional tax charge if it makes a distribution to, or in respect of, a Substantial Shareholder, that is broadly a company which has rights to at least 10 per cent. of the distributions or Ordinary Shares or controls at least 10 per cent. of the voting rights. This additional tax charge will not be incurred if the Company has taken reasonable steps to avoid paying distributions to a Substantial Shareholder. Therefore, the Articles contain provisions designed to avoid the situation where distributions may become payable to a Substantial Shareholder and these provisions are summarised at paragraph 2 of Part 5 of this Registration Document. These provisions provide the Directors with powers to identify Substantial Shareholders and to prohibit the payment of dividends on Ordinary Shares that form part of a Substantial Shareholding unless certain conditions are met. The Articles also allow the Directors to require the disposal of Ordinary Shares forming part of a Substantial Shareholding in certain circumstances where the Substantial Shareholder has failed to comply with the above outlined provisions.

The Company may be subject to reporting obligations such as the automatic exchange of information (AEOI)

To the extent that the Company may be a Reporting Financial Institution under FATCA and/or the Common Reporting Standard, or in connection with other tax information reporting obligations, it may require Shareholders to provide it with certain information in order to comply with its AEOI obligations which information may be provided to the UK tax authorities who may in turn exchange that information with certain other tax authorities.

IMPORTANT INFORMATION

FORWARD-LOOKING STATEMENTS

This Registration Document contains forward-looking statements, including, without limitation, statements containing the words "**believes**", "**estimates**", "**anticipates**", "**expects**", "**intends**", "**may**", "**will**" or "**should**" or, in each case, their negative or other variations or similar expressions. Such forward-looking statements involve unknown risks, uncertainties and other factors which may cause the actual results, financial condition, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. These forward-looking statements speak only as at the date of this Registration Document. Subject to its legal and regulatory obligations (including under the Prospectus Regulation Rules), the Company expressly disclaims any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based unless required to do so by law or any appropriate regulatory authority, including FSMA, the UK Prospectus Regulation, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the UK Market Abuse Regulation and the Listing Rules.

Nothing in the preceding two paragraphs should be taken as limiting the working capital statement in paragraph 5 of Part 4 of the Securities Note.

GENERAL

This Registration Document should be read in its entirety, along with the Summary and the Securities Note and any Future Summary and Future Securities Note, before making any application for New Ordinary Shares. Prospective investors should rely only on the information contained in the Prospectus (which comprises this Registration Document, together with the Summary and the Securities Note and any Future Registration Document, Future Summary or Future Securities Note and any supplementary prospectus issued by the Company).

No broker, dealer or other person has been authorised by the Company to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of New Ordinary Shares other than those contained in the Prospectus and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company, Peel Hunt, Jefferies or any of their respective affiliates, officers, directors, employees or agents.

Without prejudice to the Company's obligations under the UK Prospectus Regulation, the Prospectus Regulation Rules, the Listing Rules, the UK Market Abuse Regulation and the Disclosure Guidance and Transparency Rules, neither the delivery of the Prospectus nor any subscription for or purchase of Ordinary Shares made pursuant to the Initial Issue or the Share Issuance Programme shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since, or that the information contained in the Prospectus is correct as at any time subsequent to, the date of the Prospectus.

Apart from the liabilities and responsibilities (if any) which may be imposed on Peel Hunt or Jefferies by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Peel Hunt nor Jefferies makes any representation, express or implied, nor accepts any responsibility whatsoever for, the contents of the Prospectus nor for any other statement made or purported to be made by it or on its behalf in connection with the Company, the Ordinary Shares, the Initial Issue, the Share Issuance Programme or any Admission. Each of Peel Hunt and Jefferies (together with their respective affiliates) accordingly, to the fullest extent permitted by law, disclaims all and any liability (save for any statutory liability) whether arising in tort, contract or otherwise which it might otherwise have in respect of the Prospectus or any other statement.

All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Company's memorandum of association and the Articles which investors should review. A summary of the Articles is contained in paragraph 5 of Part 7 of this Registration Document under the section headed "Articles of Association".

Statements made in this Registration Document are based on the law and practice in force in England and Wales as at the date of this Registration Document and are subject to changes therein.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER DATA

Market, economic and industry data

This Registration Document includes certain market, economic and industry data which were obtained by the Company from industry publications, data and reports compiled by professional organisations, analysts and data from other external sources. Where information has been referenced in this Registration Document, the source of that third party information has been disclosed. The Company and the Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

In some cases, there is no readily available external information to validate market-related analyses and estimates, requiring the Company to rely on internally developed estimates and the Investment Advisor's and Directors' knowledge of the UK property market.

Currency presentation

Unless otherwise indicated, all references in this Registration Document to "**sterling**", "**pounds sterling**", "**£**" or "**pence**" are to the lawful currency of the UK.

Rounding

Some percentages and amounts in this Registration Document have been rounded. As a result of this rounding, figures shown as totals in this Registration Document may vary slightly from the exact arithmetic aggregation of the figures that precede them. In addition, certain percentages presented in this Registration Document reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Definitions

A list of defined terms used in this Registration Document is set out at Part 8 of this Registration Document.

PERFORMANCE DATA

This Registration Document includes information regarding the track record and performance data of the AIFM and the Investment Advisor. Such information is not necessarily comprehensive and prospective investors should not consider such information to be indicative of the possible future performance of the Group or any investment opportunity to which the Prospectus relates. The past performance of the AIFM and the Investment Advisor is not a reliable indicator of, and cannot be relied upon as a guide to, the future performance of the Group and/or the AIFM and/or the Investment Advisor.

Investors should not consider such information (particularly past returns) contained in this Registration Document to be indicative of the Group's future performance. Past performance is not necessarily indicative of future results, and there can be no assurance that the Company or its portfolio will achieve comparable results to those presented in this Registration Document, that the Company, the AIFM or the Investment Advisor will be able to implement their investment strategies or achieve the Company's investment objective or that the returns generated by any investments by the Company will equal or exceed any past returns presented herein. Prospective investors should be aware that any investment in the Company is speculative, involves a high degree of risk, and could result in the loss of all or substantially all of their investment.

TARGETS

This Registration Document contains certain information in relation to dividend and total NAV return targets. These targets have been developed based upon assumptions with respect to future business decisions and conditions that are subject to change, including the Group's execution of its investment objective and strategies, as well as growth in the sectors and markets in which the Group operates. As a result, the Group's actual results may vary from the targets set out in this Registration Document and those variations may be material. The Company does not undertake to publish updates as to its progress towards achieving any of these targets, including as it may be impacted by events or circumstances existing or arising after the date of this Registration Document or to reflect the occurrence of unanticipated events or circumstances. The Company has not defined by reference to specific periods the term "medium-term". There can be no assurance that these targets will be met and they should not be taken as an indication of the Group's expected future results. Accordingly, potential investors should not place any reliance on these targets in deciding whether or not to invest in the Company and should decide for themselves whether or not the target dividend yield and target total NAV return are reasonable or achievable.

NO INCORPORATION OF WEBSITE INFORMATION

The contents of the following websites www.lxireit.com and www.alvariuminvestments.com do not form part of the Prospectus. Investors should base their decision whether or not to invest in the New Ordinary Shares on the contents of the Prospectus alone.

TIMES AND DATES

References to times and dates in this Registration Document are, unless otherwise stated, to United Kingdom times and dates.

DIRECTORS, MANAGEMENT AND ADVISERS

Directors	Stephen Hubbard (Non-executive Chairman) Colin Smith OBE (Non-executive Director) Jan Etherden (Non-executive Director) John Cartwright (Non-executive Director) Patricia Dimond (Non-executive Director)
	all independent and of the registered office below:
Registered Office	1st Floor Senator House 85 Queen Victoria Street London EC4V 4AB
AIFM	Alvarium Fund Managers (UK) Limited 10 Old Burlington Street London W1S 3AG
Investment Advisor	LXi REIT Advisors Limited 10 Old Burlington Street London W1S 3AG
Sponsor, Joint Global Co-ordinator, Joint Broker, Joint Bookrunner and Intermediaries Offer Adviser	Peel Hunt LLP 100 Liverpool Street London EC2M 2AT
Joint Global Co-ordinator, Joint Broker and Joint Bookrunner	Jefferies International Limited 100 Bishopsgate London EC2N 4JL
	Jefferies GmbH Bockenheimer Landstraße 24 60323 Frankfurt am Main Germany
Legal Adviser to the Company	Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH
US Legal Adviser to the Company	Covington & Burling LLP 265 Strand London WC2R 1BH
Legal Adviser to the Sponsor, Joint Global Co-ordinators, Joint Brokers, Joint Bookrunners and Intermediaries Offer Adviser	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
US Legal Adviser to the Sponsor, Joint Global Co-ordinators, Joint Brokers, Joint Bookrunners and Intermediaries Offer Adviser	Proskauer Rose LLP 110 Bishopsgate London EC2N 4AY
Depositary	Langham Hall UK Depositary LLP 8th Floor 1 Fleet Place London EC4M 7RA

Administrator	Langham Hall UK Services LLP 8th Floor 1 Fleet Place London EC4M 7RA
Company Secretary	PraxisIFM Fund Services (UK) Limited 1st Floor Senator House 85 Queen Victoria Street London EC4V 4AB
Registrar	Link Market Services Limited 10th Floor, Central Square 29 Wellington Street Leeds LS1 4DL
Receiving Agent	Link Group Corporate Actions 10th Floor, Central Square 29 Wellington Street Leeds LS1 4DL
Auditors and Reporting Accountant	BDO LLP 55 Baker Street London W1U 7EU
Independent Valuer	Knight Frank LLP 55 Baker Street Marylebone London W1U 8AN

PART 1

INFORMATION ON THE COMPANY

1. INTRODUCTION

LXi REIT plc is a closed-ended investment company incorporated in England and Wales on 21 December 2016 and registered as an investment company under Section 833 of the Companies Act. The Company conducts its affairs so as to enable it to continue to qualify as a REIT for the purposes of Part 12 of the CTA 2010 (and the regulations made thereunder). The Company's Ordinary Shares are admitted to the premium segment of the Official List of the Financial Conduct Authority and are traded on the London Stock Exchange's main market.

The Board has substantial real estate, financial, commercial and operating experience and is responsible for directing and controlling the Company, with overall authority for the management and conduct of the Company's business, strategy and development. The Board also approves in advance each potential property acquisition and disposal, along with other significant matters.

The Company has appointed Alvarium Fund Managers (UK) Limited as the Company's alternative investment fund manager pursuant to the AIFM Rules. The Company and Alvarium Fund Managers (UK) Limited have appointed LXi REIT Advisors Limited as investment advisor to provide certain services to the Group including strategy, sourcing and advising on investments by the Company and due diligence in relation to proposed investments.

The Company is part of the FTSE 250 Index, which comprises the equities of the 101st to the 350th largest companies that are traded on the London Stock Exchange's main market, and the FTSE EPRA/NAREIT Global Real Estate Index Series, which represents general trends in eligible real estate equities worldwide and is widely followed by global real estate investors.

Further information about the Directors, the AIFM and the Investment Advisor is set out in Part 3 of this Registration Document.

2. INVESTMENT OBJECTIVE

The investment objective of the Company is to deliver inflation-protected income and capital growth over the medium-term for Shareholders through investing in a diversified portfolio of UK property that benefits from long-term index-linked leases with institutional-grade tenants.

3. INVESTMENT POLICY

The Company targets inflation-protected income and capital returns through its diversified portfolio of UK property assets, let or pre-let to a broad range of tenants with strong financial covenants on long and index-linked leases.

The Company invests in these assets directly or through holdings in special purpose vehicles and seeks to acquire high quality properties, taking into account the following key investment considerations:

- the properties will be let or pre-let to institutional-grade tenants, with strong financial covenants and a proven operating track record;
- long unexpired lease terms (typically 20 to 30 years to expiry or first break);
- rent reviews to be inflation-linked or contain fixed uplifts; and
- each property should demonstrate strong residual land value characteristics.

The Company targets a wide range of defensive and robust sectors, including, but not limited to, office, leisure, industrial, distribution and alternatives – including hotels, serviced apartments, affordable housing and student accommodation. It also focuses on growth sub-sector areas such as discount foodstores, budget hotel operators and "last mile" distribution units fuelled by online retail.

The Company seeks to only acquire assets let or pre-let to tenants with strong financial covenants and on long leases (typically 20 to 30 years to expiry or first break), with index-linked or fixed rental uplifts, in order to provide security of income and low cost of debt. The Company only invests in assets with leases containing regular upward-only rental reviews. These reviews typically link the growth in rents to an inflation index such as RPI, RPIX or CPI (with potentially a minimum and maximum level) or alternatively may have a fixed growth rate.

The Company neither undertakes any direct development activity nor assumes direct development risk. However, the Company may invest in fixed-price forward funded developments, provided they are pre-let to tenants with strong financial covenants and full planning permission is in place. In such circumstances, the Company will seek to negotiate the receipt of immediate income from the asset, such that the developer is paying the Company a return on its investment during the construction phase and prior to the tenant commencing rental payments under the terms of the lease.

Where the Company invests in forward funded developments:

- the Company will not acquire the land until full planning consent and tenant pre-lets are in place;
- the Company will pay a fixed price for the forward funded purchase, covering land, construction cost and developer's profit;
- all cost overruns will be the responsibility of the developer/contractor; and
- if there is a delay to completion of the works, this will be a risk for the developer/contractor, as they will pay the Company interest/rent until practical completion occurs.

The Company may utilise derivative instruments for efficient portfolio management. The Company may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases as part of the Company's portfolio management.

The Company does not invest in other investment funds.

Investment restrictions

The Company invests and manages its assets with the objective of spreading risk and has the following investment restrictions which, in each case, apply at the time of investment:

- at the time of acquisition of an investment, the value of the property to which the investment relates will represent no more than 30 per cent. of the higher of: (i) Gross Asset Value; or (ii) where the Company has not yet become fully geared, Gross Asset Value adjusted on the assumption that the Company's property portfolio is geared at 30 per cent. loan to value;
- at the time of acquisition of an investment, the aggregate maximum exposure to any tenant to which the investment relates, will be no more than 30 per cent. of the higher of: (i) Gross Asset Value; or (ii) where the Company has not yet become fully geared, Gross Asset Value adjusted on the assumption that the Company's property portfolio is geared at 30 per cent. loan to value; and
- the Company will invest in no fewer than two sectors at any time.

The Company is not required to dispose of any investment or to rebalance its portfolio as a result of a change in the respective valuations of its assets.

The Directors are focused on delivering capital growth over the medium-term and reinvest proceeds from disposals of assets in accordance with the Company's investment policy. However, should the Company fail to re-invest the proceeds or part proceeds from any disposal within 12 months of receipt of the net proceeds, the Directors intend to return those proceeds or part proceeds to Shareholders in a tax efficient manner as determined by the Directors from time to time.

Cash held for working capital purposes or received by the Company pending reinvestment or distribution is held in sterling only and invested in cash, cash equivalents, near cash instruments and money market instruments.

The Directors currently intend at all times to conduct the affairs of the Company so as to enable it to continue to qualify as a REIT for the purposes of Part 12 of the CTA 2010 (and the regulations made thereunder).

The Company at all times invests and manages its assets in a way that is consistent with its objective of spreading investment risk and in accordance with its published investment policy and will not at any time conduct any trading activity which is significant in the context of the business of the Company as a whole.

Borrowing policy

The Company seeks to utilise borrowings to enhance equity returns.

The level of borrowing is on a prudent basis for the asset class, and seeks to achieve a low cost of funds, whilst maintaining flexibility in the underlying security requirements and the structure of the Company.

The Directors intend that the Company will maintain a conservative level of aggregate borrowings with a medium-term target of 30 per cent. of the Company's Gross Asset Value and a maximum level of aggregate borrowings of 35 per cent. of the Company's Gross Asset Value at the time of drawdown of the relevant borrowings.

Debt is secured at asset level and potentially at Company or SPV level, depending on the optimal structure for the Company and having consideration to key metrics including lender diversity, debt type and maturity profiles.

In the event of a breach of the investment policy and investment restrictions set out above, the Directors, upon becoming aware of such breach, will consider whether the breach is material, and if it is, notification will be made by an RIS announcement.

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution at a general meeting, which will also be notified by an RIS announcement.

4. INVESTMENT PERIOD

The Company intends that the Net Issue Proceeds will be invested as quickly as practicable following Initial Admission. The Investment Advisor estimates that the Net Issue Proceeds should be substantially invested or committed within three months of Initial Admission. Furthermore, the Investment Advisor expects that the net issue proceeds of any Subsequent Issue should be substantially invested or committed within three months of the relevant Admission.

5. PORTFOLIO AND PERFORMANCE

The Independent Valuer valued the Portfolio at £907.25 million as at 31 December 2020. This (unaudited) valuation includes capital commitments on forward funded assets.

At 31 December 2020 the Group had capital commitments of £62.7 million (30 September 2020: £67.6 million) in relation to the cost to complete its forward funded pre-let development assets. All commitments are expected to fall due for settlement within 12 months from the date of this document.

The properties comprising the Portfolio were valued on an individual basis and no portfolio premium has been applied. As at the Latest Practicable Date, the Portfolio comprised 125 assets let or pre-let to over 50 institutional-grade tenants with strong financial covenants across eight defensive and robust property sectors and had a long weighted average unexpired lease term of 21 years to first break.

The Portfolio was acquired at an average net initial yield of 5.8 per cent. (net of actual acquisition costs). The blended valuation yield of the Portfolio was 5.0 per cent. as at 31 December 2020, reflecting an average yield spread of 80 basis points to the average net initial yield on acquisitions.

The Portfolio is 100 per cent. let or pre-let under "triple net, full repairing and insuring leases", meaning that the tenant is obligated to pay all taxes, building insurance, other outgoings and repairs and maintenance costs on the property, in addition to the rent and service charge.

The Portfolio provides a mix of pre-let forward funded and built asset acquisition structures. The average valuation uplift on forward funded assets from investment price to the valuation as at 31 December 2020, including forward funded commitments, was 17 per cent., demonstrating the results of successful execution of the Investment Advisor's forward funding strategy. All forward funded assets are income generative from the point of land completion. The total valuation across the entire portfolio as at 31 December 2020 (£907.25 million) is 12 per cent. ahead of the aggregate purchase price of those assets (which totals £808 million).

As at the Latest Practicable Date, the Portfolio contained contracted annual passing rent of £48.5 million, of which 95 per cent. was either fixed or linked to recognised inflation measures and the remaining 5 per cent. was subject to upward only open market reviews. The 95 per cent. fixed and index linked rent reviews are 53 per cent. linked to RPI, 17 per cent. linked to CPI and the remaining 25 per cent. contain fixed uplifts.

As at the Latest Practicable Date, the Portfolio contained a mix of staggered five yearly rent reviews and annual rent reviews which smooths income growth.

Unsolicited approaches are received by the Investment Advisor from time to time in respect of certain of the Company's properties. The Company has made selective disposals totalling over £180 million to date in circumstances where an opportunity to reinvest the proceeds in accretive assets has been identified, as well as to manage upwardly the unexpired lease term and certain exposures of the Portfolio. These disposals generated a blended geared IRR for the Company of 23 per cent. per annum.[1]

The table below summarises the 125 assets which form the Portfolio as at the Latest Practicable Date:

Sector	Total rent	Rental exposure	Valuation	Valuation yield range	Value exposure	WAULT	Percentage of rents index linked or fixed	Number of assets
Industrial	£10.35m	21%	£230.55m	3.6% – 5.5%	25%	24	100%	12
Budget hotels	£10.04m	21%	£197.30m	4.5% – 6.2%	22%	23	100%	21
Foodstores and essentials	£9.85m	20%	£191.00m	4.2% – 6.6%	21%	16	83%	23
Healthcare	£6.12m	13%	£101.57m	5.2% – 6.5%	11%	24	100%	28
Car parks	£3.86m	8%	£76.25m	3.9% – 5.2%	8%	31	98%	9
Pubs	£2.65m	5%	£43.22m	5.7% – 5.8%	5%	13	100%	14
Drive-thru coffee	£1.90m	4%	£24.83m	4.7% – 5.7%	3%	15	91%	13
Other assets	£3.76m	8%	£42.53m	5.3% – 6.9%	4%	17	84%	5
	£48.53m	**100%**	**£907.25m**	**3.6% – 6.9%**	**100%**	**21**	**95%**	**125**

There has been no material change in the Company's investments between the Latest Practicable Date and the date of this Registration Document.

6. DIVIDEND POLICY AND TARGET TOTAL NAV RETURN

The Company aims to provide its Shareholders with secure and growing income, fully covered by the Company's adjusted earnings, along with capital growth over the medium-term.

The Company seeks to pay dividends on a quarterly basis in cash, by way of four equal dividends.

The aggregate annual dividend declared and paid in respect of the year ended 31 March 2020 was 5.75 pence per Ordinary Share, which was in line with the target annual dividend for the year and 15 per cent. ahead of the target annual dividend set at the time of the Company's IPO of 5.00 pence per Ordinary Share.

In respect of the year ending 31 March 2021, the Company has declared and paid interim dividends of 1.30 pence per Ordinary Share in respect of the quarter ended 30 June 2020 and 1.35 pence per Ordinary Share in respect of the quarter ended 30 September 2020. In addition, on 11 February 2021, the Board declared an interim dividend of 1.44 pence per Ordinary Share in respect of the quarter ended 31 December 2020, payable on 26 March 2021 to Shareholders on the register at 26 February 2021 (the "**Q3 Dividend**").

Holders of New Ordinary Shares will not be entitled to receive any dividends declared with a record date prior to the date of their issue. The Q3 Dividend has a record date prior to the issue of the New Ordinary Shares pursuant to the Initial Issue and, accordingly, holders of New Ordinary Shares issued pursuant to the Initial Issue or the Share Issuance Programme will not be entitled to receive the Q3 Dividend in respect of those shares.

On 18 January 2021, the Board announced that it would target a dividend in respect of the quarter ending 31 March 2021 of 1.46 pence per Ordinary Share. Furthermore, on 11 February 2021, the Company announced that it would reinstate annual dividend guidance for the year ending 31 March 2022 of 6 pence per Ordinary Share in aggregate (which represents a 4.3 per cent. increase on the Company's pre-Covid-19 dividend rate of 5.75 pence per Ordinary Share), paid on a quarterly basis in cash, by way of four equal dividends.

[1] Standard purchaser's costs for build assets (assumes full payment of stamp duty and standard acquisition costs).

The Company is targeting a total NAV return of a minimum of 8 per cent. per annum over the medium-term.

The target dividends and total NAV return stated above are guidance levels or targets only and not a profit forecast and there can be no assurance that they will be met. These targets have been developed based upon assumptions with respect to future business decisions and conditions that are subject to change, including the Group's execution of its investment objective and strategies, as well as growth in the sectors and markets in which the Group operates. As a result, the Group's actual results may vary from the targets set out above and those variations may be material. In setting these targets, the Board has applied appropriate sensitivities to contracted rental income that reflect the possible impact of the COVID-19 pandemic and assessed the effect of such sensitivities on the net earnings and liquidity of the Group. These targets assume that future rent collection is not materially lower than that achieved throughout the pandemic and the Board reserves the right to withdraw or amend guidance in the event that rent collection materially worsens. The Company does not undertake to publish updates as to its progress towards achieving any of these targets, including as it may be impacted by events or circumstances existing or arising after the date of this Registration Document or to reflect the occurrence of unanticipated events or circumstances. The Company has not defined by reference to specific periods the term "medium-term". There can be no assurance that these targets will be met and they should not be taken as an indication of the Group's expected future results. Accordingly, potential investors should not place any reliance on these targets in deciding whether or not to invest in the Company and should decide for themselves whether or not the target dividend yield and target total NAV return are reasonable or achievable.

See also *"Important Information – Forward-looking statements"* above and the risk *"The Company's targeted returns are based on estimates and assumptions that are inherently subject to significant uncertainties and contingencies, and the actual rate of return may be materially lower than the targeted returns"* set out in the Risk Factors.

In order to comply with REIT status the Company is required to meet a minimum distribution test for each year that it is a REIT. This minimum distribution test requires the Company to distribute 90 per cent. of the income profits of the Property Rental Business for each accounting period, as adjusted for tax purposes.

7. VALUATION POLICY

The Group uses Knight Frank LLP as its independent valuer for the purposes of establishing the fair value of its property portfolio. Valuations of the Group's properties are conducted on a semi-annual basis as at 31 March and 30 September in each year. In connection with the Initial Issue, the Independent Valuer has been instructed to undertake an additional valuation of the Group's Portfolio as at 31 December 2020. This valuation report is included in Part 4 of this Registration Document. There has been no material change to the values of the properties since 31 December 2020.

The valuations of the Group's properties are at fair value as determined by the Independent Valuer on the basis of market value in accordance with the internationally accepted RICS Appraisal and Valuation Standards. The valuations are based upon assumptions including future rental income and the appropriate capitalisation rate and the Independent Valuer makes reference to market evidence of transaction prices for similar properties.

Valuations will only be suspended in circumstances where the underlying information necessary to value the Company's properties cannot readily, or without undue expenditure, be obtained or in other circumstances (such as a systems failure of the Independent Valuer) which prevents the Company from making such valuations.

Details of each valuation, and of any suspension in the making of such valuations, are announced by the Company by an RIS announcement as soon as practicable after the relevant valuation date.

8. NAV AND INVESTMENT RETURNS

For the purposes of the Initial Issue, an additional calculation of the Group's consolidated Estimated NAV (unaudited) and Estimated EPRA NTA (unaudited) has been made as at 31 December 2020 which was calculated on the basis of an independent valuation of the Portfolio as at that date. Calculations are made in accordance with IFRS and EPRA Best Practice Recommendations. As at that date, the Group had a consolidated Estimated NAV (unaudited) and Estimated EPRA NTA (unaudited) of £642.4 million (representing a cum-income Estimated NAV per Ordinary Share (unaudited) and Estimated EPRA NTA per Ordinary Share (unaudited) of 123.2 pence). Since the Company's Ordinary Shares were first admitted to trading on the London Stock Exchange's main market on 27 February 2017, the Ordinary Shares, including dividends paid to Shareholders, have delivered: (i) a total shareholder return of 53.6 per cent., comprising growth in the market price of Ordinary Shares and dividends per Ordinary Share declared to 15 February 2021; and (ii) an average annual total NAV return of 9.9 per cent. per annum, comprising compounded annual NAV growth and dividends paid to shareholders to 31 December 2020.[2]

The NAV and EPRA NTA (and NAV per Ordinary Share) are calculated on a semi-annual basis by the Administrator (and reviewed by the Company). Details of each valuation, and of any suspension in the making of such valuations, are notified by an RIS announcement as soon as practicable after the end of the relevant period. The semi-annual valuations of the NAV and EPRA NTA (and NAV per Ordinary Share) are calculated on the basis of the most recent semi-annual independent valuation of the Company's properties.

The calculation of the NAV and EPRA NTA will only be suspended in circumstances where the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained or in other circumstances (such as a systems failure of the Administrator) which prevent the Administrator from making such calculations. Details of any suspension in making such calculations will be announced via an RIS as soon as practicable after any such suspension occurs.

9. REPORTS AND ACCOUNTS

The Company holds an annual general meeting in each year. The annual report and accounts of the Company are made up to 31 March in each year with a copy being made available to Shareholders on the Company's website (in accordance with the Companies Act) within the following four months. The Company also publishes unaudited half-yearly reports to 30 September. Copies of the unaudited half-yearly reports are also made available on the Company's website (in accordance with the Companies Act) within the following three months.

The Company's financial statements are prepared in accordance with IFRS.

10. SHARE RATING MANAGEMENT

The Company may seek to address any significant discounts or premiums to NAV at which its Ordinary Shares may trade.

Premium management

Conditional on the passing of the Issue Resolutions to be proposed at the General Meeting to be held on 10 March 2021, the Directors will have authority to issue up to 400 million New Ordinary Shares (less the number of New Ordinary Shares issued pursuant to the Initial Issue) on a non-pre-emptive basis pursuant to the Share Issuance Programme during the period from 16 March 2021 to 17 February 2022.

In addition, at the 2020 AGM, the Company was given authority to issue up to 52,142,601 Ordinary Shares on a non-pre-emptive basis until the conclusion of the Company's next annual general meeting in 2021. As at the date of this document, no Ordinary Shares have been issued pursuant to this authority.

Shareholders' pre-emption rights over this unissued share capital have been disapplied so that the Directors will not be obliged to offer any such new Ordinary Shares to Shareholders on a *pro rata* basis. No Ordinary Shares will be issued at a price less than the NAV per existing Ordinary Share at the time of their issue. Investors should note that the issuance of new Ordinary Shares is entirely at the discretion of the Board, and no expectation or reliance should be placed on such discretion

[2] The Estimated NAV and Estimated EPRA NTA are estimates of the Directors based on (a) the independent valuation of the Portfolio by Knight Frank LLP as at 31 December 2020 (as set out in Part 4 of this document), (b) statements and information received by the Company from its lending and depositary banks and (c) unaudited management information of the Group. The Estimated EPRA NTA has been calculated based on guidance published by EPRA, to disclose adjusted measures of NAV and earnings per share which are designed by EPRA to better reflect the core long-term operations of the business. The Estimated NAV and the Estimated EPRA NTA and the information used to prepare them have not been audited or reviewed by any person other than the Investment Advisor and the Directors. As such, there can be no assurance that an audited NAV and/or audited EPRA NTA as at 31 December 2020 would reflect the Estimated NAV and/or Estimated EPRA NTA as at 31 December 2020.

being exercised on any one or more occasions or as to the proportion of new Ordinary Shares that may be issued.

Treasury shares

The Companies Act allows companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. This would give the Company 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 NAV per existing Ordinary Share at the time of their sale unless they are first offered *pro rata* to existing Shareholders.

Discount management

The Company may seek to address any significant discount to NAV at which its Ordinary Shares may be trading by purchasing its own Ordinary Shares in the market on an ad hoc basis.

At the 2020 AGM, Shareholders gave the Board authority to buy back up to 78,161,758 Ordinary Shares. Ordinary Shares will only be repurchased at a discount to the NAV per Ordinary Share, which should have the effect of increasing the NAV per Ordinary Share for the remaining Shareholders. Repurchased Ordinary Shares may be cancelled or held in treasury.

It is intended that a renewal of the authority to make market purchases will be sought from Shareholders at each annual general meeting of the Company and the Board intends to do so at the next annual general meeting. Purchases of Ordinary Shares will be made within guidelines established from time to time by the Board and conducted in accordance with the Companies Act, the Listing Rules, the Disclosure Guidance and Transparency Rules and the UK Market Abuse Regulation and will be announced to the market through an RIS as soon as possible and in any event no later than 7.30 a.m. on the following day. Any purchase of Ordinary Shares would be made only out of the available cash resources of the Company. The Directors will also have regard to the Company's REIT status when making any repurchase of Ordinary Shares.

Investors should note that the repurchase of Ordinary Shares is entirely at the discretion of the Board and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions or as to the proportion of Ordinary Shares that may be repurchased.

11. REIT STATUS AND TAXATION

The Company must comply with certain ongoing regulations and conditions (including minimum distribution requirements) in order to maintain its REIT status.

Potential investors are referred to Part 5 of this Registration Document for details of the REIT Regime and to Part 3 of the Securities Note for details of the taxation of Shareholders in the UK. Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own professional advisers immediately.

12. REGULATORY STATUS OF THE ORDINARY SHARES

As a REIT, the Ordinary Shares are "excluded securities" under the FCA's rules on non-mainstream pooled investments. Accordingly, the promotion of the Ordinary Shares will not be subject to the FCA's restriction on the promotion of non-mainstream pooled investments.

The Company intends to conduct its affairs so that its Ordinary Shares can be recommended by financial advisers to retail investors in accordance with the rules on the distribution of financial instruments under UK MiFID II. The Directors consider that the requirements of Article 57 of the UK MiFID II Delegated Regulation will be met in relation to the Ordinary Shares and that, accordingly, the Ordinary Shares should be considered "non-complex" for the purposes of UK MiFID II.

13. PROFILE OF A TYPICAL INVESTOR

An investment in the Ordinary Shares is designed to be suitable for institutional investors, professional investors, high net worth investors, professionally advised private investors and retail investors seeking exposure to a diversified portfolio of UK property that benefits from long-term index-linked leases with institutional-grade tenants with strong financial covenants. Investors should understand the risks and merits of such an investment and have sufficient resources to be able to bear any losses (which may equal up to the whole amount invested) that may result from such an investment.

Furthermore, an investment in the Ordinary Shares should constitute part of a diversified investment portfolio. It should be remembered that the market price of Ordinary Shares and the income from them can go down as well as up.

14. RISK FACTORS

The Company's performance is dependent on many factors and potential investors should read the whole of this Registration Document, together with the Summary and the Securities Note, and in particular the sections entitled "Risk Factors" in this Registration Document and in the Securities Note.

PART 2

INVESTMENT OPPORTUNITY, INVESTMENT PROCESS AND PIPELINE

1. INVESTMENT OPPORTUNITY

The Company's investment strategy seeks to deliver inflation-protected income and capital returns over the medium-term, by investing in long-let and index-linked property assets in the UK leased to a wide range of institutional-grade tenants with strong financial covenants across a diverse range of defensive and robust property sectors.

The Company targets assets let on long leases (typically 20 to 30 years) to institutional-grade tenants with strong financial covenants that are market leading operators in their sector. The Investment Advisor believes that this provides the potential to substantially grow the dividend in absolute terms through upward-only inflation-protected long-term lease arrangements and a defensive and secure portfolio with capital growth, as explained further in this Part 2.

All assets acquired by the Company benefit from "triple net, full repairing and insuring leases". This is a lease agreement where the tenant is obligated to pay all taxes, building insurance, other outgoings and repair and maintenance costs on the property, in addition to the rent and service charge. Structuring lease arrangements in this way avoids exposure to property cost leakage and capital expenditure to maintain upkeep of the properties.

The Company enhances returns delivered by the portfolio through its two key strategies of forward funding and regular recycling of capital.

By focussing on smaller lot sizes, the Company is able to avoid competition and access forward fundings at a significant discount to built values generating capital returns at the point of purchase. The Company offsets development risk when forward funding through fixed price contracts with developers that provide an income for the Company throughout the development period, and pre-let arrangements with tenants. This strategy also creates modern state of the art assets in strategically important locations fit for purpose.

The Company regularly sells assets and recycles capital to defensively manage exposures and risk within the portfolio, such as to increase the average unexpired lease term or in response to the changing risk profile of a tenant/sector. In doing so the Company takes advantage of the material spread between its valuation yield and its average acquisition yield to generate both income and capital growth.

The Company only invests in assets with leases containing regular upward-only rental reviews. These reviews typically link the growth in rents to an inflation index such as RPI, RPIX, CPIH or CPI (with potentially a minimum and maximum level) or provide a fixed annual growth rate. Such rental reviews normally take place annually or every five years, with the rent review delivering an increase in the rent at the growth rate, compounded over the period. In this way, the income expected to be delivered to Shareholders should exhibit inflation-linked income characteristics.

Portfolio

The Company has deployed the fully geared proceeds of the IPO and subsequent placing programme, the 2018 Issue and the 2019 Issue, as well as capital generated through disposals, across 125 separate properties in a range of defensive and robust property sectors, split as follows:

Industrial	21 per cent.
Budget Hotels	21 per cent.
Foodstores and Essentials	20 per cent.
Healthcare	13 per cent.
Car parks	8 per cent.
Pubs	5 per cent.
Drive-thru coffee shops	4 per cent.
Other	8 per cent.

The Portfolio is fully let or pre-let to a broad range of over 50 tenants, none of which provide more than 10 per cent. of the Group's annual contracted rent. The Company's largest 15 commercial tenants and guarantors by exposure, are:

Travelodge	9.6 per cent.
Q-Park	7.8 per cent.
Bombardier	7.2 per cent.
Greene King	5.5 per cent.
Premier Inn	5.4 per cent.
BUPA	4.1 per cent.
Stobart Group	3.8 per cent.
Lidl	3.7 per cent.
Jurys Inn	3.6 per cent.
Priory Group	3.5 per cent.
Aldi	3.2 per cent.
Starbucks	3.0 per cent.
Mears	2.8 per cent.
Co-operative	2.7 per cent.
Dobbies	2.5 per cent.

The remaining 55 tenants within the Portfolio all contribute c.2 per cent. or less and average 0.8 per cent. of the annual passing rent.

The Portfolio is diversified by region in the UK, split as follows:

South East	22 per cent.
North West	17 per cent.
Yorkshire & the Humber	11 per cent.
North East	11 per cent.
West Midlands	9 per cent.
South West	8 per cent.
Scotland	7 per cent.
East of England	7 per cent.
East Midlands	3 per cent.
Wales	2 per cent.
Northern Ireland	2 per cent.

The weighted average unexpired lease term of the Portfolio is 21 years to first break. The Company has acquired its Portfolio at a blended net initial yield on acquisition of 5.8 per cent. (net of acquisition costs). The net initial yield achieved on acquisitions also compares favourably with an average independent valuation yield at 31 December 2020 of 5.0 per cent.

As at the Latest Practicable Date, the Portfolio contained contracted annual passing rent of £48.5 million, of which 95 per cent. was either fixed or linked to recognised inflation measures and the remaining 5 per cent. was subject to upwards only open market reviews. The 95 per cent. fixed and index linked rent reviews are 53 per cent. linked to RPI, 17 per cent. linked to CPI and the remaining 25 per cent. contain fixed uplifts.

As at the Latest Practicable Date, the Portfolio contained a mix of staggered five yearly rent reviews (59 per cent.) and annual rent reviews (41 per cent.) which smooths income growth.

Throughout the Covid-19 pandemic, the portfolio has delivered robust rental collection rents, which averaged over 90 per cent. between March to December 2020, and reached 98 per cent. in both the September and December 2020 quarter dates, after adjusting for short term rent reprofiling.

Forward funding strategy

The Company forward funds pre-let developments to benefit from materially lower purchase costs (averaging approximately 2 per cent.[3] versus 6.8 per cent.[4]) as well as NAV growth through significant discounts to built values (averaging 12 per cent.). The Directors believe the Company has sourced high quality, lower-priced assets (compared to their completed value) with reduced competition and lower transaction costs, than could be delivered from purely targeting built assets. Furthermore, the

[3] Based on costs incurred on forward funded acquisitions to date.

[4] Standard purchaser's costs for build assets (assumes full payment of stamp duty and standard acquisition costs).

Directors believe the ability to target pre-let development assets is likely to enable the Company to target more off-market opportunities, as well as developing new assets to tenant specification to increase strategic importance and therefore improve the quality of the income.

These pre-let assets also have the benefit of brand new leases, which are generally over 20 years in duration, and allow for a new, state of the art property. The Company has invested in 67 separate forward funded acquisitions to date, delivering an average value growth of 17 per cent. above purchase price. The Investment Advisor believes that this approach has the potential to continue to deliver enhanced returns for Shareholders.

The Company mitigates the risks associated with development projects prior to acquisition and entering into forward funding arrangements by:

- agreeing a fixed price for the forward funded purchase, covering land, construction, cost and developer's profit – all cost overruns will be the responsibility of the developer or a contractor;
- only entering forward funding agreements and acquiring the land after full planning consent is in place;
- only entering forward funding agreements and acquiring the land after a suitable tenant pre-let is in place;
- agreeing payment timetables with the developer which ensure the asset achieves practical completion before the developer receives payment of the profit element of the fixed price and construction payments are paid in arrear and once approved by the Company's monitoring surveyor;
- agreeing a licence fee with the developer for the full period from acquisition to the date that practical completion occurs, providing that any overruns are the risk of the developer; and
- only entering forward funding agreements and acquiring the land when a full suite of warranties will be provided by the main contractor and professional team.

Recycling capital

In acquiring the Portfolio, the Company has recycled over £180 million of capital, generating a crystallised geared IRR of 23 per cent. per annum on disposal[5] . Disposals to date have been at or above book value, generating capital growth on disposals. The proceeds of the disposals were redeployed into accretive acquisitions in short order, at a significantly wider yield, generating both income and capital growth.

The willingness to sell assets, and the ability to do so ahead of both book value and purchase price demonstrates:

- the value achieved at the point of purchase through off market acquisitions and forward funding in smaller lot sizes;
- a conservative valuation yield and support for the independent valuation of the Portfolio;
- an active approach to the management of risk within the Portfolio;
- the ability to grow value within the Portfolio through means other than reliance on market movements; and
- the ability to enhance income growth within the Portfolio through means other than by inflationary movements and rental reviews.

Sourcing long leases

The Company is often able to acquire assets on long leases where:

- there are very competitive tenant markets, such as discount foodstores (for example, Aldi and Lidl) and drive-thru coffee shops (for example, Costa and Starbucks);
- assets are of strategic importance to the particular tenant, such as its main distribution or production plant; and
- tenants are used to long-term freehold ownership.

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[5] IRR calculation assumes gearing at 35 per cent. in line with the Company's borrowing policy medium-term maximum.

Benefits of long leases

The key benefits of investing in property with long-term lease arrangements are:

- security of income;
- low yield volatility versus short lease assets;
- it supports the use of long-term low-cost debt which mitigates refinancing and interest rate risk and gears returns; and
- predictability of income growth through regular contracted rent reviews.

Rental growth and inflation

The Company strategically aims to take advantage of the economic reality of inflation continuing to outpace open market rental growth whilst also providing inflation protection to investors by linking rental uplifts to inflation indices.

Of the Portfolio, 70 per cent. of contracted rental income contains rent reviews linked to inflation indices (RPI or CPI – see below). The Portfolio also provides a hedge against lower inflation, with a further 25 per cent. of rent reviews providing fixed uplifts that average 2.4 per cent. per annum and a further 47 per cent. of income containing a minimum rental uplift averaging 1.4 per cent. per annum. In total 72 per cent. of contracted rental income contains either a collared or a fixed uplift which average 2 per cent. per annum, providing guaranteed rental growth in periods of lower inflation.[6]

In total 95 per cent. of rents contain index linked or fixed rental uplifts and all rent reviews are upward only.

This, together with a low and largely fixed cost base, is expected to allow for:

- higher rental growth via rental increases in line with inflation compared with open market rental growth;
- rental growth ahead of inflation, in periods where economic growth slows, through the inclusion of fixed and collared uplifts within the Portfolio; and
- enhanced income growth through conservative gearing of the Portfolio with long-term fixed cost debt (as detailed below).

The Group's rental reviews, by contracted rent exposure, are uplifted by reference to:

Retail prices index	53 per cent.
Fixed rental uplifts	25 per cent.
Consumer price index	17 per cent.
Upward only open market reviews	5 per cent.

The Company also seeks to avoid both unsustainable rental growth for its tenants and rents becoming significantly out of kilter with market rents for an equivalent property. This is to ensure that each operating property within the Portfolio remains a profitable proposition in isolation, both for the current tenant and other potential operators as well as avoiding significant outward yield movements as lease terms reduce.

It does so primarily through focussing on assets with comparably lower rents at the inception of the lease, but also through the inclusion of capped rental uplifts within the Portfolio. Excluding those rent reviews that are fixed, a further 59 per cent. of the Portfolio rent reviews are capped with an average maximum uplift of 4 per cent. per annum.

Rental linkage to inflation is also expected to capitalise on the market opportunity, with UK inflationary indices expected to significantly outperform open market rental growth for UK property in the medium term. The HM Treasury Forecasts for the UK Economy – November 2020 forecast average RPI from 2020 to 2024 to be 2.7 per cent. per annum, versus the Investment Property Forum UK Consensus Forecast Report – Autumn 2020 forecasting average open market rental growth across all property sectors to be -0.7 per cent. per annum for the same period.

[6] Information as at the Latest Practicable Date.

Debt finance

The Company leverages its capital base with a conservative debt structure comprising three term-loan facilities with Scottish Widows and a Revolving Credit Facility, with a medium-term target loan-to-value ratio of 30 per cent. and an internal borrowing policy loan-to-value cap of 35 per cent.

The Investment Advisor has strategically chosen the term loans with Scottish Widows to minimise the Company's cost of debt and provide maximum visibility of cash outflows by fixing the interest at the lowest possible rate with a blended average all-in fixed cost of 2.85 per cent. per annum, over the longest possible term, with an average maturity of the term-loan facilities of 13 years. Long-term debt also reduces refinancing risk and spreads the period over which initial debt costs are amortised.

The average cost of debt across the Group's three term loans is currently 295 basis points lower than its average net initial yield on acquisitions of 5.8 per cent. With the cost of the term loan facilities fixed at 2.85 per cent. per annum, and a growing contracted rental stream through upward only inflation linked and fixed rental uplifts, they are expected to yield enhanced returns to shareholders over the 13 year loan term. Assuming average rental growth of 2.5 per cent. per annum, the 295 basis points spread widens to c.500 basis points at expiry of the term loan facilities.

The Company's Revolving Credit Facility provides enhanced operational flexibility and increases finance cost efficiency, allowing for:

- the immediate repayment of the facility when new equity is issued or with capital generated from the Group's strategy of selectively disposing of assets and prior to the reinvestment of capital; and
- the matching of debt drawdowns to reflect developers' cash requirements on forward funding projects, ensuring that interest is only suffered to the extent that a greater return is being generated on those drawdowns through licence fee arrangements.

The Revolving Credit Facility also provides a separate source of debt finance, in Lloyds Bank plc. Its shorter dated maturity provides the Group with flexibility to refinance, should this represent value, to a more mature debt structure in the medium-term as the Group grows in scale and builds further track record.

The table below provides details of the Group's lenders, facility amounts, interest rates and maturity.

Facility	Lender	Size	Interest rate	Maturity
Term loan	Scottish Widows	£55,000,000	2.74% fixed	Dec 2033
Term loan	Scottish Widows	£40,000,000	2.74% fixed	Dec 2033
Term loan	Scottish Widows	£75,000,000	2.99% fixed	Dec 2033
Revolving Credit Facility	Lloyds Bank	£100,000,000	1.55% margin over 3 month LIBOR	Aug 2024[7]

The Company has received credit approval and agreed terms (subject to contract) for a new lender to be added to the Revolving Credit Facility, extending the facility by up to an additional £80 million and maintaining the margin of 1.55 per cent. per annum over LIBOR.

2. COMPETITIVE ADVANTAGES

The Directors, having been advised by the Investment Advisor, believe that the Company has a number of competitive advantages including:

- *Long dated, index-linked leases:* The Portfolio benefits from long-term leases (21-year weighted average unexpired lease term to first break) to institutional-grade tenants with strong financial covenants, which incorporate regular inflation-linked upward only rental growth, with 95 per cent. of the annual passing rent containing either index-linked or fixed uplifts to offer a secure, inflation-protected income stream to investors.
- *Multi-sector focus:* The Company is diversified across a wide range of defensive and robust property sectors. The Company's cross sector flexibility provides early mover advantage in under-exploited sectors and the opportunity to cherry pick assets to find value.

[7] The termination date of the Revolving Credit Facility is August 2022 but it may be extended by up to two years with the consent of the lenders.

- *Access to investment opportunities:* The Investment Advisor has access to a strong pipeline of investment opportunities through long-established industry contacts and extensive knowledge of the property market, including access to off-market transactions and specialised pre-let opportunities. The vast majority of acquisitions to date have been off-market transactions[8]. In the Investment Advisor's experience, off-market transactions have the potential to offer reduced acquisition pricing as there is no competition which would otherwise drive prices higher.
- *Asset availability:* The Investment Advisor is confident that suitable assets will be available for potential acquisition to enable the Company to invest or commit substantially all of the Net Issue Proceeds within a three-month period following Initial Admission.
- *Long-term, low cost debt:* The Company benefits from a 13 year average debt maturity with a low blended average all-in fixed cost of debt at 2.85 per cent. per annum on its term loans, representing a 295 basis points spread to the Company's average acquisition yield.
- *Operational flexibility and cost efficiency through its RCF:* The Company benefits from a Revolving Credit Facility that allows it to match drawdowns by developers on forward funding projects with drawdowns of its Revolving Credit Facility, providing cost saving and generating a significant yield spread.

3. INVESTMENT PROCESS

Sourcing investments

The Investment Advisor utilises its extensive contacts in the UK property market to source investment opportunities for the Company, in particular through its longstanding and strong relationships with tenants/operators, developers and banks, in addition to an existing wide-reaching network of investment agency contacts.

Review and approval

The Company reviews and approves each opportunity based on the following investment considerations:

- institutional-grade tenant with strong financial covenants and a proven operating track record;
- very long unbroken lease terms, typically 20 to 30 years (to earlier of first break and expiry);
- triple net leases directly linked to inflation or with fixed uplifts;
- sector and tenant diversification; and
- strong residual land value, meaning a high vacant possession value relative to investment value, resulting from such factors as: (i) strong underlying operating/trading performance; (ii) low current rental and capital value levels; (iii) alternative use potential; and (iv) strategic importance to the occupier.

Once a potential property opportunity has been identified as a result of the application of the research and advice provided by the Investment Advisor, initial due diligence on the potential property investment is undertaken.

In all cases after the initial due diligence phase, the Investment Advisor makes a detailed recommendation to the Board and the AIFM for their consideration and approval.

The Investment Advisor produces a detailed report for each potential investment opportunity being considered, which will (where appropriate) analyse: (i) tenant covenant; (ii) form of lease; (iii) loan and hedging options; (iv) rental streams; (v) exit strategies; (vi) asset management opportunities; and (vii) external factors (such as market conditions).

Based on initial due diligence and the investment opportunity report, the Directors determine whether detailed financial, legal and technical due diligence should be carried out by the Investment Advisor.

Execution

Where a proposed transaction is approved by the Directors, the Investment Advisor performs the appropriate due diligence required, utilising third party professional advisers where needed.

[8] Off-market acquisitions are those that were not formally marketed or subject to a formal bidding process.

The due diligence reports are submitted to the Directors and the AIFM with a recommendation prepared by the Investment Advisor comprising a full investment report detailing the fit of a particular transaction to the investment objective and investment policy of the Company and the potential risks and benefits of proceeding (or not) with any particular opportunity.

If an opportunity is presented to the Directors and approval is given to proceed, the AIFM and the Investment Advisor conducts the following roles and provision of services to enable the execution of the transaction:

- providing project management and overall control of the transaction, to include co-ordinating the work of other professional advisers and service providers, including agents, surveyors, valuers, lawyers, accountants, and tax advisers;
- leading in the negotiation with any third party (whether buying, selling, refinancing, or otherwise);
- leading in the negotiation and structuring of the transaction to ensure it meets the investment policy of the Company and does not detrimentally impact its status as a REIT;
- leading in the negotiation and structuring of any borrowings on the transaction;
- leading in the preparation and negotiation of any lease, or reviewing the implications of any existing lease;
- working as closely as requested with the Directors during the acquisition process; and
- leading the preparation of final documentation (in conjunction with legal and accounting advisers).

Monitoring and reporting

The Investment Advisor continually monitors the progress of the Company's investments. This includes regular site visits and meetings with tenants on an asset-by-asset basis, as required, and at a minimum, on a bi-annual basis.

The Investment Advisor updates the Directors on the progress of the Company's investments on a quarterly basis with additional formal contact being made where significant events have occurred which may impact the Company's income, expenditure or NAV.

The AIFM oversees the preparation of valuation statements for the Company's portfolio in each six month period (working with the Administrator and professional valuers and assisting the Company in selecting appropriate valuers).

Holding and exit

The intention is to hold all assets for the long-term (including forward funding developments). However, by exception, if an external offer is made to the Company and the returns are attractive for investors, the Company may consider selling an asset and reinvesting the proceeds into new assets as it has done on certain occasions to date.

Conflict management

Pursuant to the Investment Advisory Agreement, the Investment Advisor will not engage in any property acquisition services in relation to any long index-linked asset(s) falling within the Company's stated investment policy and investment objective, which have been identified by the Investment Advisor and in respect of which the reasonably estimated aggregate consideration or commitment involved is likely to be in excess of £5,000,000, without offering the Company a right of first refusal in respect of such asset(s).

4. PIPELINE

The Investment Advisor, on behalf of the Company, has identified a significant pipeline of additional assets which meet the Company's investment objective and policy, the vast majority of which have been sourced off-market through the Investment Advisor's extensive contacts and relationships.

The Investment Advisor has already commenced negotiations and discussions concerning the acquisition of such assets on behalf of the Company. Furthermore, the Investment Advisor, on behalf of the Company, has entered into exclusivity agreements in relation to the acquisition of a number of these assets.

These assets are diversified by location and leased to a range of institutional-grade tenants with strong financial covenants, with rental uplifts linked to inflation or a fixed growth rate and with a good mix within the pipeline of built assets and forward funded structures.

The assets, which total around £140 million including expected costs, are diversified across a range of defensive and structurally supported sub-sectors, including foodstores, industrial, drive-thru coffee and garden centres. They benefit from a long weighted average unexpired lease term to expiry of 21 years and to first break of 20 years and a blended net initial yield of 5.5 per cent. (net of acquisition costs).

These acquisitions are subject to ongoing due diligence by the Investment Advisor and the Company's other professional advisers. The Company currently has no binding contractual obligations with potential vendors and, although there can be no assurance that any of these properties will be purchased by the Company, the Investment Advisor is confident that it will substantially invest or commit the net proceeds resulting from the Initial Issue within three months following Initial Admission. The Company fully invested the proceeds of its last two capital raises within six weeks of closing those raises.

PART 3

DIRECTORS, MANAGEMENT AND ADMINISTRATION

1. DIRECTORS

The Directors are responsible for the determination of the Company's investment policy and have overall responsibility for the Company's activities, including the review of investment activity and performance and the control and supervision of the Company's service providers. All of the Directors are non-executive and are independent of the AIFM and the Investment Advisor. The Directors meet at least four times per annum.

The Directors are as follows:

Stephen Hubbard, non-executive Chairman

Stephen Hubbard previously served as Executive Chairman of UK CBRE Group, the world's largest property advisory firm. Before that Stephen served as Co-Head of CBRE Capital Markets Europe. He joined Richard Ellis in 1976 and served as Head of EMEA and UK Capital Markets from 1998 to 2012. He is also a member of the Advisory Board for Redevco which is a pan-European property holding company. In July 2020, Stephen became the Chairman of Workspace Group plc, having served as a non-executive director since July 2014.

Colin Smith OBE, non-executive Director

Colin Smith OBE served for ten years as Chairman of Poundland Group Holdings, Europe's largest single price discount retailer. Prior to this, he was Chief Executive and Finance Director of Safeway Plc, the national supermarket retailer. Colin served as Chairman of Hilton Food Group plc between 2016 and 2018, having previously served as a non-executive director since 2010. He also has experience in the not for profit sector, formerly serving as Chairman of The Challenge Network, as a trustee of Save the Children and as Chairman of the food industry sponsored Red Tractor assurance scheme. Colin has been appointed as the Company's Senior Independent Director.

Jeannette (Jan) Etherden, non-executive Director

Jan Etherden has over 35 years' experience in the investment industry, as an analyst, fund manager, then a non-executive director. Previously head of UK equities for Confederation Life/Sun Life of Canada, she joined Newton in 1996 as a director specialising in multi-asset segregated portfolios and also was their Investment COO from 1999 to 2001. Subsequently she worked with Olympus Capital Management as business development manager for specialist hedge fund products. She is a director of Miton UK MicroCap Trust plc and has previously served on the Boards of Ruffer Investment Company Ltd and TwentyFour Income Fund Ltd.

John Cartwright, non-executive Director

John Cartwright was formerly Chief Executive of The Association of Real Estate Funds (AREF) from 2009 to 2019. His responsibilities as Chief Executive of AREF were to represent and promote the interests of members, promote best practice in fund governance and ensure the smooth running of the association. Prior to this, John was with M&G Real Estate (formerly PRUPIM) for nearly 35 years in a variety of roles; latterly as Head of Institutional and Retail Funds and a member of PRUPIM's Board and Investment Committee. He has more than 20 years' experience of managing pooled and segregated accounts for both retail and institutional investors. John is also a member of the Investment Committee of Lothbury Property Trust.

Patricia Dimond, non-executive Director

Patricia Dimond has had an international career with over 30 years in consumer and financial markets. As an Executive or Strategic Advisor, she has worked with FTSE 100, Private Equity and owner managed companies. She is an investor in early stage technology ventures, with an expertise in Fintech. Patricia is an alumnae of McKinsey, 1994-1999 and a Chartered Financial Analyst (CFA), 2006. She qualified, with Deloitte, as a Chartered Accountant (CA) in 1985, and holds an MBA from IMD Switzerland, 1993. Patricia currently serves as a Non-Executive Director for the English National Opera where she is Senior Independent Director (SID) and Chair of Audit and Risk.

2. AIFM AND INVESTMENT ADVISOR

The Company has appointed Alvarium Fund Managers (UK) Limited as its alternative investment fund manager (the "**AIFM**"). The Company and the AIFM have appointed the Investment Advisor to provide certain services in relation to the Company and its portfolio.

Alvarium Fund Managers (UK) Limited is 100 per cent. owned by Alvarium Investments Limited. Alvarium was established in 2009 and has grown to become a substantial, international multi-family office and asset manager, supervising in excess of US$18 billion of assets, for families, private individuals and institutions. It has over 220 employees and 14 offices around the world.

The Investment Advisor has extensive expertise in the purchase and forward funding of commercial property assets let or pre-let on long, index-linked leases to institutional grade tenants with strong financial covenants across a wide range of defensive and robust sectors.

The Investment Advisor comprises property, legal and finance professionals with significant experience in the real estate sector, as described below. The team has capitalised and transacted over £2 billion of commercial property assets with a particular focus on accessing secure, long-let and index-linked UK commercial real estate through forward funding and built asset structures.

The core management team of the Investment Advisor (whose details are set out below) is supported by a team of other accounting, asset management, compliance, marketing, public relations, administrative and support staff. The key individuals responsible for executing the Company's investment strategy at the Investment Advisor are:

John White

John entered the commercial property market in 1987 and after qualifying as a chartered surveyor at Allsops moved to the investment team at Cushman & Wakefield. There he became a partner and spent the next 18 years advising a range of institutional investor clients on their UK acquisitions and disposals across the full range of real estate sub-sectors including retail (in and out of town), offices (London, Thames Valley and regional cities), logistics, and alternatives.

John moved into private equity real estate in 2007 and co-founded Osprey Equity Partners in 2011 and LXi REIT Advisors Limited in 2016.

Simon Lee

Simon trained and practised as a solicitor at City law firm, Slaughter and May, from 1999 to 2006, following which he spent the next 10 years in private equity real estate, co-founding Osprey Equity Partners in 2011 and LXi REIT Advisors Limited in 2016.

Simon's role covers a wide range of areas, including formulating investment strategies and products, raising equity and debt finance, asset selection, and negotiating and implementing transactions with vendors, purchasers, developers, investors, lenders and joint venture partners.

Freddie Brooks

Freddie trained and qualified as a chartered accountant in BDO's Real Estate and Construction team, gaining significant experience in the sector, working with similar listed vehicles, private property funds, developers and a number of the UK's top contractors. Freddie is also a qualified chartered surveyor (property finance and investment pathway) and a member of the RICS.

Freddie's role covers all historical and strategic financial matters including annual and interim reporting, budgeting and forecasting, treasury management and the monitoring of internal controls. Freddie is also responsible for the Investment Advisor's reporting to the Company's Board of Directors.

Investment Management Agreement

The Company and the AIFM have entered into the Investment Management Agreement, a summary of which is set out in paragraph 9.5 of Part 7 of this Registration Document, under which the AIFM has agreed to provide the Company with portfolio management and risk management services and to be the Company's alternative investment fund manager.

Details of the fees and expenses payable to the AIFM are set out in paragraph 7 of this Part 3 below.

Investment Advisory Agreement

The Company, the AIFM and the Investment Advisor have entered into the Investment Advisory Agreement, a summary of which is set out in paragraph 9.6 of Part 7 of this Registration Document, under which the Investment Advisor has agreed to provide certain services to the Company and the AIFM in relation to the Company's portfolio, including sourcing investments for acquisition by the Company and due diligence in relation to proposed investments.

Details of the fees and expenses payable to the Investment Advisor are set out in paragraph 7 of this Part 3 below.

3. ADMINISTRATOR

Langham Hall UK Services LLP has been appointed as Administrator to the Company. The Administrator provides the day-to-day administration of the Company and is also responsible for the Company's general administrative functions, such as calculation of the NAV and maintenance of the Company's accounting and statutory records.

4. COMPANY SECRETARY

PraxisIFM Fund Services (UK) Limited has been appointed as Company Secretary to the Company and also provides a registered office for the Company. The Company Secretary provides the company secretarial functions required by the Companies Act.

5. REGISTRAR

Link Market Services Limited has been appointed registrar of the Company. Under the terms of the Registrar Services Agreement the Registrar has responsibility for maintaining the register of Shareholders, receiving transfers of Ordinary Shares for certification and registration and receiving and registering Shareholders' dividend payments together with related services.

6. DEPOSITARY

Langham Hall UK Depositary LLP has been appointed as Depositary to provide cash monitoring, safekeeping and asset verification and oversight functions as prescribed by the AIFM Rules.

7. FEES AND EXPENSES

Ongoing annual expenses

Ongoing annual expenses include the following:

7.1 **AIFM**

Under the Investment Management Agreement, the AIFM receives a fee of £24,000 per annum. No performance fee is payable to the AIFM.

7.2 **Investment Advisor**

Under the terms of the Investment Advisory Agreement, the Investment Advisor is entitled to a fee payable monthly in arrear calculated at the rate of: (i) one-twelfth of 0.75 per cent. per calendar month of Market Capitalisation up to or equal to £500 million; and (ii) one-twelfth of 0.65 per cent. per calendar month of Market Capitalisation above £500 million. No performance fee is payable to the Investment Advisor.

7.3 **Administrator**

Under the terms of the Administration Agreement, the Administrator is entitled to receive a fee of £196,704.34 per annum. Any additional services provided by the Administrator will incur additional charges.

7.4 **Company Secretary**

Under the terms of the Company Secretarial Services Agreement, the Company Secretary is currently entitled to receive a fee of £59,455 per annum. This fee accrues daily and is paid monthly in arrear. In the event that the Company Secretary is required to undertake any other additional duties, beyond the scope of those set out in the Company Secretarial Services Agreement, the Company Secretary is entitled to charge an additional fee. The Company shall also reimburse the Company Secretary for its disbursements to cover all out of pocket expenses properly incurred by the Company Secretary in connection with the provision of its company secretarial services for and/or on behalf of the Company.

7.5 **Depositary**

Under the terms of the Depositary Agreement, the Depositary is entitled to receive a fee of £32,500 per annum plus an additional fee of 0.3 basis points per annum on any capital raised by the Company in excess of £250 million. In addition, the Depositary is entitled to receive transaction fees where the number of property acquisitions in a calendar year exceeds eight.

7.6 **Registrar**

Under the terms of the Registrar Services Agreement, the Registrar is entitled to an annual maintenance fee per Shareholder account per annum subject to a minimum annual fee. The Registrar is also entitled to certain transaction fees under the Registrar Services Agreement.

7.7 **Directors**

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chairman, the current annual fees are £40,000 for each Director. The Chairman's current annual fee is £75,000. In addition, the Chair of the Audit Committee receives an additional fee of £5,000 per annum and the Chair of the Management Engagement Committee receives an additional fee of £3,000 per annum.

Each of the Directors is also entitled to be paid all reasonable expenses properly incurred by them in attending general meetings, board or committee meetings or otherwise in connection with the business of the Company. The Board may determine that additional remuneration may be paid, from time to time, to any one or more Directors in the event such Director or Directors are requested by the Board to perform extra or special services on behalf of the Company.

Prior to 1 January 2020, fees payable to the Directors were, save where the Company determined otherwise, satisfied in Ordinary Shares acquired at market value on behalf of the Directors and for their account by the Company's broker. Any Ordinary Shares acquired by the Directors pursuant to these arrangements were subject to the terms of the Directors' Lock-in Deed. Following a review of the remuneration arrangements, the Board (having taken independent advice) determined that with effect from 1 January 2020 the Directors' remuneration would be paid in cash.

7.8 **Other operational expenses**

Other ongoing operational expenses (excluding fees paid to service providers as detailed above) of the Company will be borne by the Company including travel, accommodation, printing, audit, finance costs, legal fees (including those incurred on behalf of the Company by the AIFM or the Investment Advisor), corporate broking fees, annual London Stock Exchange fees and AIC membership fees.

All reasonable out of pocket expenses of the AIFM, the Investment Advisor, the Administrator, the Company Secretary, the Registrar, the Independent Valuer, the Company's other service providers and the Directors relating to the Company will be borne by the Company.

As all of the Company's assets are, and will be, invested in UK property, the Company expects to incur significant time and costs in connection with potential acquisitions, including third party costs in connection with identifying suitable investment opportunities, due diligence, negotiating transaction documentation and legal and accounting costs. In addition, the Company expects to incur certain third party costs, including in connection with financing, valuations and professional services associated with sourcing and analysis of suitable assets.

The AIFM has prepared a key information document required under the UK PRIIPs Regulation in relation to the Company's Ordinary Shares, which includes the New Ordinary Shares to be issued pursuant to the Initial Issue and the Share Issuance Programme. That regulation requires costs to be calculated and presented in accordance with detailed and prescriptive rules. The key information document is available on the Company's website (www.lxireit.com).

8. CONFLICTS OF INTEREST

The AIFM, the Investment Advisor and their officers and employees may from time to time act for other clients or manage or advise other funds, which may have similar investment objectives and policies to that of the Company. Circumstances may arise where investment opportunities will be available to the Company which are also suitable for one or more of such clients of the AIFM or the Investment Advisor or such other funds. The Directors have satisfied themselves that the AIFM and the Investment Advisor have procedures in place to address potential conflicts of interest. In accordance with the Investment Management Agreement, in the event of a conflict between the Company and the AIFM, the AIFM is obliged to take reasonable steps to ensure that the conflict is resolved fairly, in accordance (so far as applicable in the circumstances) with applicable FCA rules. The AIFM is obliged to notify the Company of any actual or potential conflict of interest which it identifies in relation to the performance of its duties and shall discuss with the Company how such conflict of interest is to be managed. Pursuant to the Investment Advisory Agreement, the Investment Advisor will not engage in any property acquisition services in relation to any long index-linked asset(s) falling within the Company's stated investment policy and investment objective, which have been identified by the Investment Advisor and in respect of which the reasonably estimated aggregate consideration or commitment involved is likely to be in excess of £5,000,000, without offering the Company a right of first refusal in respect of such asset(s).

The AIFM, the Investment Advisor and any of their directors, officers, employees, agents and affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an "**Interested Party**") may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services. For example, an Interested Party may acquire on behalf of a client an investment in which the Company may invest.

9. CORPORATE GOVERNANCE

The Board of the Company has considered the principles and recommendations of the AIC Code. The AIC Code addresses the principles and provisions set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company as an investment company. The Board considers that reporting against the principles and provisions of the AIC Code will provide better information to Shareholders.

The Financial Reporting Council ("**FRC**"), the UK's independent regulator for corporate reporting and governance responsible for the UK Corporate Governance Code, has endorsed the AIC Code. The terms of the FRC's endorsement mean that AIC members who report against the AIC Code meet fully their obligations under the UK Corporate Governance Code and the related disclosure requirements contained in the Listing Rules.

As at the date of this Registration Document, the Company complies with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except as set out below.

The UK Corporate Governance Code includes provisions relating to: the role of the chief executive; executive directors' remuneration; and the need for an internal audit function. For the reasons set out in the AIC Code, the Board considers these provisions are not relevant to the position of the Company, being an externally managed investment company and the Company does not, therefore, intend to comply with them.

The Company's Audit Committee is chaired by Patricia Dimond, consists of all the Directors and meets at least twice a year. The Board considers that the members of the Audit Committee have the requisite skills and experience to fulfil the responsibilities of the Audit Committee. The Audit Committee examines the effectiveness of the Company's risk management and internal control systems. It reviews the half-yearly and annual reports and also receives information from the AIFM and the Investment Advisor. It also reviews the scope, results, cost effectiveness, independence and objectivity of the external auditor.

In accordance with the AIC Code the Company has established a Management Engagement Committee which is chaired by Jan Etherden and consists of all the Directors. The Management Engagement Committee meets at least once a year or more often if required. Its principal duties are to consider the terms of appointment of the AIFM and the Investment Advisor and to annually review these appointments and the terms of the Investment Management Agreement and the Investment Advisory Agreement.

The Company has established a Nomination Committee which is chaired by Stephen Hubbard and consists of all the Directors. The Nomination Committee has been established for the purpose of reviewing the Company's succession plan and identifying and putting forward candidates for the office of director of the Company. The Nomination Committee meets at least once a year. The Nomination Committee considers job specifications and assesses whether candidates have the necessary skills and time available to devote to the job. In considering these matters the Nomination Committee takes into account the desirability of achieving diversity to the extent possible.

PART 4

PROPERTY VALUATION REPORT

The Directors
LXi REIT plc
1st Floor Senator House
85 Queen Victoria Street
London
EC4V 4AB

Peel Hunt LLP
100 Liverpool Street
London
EC2M 2AT

Jefferies International Limited
100 Bishopsgate
London
EC2N 4JL

Jefferies GmbH
Bockenheimer Landstraße 24
60323 Frankfurt am Main
Germany

18 February 2021

Dear Sirs

VALUATION REPORT ON THE PROPERTY PORTFOLIO OF LXI REIT PLC AND ITS GROUP

Market Valuation as at 31 December 2020

1. INTRODUCTION

1.1 In accordance with our instruction of 17 December 2020, of which details have been set out within the Terms of Engagement dated 22 January 2021, we have carried out a valuation of the freehold, heritable or leasehold interests in the properties referred to in the Schedule appended to this Valuation Report (together the "Properties" and each a "Property") and now report our opinion of the Market Values (as defined in paragraph 3.1 below) of the Properties as at 31 December 2020.

1.2 This Valuation Report is required for inclusion in a tripartite prospectus (the "Prospectus") which is to be published by LXI REIT plc (the "Company") in relation to the proposed issue of new ordinary shares in the share capital of the Company ("New Ordinary Shares") by way of a placing, open offer, offer for subscription and an intermediaries offer (the "Initial Issue"), an ongoing share issuance programme (the "Share Issuance Programme") and the admission of the New Ordinary Shares to be issued pursuant to the Initial Issue and the Share Issuance Programme to the Official List of the Financial Conduct Authority and to trading on the main market of the London Stock Exchange ("Admission"). Our Valuation Report is provided expressly for this purpose and this purpose only.

1.3 The Properties comprise hotels, industrial, healthcare, discount foodstores, leisure, student, car park and automotive and have been categorised as investment properties.

1.4 This valuation has been undertaken in accordance with: (i) the current editions of RICS Valuation - Global Standards, which incorporate the International Valuation Standards, and the RICS UK National Supplement. References to the "Red Book" refer to either or both of these documents, as applicable; (ii) Rules 5.4.5G and 5.4.6G of the Prospectus Regulation Rules published by the Financial Conduct Authority (the "Prospectus Regulation Rules"), together with item 2.7 of Annex 4 to the UK Prospectus Regulation; and (iii) paragraphs 128 to 130 of ESMA Update of the CESR Recommendations for the consistent implementation of the European Commission's Regulation (EC) No 809/2004 implementing the Prospectus Directive (as now applicable to the UK Prospectus Regulation) (the "CESR Recommendations"). For the purposes of this Letter, "UK Prospectus Regulation" shall mean Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended).

2. COMPLIANCE AND DISCLOSURES

2.1 Knight Frank LLP is instructed as External Valuer, as defined by the Red Book and regulations made by the Financial Conduct Authority.

2.2 Knight Frank LLP is retained by the Company to value the Properties on a bi-annual basis for financial reporting under International Financial Reporting Standards (IFRS). Chris Galloway MRICS and Michael Crowe MRICS are responsible for this particular instruction.

2.3 Other than valuation services, Knight Frank LLP has not had any material involvement with the Properties, subject to our comments below, and report without any conflict of interest.

2.4 Knight Frank LLP acted on the acquisition or sale of the following Properties:

i. Cambridge Belfry Hotel, Back Lane, Cambourne, Cambridge CB23 6BW where Knight Frank LLP acted for the Company on the acquisition of the Property in April 2017;

ii. Belasis Business Park, Billingham TS23 4EB where Knight Frank LLP acted for the vendor on the sale of the Property in July 2018;

iii. 31 Turnpike Road, Newbury RG14 2NX where Knight Frank acted for the vendor on the sale of the Property in October 2018;

iv. Dobbies Garden Centre, Heighley Gate, Morpeth, NE61 3DA where Knight Frank acted for the vendor on the sale of the Property in March 2019; and

v. Premier Inn, High Grounds Road, Worksop S80 3AT where Knight Frank acted for the vendor on the sale of the property in September 2019.

2.5 The valuer, on behalf of Knight Frank LLP, with responsibility for this Valuation Report is Chris Galloway MRICS, RICS Registered Valuer. Parts of the valuation have been undertaken by additional valuers. We confirm that the valuer and additional valuers collectively meet the requirements of RICS Valuation – Global Standards VPS 3, having sufficient current knowledge of the particular market and the skills and understanding to undertake the valuation competently.

2.6 In relation to Knight Frank LLP's preceding financial year, the proportion of the total fees paid by the Company to the total fee income of Knight Frank LLP was less than 5 per cent. We recognise and support the RICS Rules of Conduct and have procedures for identifying conflicts of interest.

3. BASIS OF VALUATION

3.1 The Properties have been valued on the basis of Market Value in accordance with the RICS Valuation – Global Standards VPS4. This is an internationally recognised basis and is defined as:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

3.2 No allowance has been made for expenses of realisation or for any taxation which might arise, and our valuations are expressed exclusive of any Value Added Tax that may become chargeable.

3.3 Our valuations reflect usual deductions in respect of purchaser's costs and, in particular, full liability for UK Stamp Duty as applicable at the valuation date.

3.4 Our valuation has been undertaken using appropriate valuation methodology and our professional judgement.

3.5 The valuer's opinion of Market Value was primarily derived using recent comparable market transactions on arm's length terms, where available, and appropriate valuation techniques (the "Investment Method").

3.6 The Properties have been valued individually and not as part of a portfolio.

3.7 Save as otherwise disclosed, it has been assumed for the purpose of valuation that the relevant interests in the Properties are free of mortgage, charge or other debt security and no deduction has been made for such charge or debt.

4. VALUATION ASSUMPTIONS

Sources of Information

4.1 Our valuations are based on information provided by the Company and its professional advisers, upon which we have relied, and which has not been verified by us. Our assumptions (as defined in the Red Book) relating to this information are set out below. If any of the information or assumptions are subsequently found to be incorrect then our valuations should be reviewed.

4.2 We would note that where information or documentation has not been provided to us we have adopted the appropriate assumptions required to undertake, and report, Market Values. When considering the covenant strength of individual tenants we have not carried out credit enquiries but have reflected within our valuations our general understanding of the investment market's likely perception of tenants' financial status.

Title

4.3 We have not been provided with title information and Reports on Title. Our valuations are prepared on the basis that the Properties have good and marketable titles and are free of any undisclosed onerous burdens, outgoings or restrictions.

Tenancy Information

4.3 We have not been provided with lease reports by the Company's professional advisers. However we have been provided with updated tenancy information on a bi-annual basis by the Company which we have relied upon.

Land Register Inspection and Searches

4.4 We do not undertake searches or inspections of any kind (including web based searches) for title or price paid information in any publicly available land registers, including the Land Registry for England & Wales, Registers of Scotland and Land & Property Services in Northern Ireland.

Planning, Highway and Other Statutory Regulations

4.5 We have made verbal/web based enquiries of the appropriate Town Planning and Highways Authorities in respect of matters affecting the Properties, where considered appropriate, although this information was given to us on the basis that it should not be relied upon.

We have not seen specific planning consents and have assumed that the Properties have been erected and are being occupied and used in accordance with all requisite consents and that there are no outstanding statutory notices. No allowances have been made for rights, obligations or liabilities arising under the Defective Premises Act 1972.

Structural Condition

4.6 We have not been instructed to carry out structural surveys of the Properties, nor to test the services. We have not been provided with building inspection reports, and/or construction reports. Our valuations assume the buildings contain no deleterious materials and that the sites are unaffected by adverse soil conditions, except where we have been notified to the contrary.

Environmental Issues

4.7 We have not carried out any investigations into past or present uses of either the Properties or any neighbouring land to establish whether there is any potential for contamination from these uses or sites to the Properties. We have, however, been provided by the Company with, and relied upon, Environmental Surveys, where available.

We understand that none of the Properties, subject to our comments below, is, nor is likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future uses of the Properties.

Should it be established subsequently that contamination exists at any of the Properties or on any neighbouring land or that the Properties have been or are being put to a contaminative use this could reduce the values now reported.

We have used the website of the Environment Agency's Indicative Floodplain Maps to provide a general overview of lands in natural floodplains and therefore potentially at risk of flooding from rivers or the sea. The maps use the best information currently available, based on historical flood records and geographical models. They indicate where flooding from rivers, streams, watercourses or the sea is possible. From the website, we have established that none of the Properties is currently classified as being at risk from flooding without the appropriate flood defences being present. We also understand that none of the Properties has a history of flooding.

Property Insurance

4.8 Our valuations assume that the Properties would, in all respects, be insurable against all usual risks including terrorism, flooding and rising water table at normal, commercially acceptable premiums.

Building Areas

4.9 Our valuations are based on the measurements provided by the Company.

Special Assumptions

4.10 As instructed by the Company, our valuation has been undertaken on the special assumption that the Properties are fully constructed as at the valuation date and are income producing. This assumption relates to the following Properties:

i. Biggin Hill Airport
ii. Cornwall Road, Smethwick
iii. Barry Penny Lane, Barry, CF63 4BA
iv. Squires Gate, Blackpool FY4 2AY
v. Canvey Island, Northwich road, Canvey Island SS8 0PT
vi. Sports Village, Cardiff CF11 0JP
vii. Parc Pensam, Carmathan SA31 2NF
viii. Goose Street, Newcastle under Lyme ST5 3HY
ix. Kettering road, Northampton NN3 6AA
x. Victoria Parkway, Nottingham NG4 2PA
xi. Riversway, Preston PR2 6BX
xii. Warwick Highway, Redditch, B98 0SW
xiii. Ridgeway Drive, Stoke ST1 5NY
xiv. Lincoln Road, Peterborough PE4 6WS
xv. 1 Afton Way Dundee DD4 8BR
xvi. Premier Inn, 25-29 Market Place, Romford
xvii. Knight Retail Park, Thaxted Road, Saffron Walden
xviii. Travelodge, Discovery Park Sandwich
xix. Premier Inn, High Grounds Road, Worksop S80 3AT
xx. Griffiths Retail Park, Griffiths Way, St Albans AL1 2RJ
xxi. Premier Inn, Porthmadog
xxii. Lidl, West Bridgford
xxiii. Lidl and Home Bargains, Barnard Castle
xxiv. Loaning Meadows Retail Park, Berwick-upon-Tweed

4.11 Should the assets above be treated as developments and valued using the residual method, the value reported below would be significantly different incorporating outstanding construction costs, finance, developers profit and fees.

4.12 A special assumption that the following Properties have been purchased on a topped up rent basis. Therefore should the Company sell the assets, as at the valuation date, these prices would not be achievable, without the additional rental top up. We understand the price the Company paid to the vendor reflected a deduction, being the difference between the contracted rent and the topped up rent. We further understand that the Company will make an adjustment in its financial accounts. This assumption applies to the following Properties:

i. Currock Road, Carlisle CA2 4AX

ii. Knight Retail Park, Saffron Walden, Thaxted Road, Essex, CB10 2UR

5. VALUATION

5.1 We are of the opinion that the aggregate of the Market Values as at 31 December 2020 of the freehold, heritable or leasehold interests in the Properties held by the Company as at 31 December 2020 is **£907,245,000 (Nine Hundred and Seven Million, Two Hundred and Forty Five Thousand Pounds)**.

5.2 The tenure of the Properties held by the Company as at 31 December 2020 comprises the following:

	No. of Properties	Market Value
Freehold or heritable	96	£667,565,000
Long Leasehold	29	£239,680,000
Total	125	£907,245,000

5.3 The Schedule comprises the address, tenant and tenure of each of the Properties held by the Company as at 31 December 2020.

5.4 There are four Properties of the 125 held by the Company as at 31 December 2020 which individually account for more than 3% of the aggregate value of the individual Market Values as at 31 December 2020. These four Properties are listed in the table below. The aggregate market value of these four properties represents 20.01% of the aggregate of the Market Values held by the Company as at 31 December 2020.

Address	Freehold	Long Leasehold	Total Market Value as at 31 December 2020	Percentage of the Company's portfolio by Market Value as at 31 December 2020
Jurys Inn, 50 Exeter Street, Plymouth, BN1 4DJ	£32,100,000		£32,100,000	3.54%
Stobart Group Ltd, Viking Park,Widnes WA8 0PE	£28,350,000		£28,350,000	3.12%
Griffiths Retail Park, Griffiths Way, St Albans, Hertfordshire AL1 2RJ	£30,250,000		£30,250,000	3.33%
Biggin Hill Airport		£90,800,000	£90,800,000	10.01%

5.5 Please note that due to the current Coronavirus (Covid-19) situation, we are needing to operate extended health and safety procedures, which include the need for property occupiers to confirm their agreement to us inspecting and provide answers to related health questions. We have been unable to proceed with the inspections until we receive the required confirmations. We have been unable to internally inspect many of the properties, including all of the "assisted Living" portfolio due to their nature of being closed due to lockdown provisions. A record of the commercial portfolio is listed below. A record of the exact inspection dates of the assisted living portfolio is maintained within our working papers and can be made available if required.

5.6 We confirm that, as at the date of this Valuation Report, there has been no material change since 31 December 2020 in any matter relating to the Properties which, in our opinion, would have a material effect on the Market Value of the Properties.

6. GENERAL CONDITIONS

6.1 This Valuation Report has been prepared for inclusion in the Prospectus. Knight Frank LLP hereby gives consent to the inclusion of this Valuation Report in the Prospectus and to the references to this Valuation Report and Knight Frank LLP in the Prospectus in the form and context in which they appear. For the purposes of Prospectus Regulation Rule 5.3.2(R)(2)(f), we are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that to the best of our knowledge, the information contained in this Valuation Report is in accordance with the facts and the Valuation Report contains no omission likely to affect its import. This Valuation Report complies with Rules 5.4.5G and 5.4.6G of the Prospectus Regulation Rules and paragraphs 128 to 130 of the CESR Recommendations.

Yours faithfully,

Chris Galloway MRICS
Partner, Valuation and Advisory
For and on behalf of Knight Frank LLP

Address	Sector	Tenure	Date of Inspection
Copenhagen Way, Norwich, Norfolk, NR3 2RT	Leisure	Freehold	25/01/2020
31 Turnpike Road, Newbury, RG14 2NX	Industrial	Freehold	31/01/2020
Edenmore Care Home, 646 Shore Road, Newtownabbey, BT3 7PR	Healthcare	Freehold	02/02/2020
31 Druid Stoke Avenue, Bristol BS9 1DE	Healthcare	Freehold	07/02/2020
Andover Business Park. Andover, SP11 8BP	Leisure	Freehold	19/02/2020
Columbus Quarter, Andover	Leisure	Long leasehold	19/02/2020
A444 Southbound, Bedworth, Nuneaton, CV10 7TF	Hotel	Freehold	08/02/2020
Oak Lane, West Bromwich, B70 8PF	Industrial	Freehold	08/02/2020
Redditch Warwick Highway, B98 0SW	Leisure	Long leasehold	08/02/2020
Sinclair Retail Park, Davies Road, Evesham WR11 1FN	Discount Foodstore	Freehold	08/02/2020
Blackpool, Squires Gate, FY4 2AY	Leisure	Long leasehold	15/02/2020
Nottingham, Victoria Parkway, NG4 2PA	Leisure	Long leasehold	15/02/2020
Rosegrove Lane, Burnley BB12 6EH	Automotive	Freehold	15/02/2020
Stoke, Ridgeway Drive, ST1 5NY	Leisure	Long leasehold	15/02/2020
Greaseborough Depot, North Drive, Rotherham S6 1RL	Industrial	Freehold	02/07/2020
Preston, Riversway, PR2 6BX	Leisure	Long leasehold	15/07/2020
Gestamp, Aycliffe Industrial Estate, Durham DL5 6EP	Industrial	Long leasehold	01/08/2020
Biggin Hill Airport	Industrial	Long leasehold	04/08/2020
Q-Park, Surrey Street	Car Park	Freehold	04/08/2020
Q-Park, Candleriggs Car Park, 37 Albion Street, Glasgow G1 1LH	Car Park	Freehold	07/08/2020
Q-Park, Quartermile Car Park, Simpson Loan, Edinburgh EH3 9AU	Car Park	Freehold	07/08/2020
Dobbies, Heighley Gate, Morpeth, Northumberland. NE61 3DA	Leisure	Freehold	12/08/2020
Q-Park, Shambles Car Park, Garden Place, York YO1 7NZ	Car Park	Long leasehold	12/08/2020
10-11 Belasis Business Park, Billingham Teesside TS23 4EB	Industrial	Freehold	13/08/2020
Atkinson Court Care Home. Ings Road, Cross Green, Leeds, LS9 9EJ	Healthcare Hotel	Freehold Freehold	13/08/2020 13/08/2020
Elder Way, Chesterfield S4 1UN			
Greene King, Brinkburn, Lady Kathryn Grove, County Durham DL3 0YR	Leisure	Freehold	13/08/2020
Scott Works, Clayton Road, Bradford BD7	Discount Foodstore	Freehold	13/08/2020
25-29 Market Place, Romford	Hotel	Long leasehold	14/08/2020
Greene King, County Hotel, High Street, Newcastle upon Tyne NE3 1HB	Leisure	Freehold	14/08/2020
Greene King, Duke of Wellington, Kenton Lane, Newcastle upon Tyne NE3 3BQ	Leisure	Freehold	14/08/2020
Greene King, Norman Conquest, Flatts Lane, Yorkshire TS6 0NP	Leisure	Freehold	14/08/2020
Griffiths Retail Park, Griffiths Way, St Albans, Hertfordshire AL1 2RJ	Discount Foodstore	Freehold	14/08/2020
Premier Inn, Thaxted Road, Saffron Walden, Essex	Hotel	Freehold	14/08/2020
Premier Inn, Worksop, Nottinghamshire	Hotel	Freehold	14/08/2020
Spanish City Promenade, Whitley Bay NE26 1AR	Hotel	Long leasehold	14/08/2020
Wilson Street, Middlesbrough TS1 1AE	Hotel	Freehold	14/08/2020
Apple Mews 1, 95 Cathedral Road, Armagh BT61 8AB	Healthcare	Long leasehold	18/08/2020

Address	Sector	Tenure	Date of Inspection
Apple Mews 2. 95 Cathedral Road, Armagh, BT61 8AB	Healthcare	Long leasehold	18/08/2020
North Nelson Industrial Estate. Cramlington NE23 1WW	Industrial	Freehold	21/08/2020
Northampton, Kettering Road, NN3 6AA	Leisure	Long leasehold	21/08/2020
Peterborough, Lincoln Road PE4 6WS	Leisure	Long leasehold	21/08/2020
Turbine Business Park, Nissan Way Sunderland SR5 3QY	Industrial	Freehold	21/08/2020
A48, Cross Hands, Llanelli, Carmarthenshire, SA14 6RD	Hotel	Freehold	31/08/2020
25 Old Haymarket, Liverpool, Merseyside L1 6ER	Hotel	Long leasehold	02/09/2020
Greene King, Bridgewater 23 Barton Road, Greater Manchester, M28 2DP	Leisure	Freehold	02/09/2020
Greene King, Bulls Head, 341 London Road, Cheshire SK7 4PS	Leisure	Freehold	02/09/2020
Greene King, Church View Inn, 38 Lunts Heath Road, Cheshire WA8 5RY	Leisure	Freehold	02/09/2020
Greene King, Griffin Inn, 184 Warrington Road, Cheshire WA8 3XT	Leisure	Freehold	02/09/2020
Greene King, Old Leyland Gates. Golden Hill Lane, Lancashire PR25 3PG	Leisure	Freehold	02/09/2020
Greene King, Pear & Partridge, The Parkway, Staffordshire WV6 7XZ	Leisure	Freehold	02/09/2020
Greene King, Shrewsbury Arms, 38 Claughton Firs Prenton, Merseyside CH43 5TQ	Leisure	Freehold	02/09/2020
Greene King, Spread Eagle Hotel Hatherlow, Greater Manchester SK6 3DR	Leisure	Freehold	02/09/2020
Greene King, Unicorn, Adlington Road, Cheshire SK9 2LN	Leisure	Freehold	02/09/2020
Newcastle Under Lyme Goose Street, ST5 3HY	Leisure	Long leasehold	02/09/2020
Q-Park, Piazza Car Park, St James Street, Manchester M1 4BP	Car Park	Long leasehold	02/09/2020
Q-Park, Waterside Car Park, 5 Broad Road, Manchester M33 2AE	Car Park	Freehold	02/09/2020
Viking Park, Widnes WA8 0PE	Industrial	Freehold	02/09/2020
Q-Park, Tower Bridge Car Park, Gainsford Street, London SE1 8NH	Car Park	Freehold	05/09/2020
Jurys Inn, 50 Exeter Street, Plymouth	Hotel	Freehold	12/09/2020
Tapstone Rd, Chard, Somerset TA20 2DE	Discount Foodstore	Freehold	12/09/2020
The Belfry Hotel, Back Lane Cambourne, Cambridge CB23 6BW	Hotel	Freehold	12/09/2020
Tolvaddon Road, Camborne TR14 8NQ	Hotel	Freehold	12/09/2020
Currock Road, Carlisle, CA2 4AX	Discount Foodstore	Freehold	25/09/2020
William Street, Workington, Cumbria CA14 3YG	Hotel	Part Freehold/Part Long leasehold	25/09/2020
21 Brown Street, Dundee DD1 5EF	Student	Freehold	29/09/2020
Barry Penny Lane, CF63 4BA	Leisure	Long leasehold	29/09/2020
Cardiff, Sports Village, CF11 0JP	Leisure	Long leasehold	29/09/2020
1 Afton Way, Dundee, DD4 8BR	Leisure	Long leasehold	30/09/2020
9 Bridge Street, Aberdeen, AB11 6JL	Hotel	Freehold	30/09/2020

Address	**Sector**	**Tenure**	**Date of Inspection**
North end Retail Park, High Street, Cowdenbeath KY4 9QA	Discount Foodstore	Freehold	30/09/2020
Rockingham Street, Sheffield S1 4NL	Car Park	Freehold	03/10/2020
High Street, Gosport, Hampshire PO12	Hotel	Freehold	04/10/2020
Q-Park, Riverside Car Park, 5 Millsands, Sheffield S3 8NH	Car Park	Long leasehold	04/10/2020
Phoenix Park Care Village, Phoenix Avenue, Scunthorpe, DN15 8HN	Healthcare	Freehold	21/10/2020
Commerce Way, Melksham SN12	Hotel	Freehold	22/10/2020
Dobbies Garden Centre, Pennine, Huddersfield, West Yorkshire, HD8 8LF	Leisure	Freehold	22/10/2020
Greene King, Britannia, Bradwell Lane, Newcastle under Lyme ST5	Leisure	Freehold	22/10/2020
Cornwall Road, Smethwick Birmingham	Industrial	Freehold	26/10/2020
Orbital 7, Orbital Park, Cannock, Staffordshire WS11 8XW	Industrial	Long leasehold	26/10/2020
The Priory Care Home,1 Shelly Crescent, Monkspath, Shirley, Solihull B90 4XA	Healthcare	Freehold	26/10/2020
Barnfield Close, Swindon SN2	Hotel	Freehold	29/10/2020
Travelodge, Discovery Park, Sandwich, Kent	Hotel	Freehold	30/10/2020
South Gyle Broadway, Edinburgh Park Edinburgh	Hotel	Freehold	02/11/2020
PGL Travel. Winmarleigh Hall, Church Lane. Winmarleigh, Lancaster, PR3 0LA	Leisure	Long leasehold	10/11/2020
165-167 Preston Road, Brighton, East Sussex, BN1 6AU	Hotel	Freehold	04/01/2021
Canvey Island, Northwich Road, SS8 0PT	Leisure	Long leasehold	04/01/2021
Portsmouth, Lidl, 73 London Road	Discount Foodstore	Part Freehold/Part Long leasehold	04/01/2021
Veolia Plot 3, Holton Heath Trading Park. Poole, Dorset BH16 6LT	Industrial	Freehold	04/01/2021
Carmarthen, Parc Pensarn, SA31 2NF	Leisure	Long leasehold	16/01/2021
Barnard Castle	Discount Foodstore	Freehold	Not Inspected
Berwick-upon-Tweed	Discount Foodstore	Freehold	Not Inspected
Blackpool, Thornton Centre, FY5 5DX	Discount Foodstore	Freehold	Not Inspected
Bradford Victoria Shopping Centre, Bradford BD8 9BN	Discount Foodstore	Long leasehold	Not Inspected
Clifton Drive North, Lytham St Annes, Lancashire FY8 2NA	Discount Foodstore	Long leasehold	Not Inspected
Glasgow 63 Cumberland Road, G34 6HZ	Discount Foodstore	Freehold	Not Inspected
Pontypridd, CF39 8EY	Discount Foodstore	Freehold	Not Inspected
Ponyton, 89 Park Ln, Poynton, Stockpor,t SK12 1RD	Discount Foodstore	Freehold	Not Inspected
Premier Inn, Porthmadog	Hotel	Freehold	Not nspected
Sandbach Lawton Way CW11, 1TF	Discount Foodstore	Freehold	Not Inspected

Address	Sector	Tenure	Date of Inspection
Southport, PR8 3HR	Discount Foodstore	Freehold	Not Inspected
Wallasey, CH45 3LE	Discount Foodstore	Freehold	Not Inspected
West Bridgford	Discount Foodstore	Freehold	Not Inspected
Wrexham, BorrasPark Road, LL12 7TH	Discount Foodstore	Freehold	Not Inspected
Assisted living properties across England	Healthcare	20 Freehold/ 1 Long leasehold	Varied

PART 5

THE UK REIT REGIME

1. THE UK REIT REGIME

1.1 Summary

(a) The summary of the REIT Regime below is intended only as a general guide. It is a high-level summary of the Company's understanding of certain aspects of current UK law and HMRC practice relating to the REIT Regime, each of which is subject to change, possibly with retrospective effect. It is not an exhaustive summary of all applicable legislation in relation to the REIT Regime.

(b) Investing in property through a UK taxable corporate investment vehicle has the disadvantage that, in comparison to a direct investment in property assets, some categories of shareholder may effectively bear tax twice on the same income: first, indirectly, when the corporate investment vehicle pays corporation tax on its profits, and secondly, directly (subject to any available exemption) when the shareholder receives a dividend. Non-tax paying entities, such as UK pension funds, could bear tax indirectly when investing through a taxable closed-ended corporate vehicle that is not a REIT that they would not suffer if they were to invest directly in the property assets.

(c) As a member of a REIT Group, a company will not pay UK corporation tax on income or capital gains from its Property Rental Business in the UK provided that certain conditions are satisfied. Instead, distributions by the principal company of a REIT Group in respect of the tax-exempt Property Rental Business will be treated for UK tax purposes as profits of a UK property business in the hands of shareholders. Part 3 of the Securities Note contains further detail on the UK tax treatment of shareholders in a REIT.

(d) An exemption applies for REITs which means that a disposal of shares benefits from the REIT Regime exemption where the company disposed of is UK property rich. "UK property rich" broadly means that the company in question derives 75 per cent. or more of its value from interests in UK land. This exemption for disposals of shares in companies that are UK property rich applies on a proportionate basis, by reference to the proportion which the value of the UK property rental business assets of the company disposed of bears to that company's total assets (as at the beginning of the accounting period in which the disposal takes place). As such, a gain on a disposal of shares in a subsidiary whose sole activity is the carrying on of a UK property rental business, with all of its assets held for the purposes of that UK property rental business, should generally be treated as a gain arising from the REIT Group's Property Rental Business and benefit in full from the exemption. Any such gains would be treated as exempt gains of the Property Rental Business and would therefore be treated as a PID when paid to shareholders and be subject to 20 per cent. withholding tax (subject to certain exceptions).

(e) A company will remain subject to UK corporation tax in the normal way in respect of any income and gains from any activities not included in the Property Rental Business (the "**Residual Business**").

(f) While within the REIT Regime, the Property Rental Business will be treated as a separate business for corporation tax purposes from the Residual Business. As such, a loss incurred by the qualifying Property Rental Business cannot be set off against profits of the Residual Business (and vice versa).

(g) A dividend paid by the Company which is attributed to profits or gains of the Property Rental Business is referred to as a "**Property Income Dividend**" or "**PID**". Other normal dividends paid by the Company (including dividends relating to the Residual Business) are referred to as Non-PID Dividends. Both PIDs and Non-PID Dividends may be satisfied by stock dividends. Part 3 of the Securities Note contains further detail on the UK tax treatment of shareholders in a REIT.

(h) In this Registration Document, references to a company's accounting period are to its accounting period for UK corporation tax purposes. This period can differ from a company's accounting period for other purposes.

1.2 **Qualification as a REIT**

(a) A company becomes a REIT by serving notice on HMRC before the beginning of the first accounting period for which it wishes to become a REIT. In order to qualify as a REIT, the company must satisfy and continue to satisfy certain conditions set out in the REIT Regime. A non-exhaustive summary of the material conditions is set out below.

(b) ***Company conditions***

The Company must be solely UK resident for tax purposes, its ordinary shares must be admitted to trading on a recognised stock exchange and it must not be an open-ended investment company. The Company's shares must either be listed on a recognised stock exchange throughout each accounting period or traded on a recognised stock exchange in each accounting period. This listing/traded requirement is relaxed in the first three accounting periods. The Company must also not be a close company (the "**close company condition**"). In summary, the close company condition amounts to a requirement that the company cannot be under the control of 5 or fewer participators (meaning generally shareholders or loan creditors), or of participators who are directors, subject to certain exceptions. A close company that is only close because it has a participator which is an "institutional investor" under the REIT Regime will not violate the non-close company rule. The close company condition is relaxed for the first three years.

(c) ***Share capital restrictions***

The Company must have only one class of ordinary share in issue. The only other shares it may issue are non-voting restricted preference shares, including shares which would be non-voting restricted preference shares but for the fact that they carry a right of conversion into shares or securities in the Company.

(d) ***Borrowing restrictions***

The Company must not be party to any loan in respect of which the lender is entitled to interest which exceeds a reasonable commercial return on the consideration lent or where the interest depends to any extent on the results of any of its business or on the value of any of its assets (subject to exceptions). In addition, the amount repayable must either not exceed the amount lent or must be reasonably comparable with the amount generally repayable (in respect of an equal amount lent) under the terms of issue of securities listed on a recognised stock exchange.

(e) ***Conditions for the Property Rental Business (including the balance of business conditions)***

The Company (or REIT Group) must satisfy, among other things, the following conditions in respect of each accounting period during which it is to be treated as a REIT:

(i) the Property Rental Business must throughout the accounting period involve at least three properties;

(ii) throughout the accounting period no one property may represent more than 40 per cent of the total value of the properties involved in the Property Rental Business;

(iii) the profits arising from the Property Rental Business must represent at least 75 per cent of the total profits for the accounting period (the "**75 per cent profits condition**"). Profits for this purpose means profits before deduction of tax and excluding, broadly, gains and losses on the disposal of property and gains and losses on the revaluation of properties, and certain exceptional items; and

(iv) at the beginning of the accounting period the value of the assets in the Property Rental Business must represent at least 75 per cent of the total value of assets held (the "**75 per cent assets condition**"). Cash and the value of shares held in other REITs are included in the value of the assets relating to the Property Rental Business for the purpose of meeting this condition.

(f) ***Distribution condition***

The Company (or REIT Group) will be required (to the extent permitted by law) to distribute to shareholders (by way of cash or stock dividend), on or before the filing date for the tax return for the accounting period in question, at least 90 per cent. of its income profits (broadly, calculated using normal UK corporation tax rules and excluding any realised or unrealised gains or losses) in respect of its Property Rental Business (the "**90 per cent distribution condition**") together with all of the Company's (or REIT Group's) UK REIT investment profits (broadly dividends received from other REITs in which the Company (or REIT Group) holds shares). For the purpose of satisfying the 90 per cent. distribution condition, any dividend withheld in order to comply with the 10 per cent. rule (as described below) will be treated as having been paid.

1.3 **Investment in other REITs**

There is an exemption for distributions of profits or gains of the Property Rental Business of one REIT to another REIT. The investing REIT is required to distribute 100 per cent. of such distributions to its shareholders. The investment by one REIT in another REIT will effectively be treated as a Property Rental Business asset for the purposes of the 75 per cent. assets condition.

1.4 **Effect of being a REIT**

(a) ***Tax exemption***

As a REIT, the Company (or its REIT Group) will not pay UK corporation tax on profits and gains from the Property Rental Business. Since 6 April 2019, gains on a disposal by a member of the REIT Group of shares in a property owning subsidiary which is "UK property rich" (which broadly means it derives 75 per cent. or more of its value from interests in UK land) are treated as exempt gains from the REIT Group's Property Rental Business, but it should be noted that this exemption applies only on a proportionate basis, with the proportion of the gain that is exempted being the same as the proportion which the value of the UK property rental business assets of the company disposed of bears to that company's total assets (as at the beginning of the accounting period in which the disposal takes place).

Corporation tax will still apply in the normal way in respect of the Residual Business. The Company (and its REIT Group) will also continue to pay all other applicable taxes including VAT, stamp duty land tax, stamp duty, PAYE, rates and national insurance contributions in the normal way.

(b) ***Dividends***

When the Company pays a dividend, that dividend must be paid as a PID to the extent necessary to satisfy the 90 per cent. distribution condition and the requirement to distribute UK REIT investment profits. If the dividend exceeds the amount required to satisfy that test, then depending on the exact position of the business (e.g. any requirement to pay further PIDs before a Non-PID dividend can be paid) the REIT may determine that all or part of the balance is a Non-PID Dividend. Subject to certain exceptions, PIDs will be subject to withholding tax at the basic rate of income tax (currently 20 per cent). Further details of the United Kingdom tax treatment of certain categories of shareholder while the company is in the REIT Regime are contained in Part 3 of the Securities Note.

If the Company ceases to be a REIT, dividends paid by the Company may nevertheless be PIDs to the extent they are paid in respect of profits and gains of the Property Rental Business arising whilst the Company was within the REIT Regime.

(c) ***Interest cover ratio***

A tax charge may arise to a REIT if, in respect of any accounting period, the ratio of income profits (subject to certain adjustments) to financing costs is less than 1.25:1. The amount (if any) by which the financing costs exceed the amount of those costs which would cause that ratio to equal 1.25:1 is (subject to a cap of 20 per cent. of the income profits) generally chargeable to corporation tax. HMRC has the power to waive such corporation tax charge if it is satisfied that: (i) the Company was in severe financial difficulties at a time in the relevant accounting period; (ii) the ratio is less than 1.25:1 as a result of circumstances that arose unexpectedly; and (iii) in those circumstances the Company could not reasonably have taken action to avoid such a result.

(d) ***The "10 per cent. rule"***

The Company may become subject to an additional tax charge if it makes a distribution to, or in respect of, a person beneficially entitled, directly or indirectly, to 10 per cent. or more of the Company's distributions or share capital or that controls, directly or indirectly, 10 per cent. or more of the voting rights in the Company. Shareholders should note that this tax charge only applies where a distribution is made (or attributed) to persons that are companies or are treated as bodies corporate in accordance with the law of an overseas jurisdiction with which the UK has a double taxation agreement, or in accordance with such a double taxation agreement. It does not generally apply where a nominee has such a 10 per cent or greater holding unless the persons on whose behalf the nominee holds the shares meet the test in their own right. This tax charge will not be incurred if the principal company has taken "reasonable steps" to avoid paying dividends to such a shareholder. HMRC guidance describes certain actions that a REIT may take to show it has taken such "reasonable steps". One of these actions is to include restrictive provisions in the REIT's articles of association to address this requirement, and the Company's Articles therefore contain provisions designed to avoid the situation where distributions may become payable to a Substantial Shareholder. These provisions are summarised at paragraph 3 of this Part 5.

(e) ***Property development and property trading by a REIT***

A property in relation to which development has been undertaken by the Company (or its REIT Group) can be within the Property Rental Business provided certain conditions are met. However, if the costs of the development exceed 30 per cent. of the fair value of the asset at the later of: (a) the date on which the relevant company becomes a member of a REIT, and (b) the date of the acquisition of the development property, and the REIT sells the development property within three years of completion of the development, the property will be treated as never having been part of the Property Rental Business for the purposes of calculating any profits arising on disposal of the property. Any profit will be chargeable to corporation tax as part of the Residual Business.

If the Company (or its REIT Group) disposes of a property (whether or not a development property) in the course of a trade, the property will be treated as never having been within the Property Rental Business for the purposes of calculating any profit arising on disposal of the property. Any profit will generally be chargeable to corporation tax as part of the Residual Business.

(f) ***Movement of assets in and out of Property Rental Business***

In general, where an asset owned by the Company (or its REIT Group) and used for the Property Rental Business begins to be used for the Residual Business, there will be a tax exempt market value disposal of the asset. Where an asset owned by the Company (or its REIT Group) and used for the Residual Business begins to be used for the Property Rental Business, this may, depending on the circumstances, constitute a taxable disposal of the asset.

(g) ***Joint ventures***

The REIT Regime also makes certain provisions for corporate joint ventures. If the REIT is beneficially entitled to at least 40 per cent. of the profits available for distribution to equity holders in a joint venture company and at least 40 per cent. of the assets of the joint venture company available to equity holders in the event of a winding up, that joint venture company (or its subsidiaries) is carrying on a Property Rental Business which satisfies the 75 per cent. profits condition and the 75 per cent. assets condition (the "**JV company**") and certain other conditions are satisfied, the principal company may, by giving notice to HMRC, elect for the assets and income of the JV company to be included in the Property Rental Business for tax purposes (on a proportionate basis). In such circumstances, the income of the JV company will count towards the 90 per cent distribution condition and the 75 per cent. profits condition, and its assets will count towards the 75 per cent. assets condition (on a proportionate basis).

(h) ***Certain tax avoidance arrangements***

If HMRC believes that a company that is or is a member of a REIT has been involved in certain tax avoidance arrangements, it may cancel the tax advantage obtained and, in addition, impose a tax charge equal to the amount of the tax advantage. In addition, if HMRC consider that the circumstances are sufficiently serious or if two or more notices in relation to the obtaining of a tax advantage are issued by HMRC in a 10 year period, they may require a company to exit the REIT Regime.

1.5 **Exit from the REIT Regime**

A company can give notice to HMRC that it wants to leave the REIT Regime at any time. The Board retains the right to decide that the company should exit the REIT Regime at any time in the future without shareholder consent if it considers this to be in the best interests of the Company.

If a company voluntarily leaves the REIT Regime within ten years of joining and within two years of leaving disposes of any property that was involved in its Property Rental Business, any uplift in the base cost of the property as a result of the deemed disposals on entry into and exit from the REIT Regime (or as a movement from the Property Rental Business to the Residual Business) is disregarded in calculating the gain or loss on the disposal.

It is important to note that it cannot be guaranteed that the Company or its REIT Group will comply with all of the REIT conditions and that the REIT Regime may cease to apply in some circumstances.

Shareholders and/or prospective investors should note that it is possible that the Company or its REIT Group could lose its status as a REIT as a result of actions by third parties (for example, in the event of a successful takeover by a company that is not a REIT) or other circumstances outside the Company's control.

2. DESCRIPTION OF THE REIT PROVISIONS INCLUDED IN THE ARTICLES

2.1 **Introduction**

The Articles contain provisions designed to enable the Company to demonstrate to HMRC that it has taken "reasonable steps" to avoid paying a dividend (or making any other distribution) to any Substantial Shareholder.

If a distribution is paid to a Substantial Shareholder and the Company has not taken reasonable steps to avoid doing so, the Company would become subject to a UK corporation tax charge.

The Articles contain special articles for this purpose (the "**Special Articles**"). The text of the Special Articles is set out in paragraph 3 of this Part 5.

The Special Articles:

(a) provide Directors with powers to identify its Substantial Shareholders (if any);

(b) prohibit the payment of dividends on Ordinary Shares that form part of a Substantial Shareholding, unless certain conditions are met;

(c) allow dividends to be paid on Ordinary Shares that form part of a Substantial Shareholding where the Shareholder has disposed of its rights to dividends on its Ordinary Shares; and

(d) seek to ensure that if a dividend is paid on Ordinary Shares that form part of a Substantial Shareholding and arrangements of the kind referred to in the preceding paragraph are not met, the Substantial Shareholder concerned does not become beneficially entitled to that dividend.

The effect of the Special Articles is explained in more detail below.

2.2 **Identification of Substantial Shareholders**

The share register of the Company records the legal owner and the number of Ordinary Shares they own but does not identify the persons who are beneficial owners of the Ordinary Shares or are entitled to control the voting rights attached to the Ordinary Shares or are beneficially entitled to dividends. While the requirements for the notification of interests in shares provided in Part VI of the Companies Act and the Board's rights to require disclosure of such interests (pursuant to Part 22 of the Companies Act and Article 180 of the Articles) should assist in the identification of Substantial Shareholders, those provisions are not on their own sufficient.

Accordingly, the Special Articles require a Substantial Shareholder and any registered Shareholder holding Ordinary Shares on behalf of a Substantial Shareholder to notify the Company if his Ordinary Shares form part of a Substantial Shareholding. Such a notice must be given within two business days. The Special Articles give the Board the right to require any person to provide information in relation to any Ordinary Shares in order to determine whether the Ordinary Shares form part of a Substantial Shareholding. If the required information is not provided within the time specified (which is seven days after a request is made or such other period as the Board may decide), the Board is entitled to impose sanctions, including withholding dividends (as described in paragraph 2.3 below) and/or requiring the transfer of the Ordinary Shares to another person who is not, and does not thereby become, a Substantial Shareholder (as described in paragraph 2.6 below).

2.3 **Preventing payment of a dividend to a Substantial Shareholder**

The Special Articles provide that a dividend will not be paid on any Ordinary Shares that the Board believes may form part of a Substantial Shareholding unless the Board is satisfied that the Substantial Shareholder is not beneficially entitled to the dividend.

If in these circumstances payment of a dividend is withheld, the dividend will be paid subsequently if the Board is satisfied that:

- the Substantial Shareholder concerned is not beneficially entitled to the dividends (see also paragraph 2.4 below);
- the shareholding is not part of a Substantial Shareholding;
- all or some of the Ordinary Shares and the right to the dividend have been transferred to a person who is not, and does not thereby become, a Substantial Shareholder (in which case the dividends will be paid to the transferee); or
- sufficient Ordinary Shares have been transferred (together with the right to the dividends) such that the Ordinary Shares retained are no longer part of a Substantial Shareholding (in which case the dividends will be paid on the retained Ordinary Shares).

For this purpose references to the "transfer" of an Ordinary Share include the disposal (by any means) of beneficial ownership of, control of voting rights in respect of and beneficial entitlement to dividends in respect of, that Ordinary Share.

2.4 **Payment of a dividend where rights to it have been transferred**

The Special Articles provide that dividends may be paid on Ordinary Shares that form part of a Substantial Shareholding if the Board is satisfied that the right to the dividend has been transferred to a person who is not, and does not thereby become, a Substantial Shareholder and the Board may be satisfied that the right to the dividend has been transferred if it receives a certificate containing appropriate confirmations and assurances from the Substantial Shareholder. Such a certificate may apply to a particular dividend or to all future dividends in respect of Ordinary Shares forming part of a specified Substantial Shareholding, until notice rescinding the certificate is received by the Company. A certificate that deals with future dividends will include undertakings by the person providing the certificate:

- to ensure that the entitlement to future dividends will be disposed of; and
- to inform the Company immediately of any circumstances which would render the certificate no longer accurate.

The Directors may require that any such certificate is copied or provided to such persons as they may determine, including HMRC.

If the Board believes a certificate given in these circumstances is or has become inaccurate, then it will be able to withhold payment of future dividends (as described above). In addition, the Board may require a Substantial Shareholder to pay to the Company the amount of any tax payable (and other costs incurred) as a result of a dividend having been paid to a Substantial Shareholder in reliance on the inaccurate certificate. The Board may require a sale of the relevant Ordinary Shares and retain the amount claimed from the proceeds.

Certificates provided in the circumstances described above will be of considerable importance to the Company in determining whether dividends can be paid. If the Company suffers loss as a result of any misrepresentation or breach of undertaking given in such a certificate, it may seek to recover damages directly from the person who has provided it. Any such tax may also be recovered out of dividends to which the Substantial Shareholder concerned may become entitled in the future.

The effect of these provisions is that there is no restriction on a person becoming or remaining a Substantial Shareholder provided that the person who does so makes appropriate arrangements to divest itself of the entitlement to dividends.

2.5 Trust arrangements where rights to dividends have not been disposed of by a Substantial Shareholder

The Special Articles provide that if a dividend is in fact paid on Ordinary Shares forming part of a Substantial Shareholding (which might occur, for example, if a Substantial Shareholding is split among a number of nominees and is not notified to the Company prior to a dividend payment date) the dividends so paid are to be held on trust by the recipient for any person (who is not a Substantial Shareholder) nominated by the Substantial Shareholder concerned. The person nominated as the beneficiary could be the purchaser of the Ordinary Shares if the Substantial Shareholder is in the process of selling down their holding so as not to cause the Company to breach the Substantial Shareholder rule. If the Substantial Shareholder does not nominate anyone within 12 years, the dividend concerned will be held on trust for the Company or such charity as the Board may nominate.

If the recipient of the dividend passes it on to another without being aware that the Ordinary Shares in respect of which the dividend was paid were part of a Substantial Shareholding, the recipient will have no liability as a result. However, the Substantial Shareholder who receives the dividend should do so subject to the terms of the trust and as a result may not claim to be beneficially entitled to those dividends.

2.6 Mandatory sale of Substantial Shareholdings

The Special Articles also allow the Board to require the disposal of Ordinary Shares forming part of a Substantial Shareholding if:

- a Substantial Shareholder has been identified and a dividend has been announced or declared and the Board has not been satisfied that the Substantial Shareholder has transferred the right to the dividend (or otherwise is not beneficially entitled to it);
- there has been a failure to provide information requested by the Board; or
- any information provided by any person proves materially inaccurate or misleading.

In these circumstances, if the Company incurs a charge to tax as a result of one of these events, the Board may, instead of requiring the Shareholder to dispose of the Ordinary Shares, arrange for the sale of the relevant Ordinary Shares and for the Company to retain from the sale proceeds an amount equal to any tax so payable.

2.7 Takeovers

The Special Articles do not prevent a person from acquiring control of the Company through a takeover or otherwise, although as explained above, such an event may cause the Company to cease to qualify as a REIT.

2.8 **Other**

The Special Articles also give the Company power to require any Shareholder who applies to be paid dividends without any tax withheld to provide such certificate as the Board may require to establish the Shareholder's entitlement to that treatment.

The Special Articles may be amended by special resolution passed by the Shareholders in the future, including to give powers to the Directors to ensure that the Company can comply with the close company condition described in this Part 5, which powers may include the ability to arrange for the sale of Ordinary Shares on behalf of Shareholders.

3. THE SPECIAL ARTICLES

"Real Estate Investment Trust"

179 Cardinal principle

(1) It is a cardinal principle that, for so long as the Company qualifies as a REIT or is the principal company of a group REIT for the purposes of Part 12 of the CTA 2010, it should not be liable to pay tax under Section 551 of the CTA 2010 on or in connection with the making of a Distribution.

(2) Articles 180 to 184 support such cardinal principle by, among other things, imposing restrictions and obligations on the members and, indirectly, certain other persons who may have an interest in the Company, and shall be construed accordingly so as to give effect to such cardinal principle. References in Articles 179 to 184 to any provision of CTA 2010 or other legislation relating to tax (including any such references contained relevant terms defined for the purposes of these Articles) are to such provisions or other legislation as the same may be modified, amended, supplemented or replaced from time to time.

180 Notification of Substantial Shareholder and other status

(1) Each member and any other relevant person shall serve notice in writing on the Company at the Office on:

(a) his becoming a Substantial Shareholder (together with the percentage of voting rights, share capital or dividends he controls or is beneficially entitled to, details of the identity of the member(s) who hold(s) the relevant Substantial Shareholding and such other information, certificates or declarations as the Directors may require from time to time, such other information, certificates or declarations to be provided promptly following a request therefor);

(b) his becoming a Relevant Registered Shareholder (together with such details of the relevant Substantial Shareholder and such other information, certificates or declarations as the Directors may require from time to time, such other information, certificates or declarations to be provided promptly following a request therefor); and

(c) any change to the particulars contained in any such notice (or in such other information, certificates or declarations), including on the relevant person ceasing to be a Substantial Shareholder or a Relevant Registered Shareholder.

Any such notice shall be delivered by the end of the second Business Day after the day on which the person becomes a Substantial Shareholder or a Relevant Registered Shareholder or the change in relevant particulars or within such shorter or longer period as the Directors may specify from time to time.

(2) The Directors may at any time give notice in writing to any person requiring him, within such period as may be specified in the notice (being seven days from the date of service of the notice or such shorter or longer period as the Directors may specify in the notice), to deliver to the Company at the Office such information, certificates and declarations as the Directors may require to establish whether or not he is a Substantial Shareholder or a Relevant Registered Shareholder or to comply with any Reporting Obligation. Each such person shall deliver such information, certificates and declarations within the period specified in such notice.

181 Distributions in respect of substantial shareholdings

(1) In respect of any Distribution, the Directors may, if the Directors determine that the condition set out in Article 181(2) is satisfied in relation to any shares in the Company, withhold payment of such Distribution on or in respect of such shares. Any Distribution so withheld shall be paid as provided in Article 181(3) and until such payment the persons who would otherwise be entitled to the Distribution shall have no right to the Distribution or its payment.

(2) The condition referred to in Article 181(1) is that, in relation to any shares in the Company and any Distribution to be paid or made on and in respect of such shares:

(a) the Directors believe that such shares comprise all or part of a Substantial Shareholding of a Substantial Shareholder; and

(b) the Directors are not satisfied that such Substantial Shareholder would not be beneficially entitled to the Distribution if it was paid, and, for the avoidance of doubt, if the shares comprise all or part of a Substantial Shareholding in respect of more than one Substantial Shareholder this condition is not satisfied unless it is satisfied in respect of all such Substantial Shareholders.

(3) If a Distribution has been withheld on or in respect of any shares in the Company in accordance with Article 181(1) it shall be paid as follows:

(a) if it is established to the satisfaction of the Directors that the condition in Article 181(2) is not satisfied in relation to such shares, in which case the whole amount of the Distribution withheld shall be paid; and

(b) if the Directors are satisfied that sufficient interests in all or some of the shares concerned, including the rights to the Distribution attributable to such shares, have been transferred to a third party so that such transferred shares no longer form part of the Substantial Shareholding, in which case the Distribution attributable to such shares shall be paid (provided the Directors are satisfied that following such transfer such shares concerned do not form part of a Substantial Shareholding); and

(c) if the Directors are satisfied that as a result of a transfer of interests in shares referred to in Article 181(3)(b) above the remaining shares no longer form part of a Substantial Shareholding, in which case the Distribution attributable to such shares shall be paid.

In this Article 181, references to the "**transfer**" of a share include the disposal (by any means) of beneficial ownership of, control of voting rights in respect of and beneficial entitlement to dividends in respect of, that share.

(4) A Substantial Shareholder may satisfy the Directors that he is not beneficially entitled to a Distribution by providing a Distribution Transfer Certificate. The Directors shall be entitled to (but shall not be bound to) accept a Distribution Transfer Certificate as evidence of the matters therein stated and the Directors shall be entitled to require such other information, certifications or declarations as they think fit.

(5) The Directors may withhold payment of a Distribution on or in respect of any shares in the Company if any notice given by the Directors pursuant to Article 181(2) in relation to such shares shall not have been complied with to the satisfaction of the Directors within the period specified in such notice. Any Distribution so withheld will be paid when the notice is complied with to the satisfaction of the Directors unless the Directors withhold payment pursuant to Article 181(1) and until such payment the persons who would otherwise be entitled to the Distribution shall have no right to the Distribution or its payment.

(6) If the Directors decide that payment of a Distribution should be withheld under Article 181(1) or Article 181(5), they shall within seven Business Days give notice in writing of that decision to the Relevant Registered Shareholder.

(7) If any Distribution shall be paid on or in respect of a Substantial Shareholding and an Excess Charge becomes payable, the Substantial Shareholder shall indemnify the Company against and on demand pay to the Company an amount (calculated on an

after-tax basis) equal to the amount of such Excess Charge and all costs and expenses incurred by the Company in connection with the recovery of such amount to the Company. Without prejudice to the right of the Company to claim such amount from the Substantial Shareholder, such recovery may be made out of the proceeds of any disposal pursuant to Article 183(2) or out of any subsequent Distribution in respect of the shares to such person or to the members of all shares in relation to or by virtue of which the Directors believe that person has an interest in the Company (whether that person is at that time a Substantial Shareholder or not).

182 *Distribution trust*

(1) If a Distribution is paid on or in respect of a Substantial Shareholding (except where the Distribution is paid in circumstances where the Substantial Shareholder is not otherwise beneficially entitled to the Distribution or the Directors have determined that they are satisfied that no Excess Charge will arise in connection with payment thereof), the Distribution and any income arising from it shall be held by the payee or other recipient to whom the Distribution or right to it is transferred by the payee on trust absolutely for the persons nominated by the relevant Substantial Shareholder under Article 182(2) in such proportions as the relevant Substantial Shareholder shall in the nomination direct, or subject to and in default of such nomination being validly made within 12 years after the date the Distribution is made, for the Company or for such charity as may be nominated by the Directors from time to time.

(2) The relevant Substantial Shareholder of shares in the Company on or in respect of which a Distribution is paid shall be entitled to nominate in writing any two or more persons (not being Substantial Shareholders) to be the beneficiaries of the trust on which the Distribution is held under Article 182(1) and the Substantial Shareholder may in any such nomination state the proportions in which the Distribution is to be held on trust for the nominated persons, failing which the Distribution shall be held on trust for the nominated persons in equal proportions. No person may be nominated under this Article 182(2) who is or would, on becoming a beneficiary in accordance with the nomination, become a Substantial Shareholder. If the Substantial Shareholder making the nomination is not by virtue of Article 182(1) the trustee of the trust, the nomination shall not take effect until it is delivered to the person who is the trustee.

(3) Any income arising from a Distribution which is held on trust under Article 182(1) shall until the earlier of (i) the making of a valid nomination under Article 182(2) and (ii) the expiry of the period of 12 years from the date when the Distribution is paid be accumulated as an accretion to the Distribution. Income shall be treated as arising when payable, so that no apportionment shall take place. The Company shall be entitled to deduct and pay to HMRC any tax due on the income arising for which it or any member of the Group is liable to account.

(4) No person who by virtue of Article 182(1) holds a Distribution on trust shall be under any obligation to invest the Distribution or to deposit it in an interest-bearing account.

(5) No person who by virtue of Article 182(1) holds a Distribution on trust shall be liable for any breach of trust unless due to his own wilful fraud or wrongdoing or, in the case of an incorporated person, the fraud or wilful wrongdoing of its directors, officers or employees.

183 *Obligation to dispose*

(1) If at any time, the Directors believe that:

(a) in respect of any Distribution declared or announced, the condition set out in Article 181(2) is satisfied in respect of any shares in the Company in relation to that Distribution; or

(b) a notice given by the Directors pursuant to Article 180(2) in relation to any shares in the Company has not been complied with to the satisfaction of the Directors within the period specified in such notice; or

(c) any information, certificate or declaration provided by a person in relation to any shares in the Company for the purposes of this Article 183(1) was materially inaccurate or misleading,

the Directors may give notice in writing (a "**Disposal Notice**") to any persons they believe are Relevant Registered Shareholders in respect of the relevant shares requiring such Relevant Registered Shareholders within 21 days of the date of service of the notice (or such longer or shorter time as the Directors consider to be appropriate in the circumstances) to dispose of such number of shares the Directors may in such notice specify or to take such other steps as will cause the condition set out in Article 181(2) no longer to be satisfied. The Directors may, if they think fit, withdraw a Disposal Notice.

(2) If:

(a) the requirements of a Disposal Notice are not complied with to the satisfaction of the Directors within the period specified in the relevant notice and the relevant Disposal Notice is not withdrawn; or

(b) a Distribution is paid on a Substantial Shareholding and an Excess Charge becomes payable,

the Directors may arrange for the Company to sell all or some of the shares to which the Disposal Notice relates or, as the case may be, that form part of the Substantial Shareholding concerned. For this purpose, the Directors may make such arrangements as they deem appropriate. In particular, without limitation, they may authorise any officer or employee of the Company to execute any transfer or other document on behalf of the holder or holders of the relevant share and, in the case of a share in uncertificated form, may make such arrangements as they think fit on behalf of the relevant holder or holders to transfer title to the relevant share through a relevant system.

(3) Any sale pursuant to Article 183(2) above shall be at the price which the Directors consider is the best price reasonably obtainable and the Directors shall not be liable to the holder or holders of the relevant share for any alleged deficiency in the amount of the sale proceeds or any other matter relating to the sale.

(4) The net proceeds of the sale of any share under Article 183(2) (less any amount to be retained pursuant to Article 181(5) and the expenses of sale) shall be paid over by the Company to the former holder or holders of the relevant share upon surrender of any certificate or other evidence of title relating to it, without interest. The receipt of the Company shall be a good discharge for the purchase money.

(5) The title of any transferee of shares shall not be affected by an irregularity or invalidity of any actions purportedly taken pursuant to this Article 183.

184 General

(1) The Directors shall be entitled to presume without enquiry, unless any Director has reason to believe otherwise, that a person is not a Substantial Shareholder or a Relevant Registered Shareholder.

(2) The Directors shall not be required to give any reasons for any decision or determination (including any decision or determination not to take action in respect of a particular person) pursuant to Articles 179 to 184 and any such determination or decision shall be at the absolute discretion of the Directors and shall be final and binding on all persons unless and until it is revoked or changed by the Directors. Any disposal or transfer made or other thing done by or on behalf of the Board or any Director pursuant to Articles 179 to 184 shall be binding on all persons and shall not be open to challenge on any ground whatsoever.

(3) Without limiting their liability to the Company, the Directors shall be under no liability to any other person, and the Company shall be under no liability to any member or any other person, for identifying or failing to identify any person as a Substantial Shareholder or a Relevant Registered Shareholder.

(4) The Directors shall not be obliged to serve any notice required under Articles 179 to 184 upon any person if they do not know either his identity or his address. The absence of

service of such a notice in such circumstances or any accidental error in or failure to give any notice to any person upon whom notice is required to be served under Articles 179 to 184 shall not prevent the implementation of or invalidate any procedure under Articles 179 to 184.

(5) The provisions of Articles 152 to 158 shall apply to the service upon any person of any notice required by Articles 179 to 184. Any notice required by Articles 179 to 184 to be served upon a person who is not a member or upon a person who is a member but whose address is not within the United Kingdom shall be deemed validly served if such notice is sent through the post in a pre-paid cover addressed to that person or member at the address if any, at which the Directors believe him to be resident or carrying on business or, in the case of a holder of depositary receipts or similar securities, to the address, if any, in the register of holders of the relevant securities. Service shall, in such a case be deemed to be effected on the day of posting and it shall be sufficient proof of service if that notice was properly addressed, stamped and posted.

(6) Any notice required or permitted to be given pursuant to Articles 179 to 184 may relate to more than one share and shall specify the share or shares to which it relates.

(7) The Directors may require from time to time any person who is or claims to be a person to whom a Distribution may be paid without deduction of tax under Regulation 7 of the Real Estate Investment Trusts (Assessment and Recovery of Tax) Regulations 2006 to provide such certificates or declarations as they may require from time to time.

(8) Any of Articles 179 to 184 may be amended by special resolution from time to time, including to give powers to the Directors to take such steps as they may require in order to ensure that the Company can satisfy Condition D of Section 528 of the CTA 2010 which relates to close company status, which powers may include the ability to arrange for the sale of shares on behalf of members.

(9) Where any certificate or declaration may be or is required to be provided by any person (including, without limitation, a Distribution Transfer Certificate) pursuant to any of Articles 179 to 184, such certificate or declaration may be required by the Directors (without limitation):

(a) to be addressed to the Company, the Directors or such other persons as the Directors may determine (including HMRC);

(b) to include such information as the Directors consider is required for the Company to comply with any Reporting Obligation;

(c) to contain such legally binding representations and obligations as the Directors may determine;

(d) to include an undertaking to notify the Company if the information in the certificate or declaration becomes incorrect, including prior to such change;

(e) to be copied or provided to such persons as the Directors may determine (including HMRC); and

(f) to be executed in such form (including as a deed or deed poll) as the Directors may determine.

The provisions of Articles 179 to 184 shall apply notwithstanding any provisions to the contrary in any other Article (including, without limitation, Articles 139 to 151)."

PART 6

FINANCIAL INFORMATION

1. HISTORICAL FINANCIAL INFORMATION INCORPORATED BY REFERENCE

The audited consolidated financial statements of the Group for the 12 months ended 31 March 2020 (the "**2020 Annual Report and Accounts**") and the unaudited consolidated interim accounts of the Group for the six months ended 30 September 2020 (the "**2020 Interim Report**"), which have been incorporated into this document by reference, included on the pages specified below the following information:

Nature of information	2020 Interim Report (page no(s))	2020 Annual Report and Accounts (page no(s))
Highlights	2-4	2-4
Chairman's Statement	6-8	6-8
Investment Advisor's Report	9-16	10-18
Key performance indicators	18-19	25
EPRA performance measures	20	26
Directors' Report	–	36-38
Independent Auditor's Report	–	55-60
Independent review report to LXi REIT plc	23	–
Consolidated Statement of Comprehensive Income	24	62
Consolidated Statement of Financial Position	25	63
Consolidated Statement of Changes in Equity	26-27	64
Consolidated Cash Flow Statement	28	65
Notes to the Consolidated Financial Statements	29-54	66-87
Company Statement of Financial Position	–	88
Company Statement of Changes in Equity	–	89
Notes to the Company Financial Statements	–	90-94
Notes to the EPRA performance measures	55	96-97
Company information	56	100

The 2020 Annual Report and Accounts have been prepared in accordance with IFRS and were audited by BDO LLP, whose report was unqualified. BDO LLP is a member firm of the Institute of Chartered Accountants in England and Wales.

Any statement contained in the 2020 Annual Report and Accounts or the 2020 Interim Report which is deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for the purpose of this Registration Document to the extent that a statement contained herein (or in a later document which is incorporated by reference herein) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded to constitute a part of this Registration Document.

To the extent that any part of the 2020 Annual Report and Accounts or the 2020 Interim Report that is incorporated into this document by reference itself contains information that is incorporated by reference, such information shall not form part of the Prospectus.

Those parts of the 2020 Annual Report and Accounts and the 2020 Interim Report which are not being incorporated into this document by reference are either not relevant for investors or are covered elsewhere in the Prospectus.

Copies of the 2020 Annual Report and Accounts and the 2020 Interim Report are available online at www.lxireit.com and are also available for inspection at the address referred to in paragraph 16 of Part 7 of this Registration Document.

2. SIGNIFICANT CHANGE

Save as disclosed below, there has been no significant change in the financial position of the Group since 30 September 2020, being the end of the last financial period for which interim financial information has been published.

The significant changes since 30 September 2020 comprise:

Dividends

- On 11 February 2021, the Board declared an interim quarterly dividend in respect of the quarter ended 31 December 2020 of 1.44 pence per Ordinary Share.
- On 23 November 2020, the Board declared an interim quarterly dividend in respect of the quarter ended 30 September 2020 of 1.35 pence per Ordinary Share.

Acquisitions and disposals

- On 20 October 2020, the Company announced three disposals for a total value of £17 million and two accretive acquisitions in the foodstore sector for a total sum of £15 million, reflecting a blended net initial yield of 5.5 per cent (net of acquisition costs). These comprised:
  - the disposal of the Company's only office asset in Cambuslang, Glasgow for proceeds of £8 million, generating an attractive geared IRR of over 16 per cent. per annum;
  - the sale of 11 long-let social housing assets for a combined sum of £8.5 million to a social infrastructure fund;
  - the sale of a non-operational plot adjacent to its Travelodge hotel in Llanelli to a petrol filling station operator for £500,000;
  - the exchange of contracts on the pre-let forward funding acquisition of a Lidl foodstore in West Bridgford, Nottinghamshire, which has been fully let to Lidl on a 25-year lease (with a one-off break right at year 15) with five yearly rental uplifts in line with annually compounded RPI inflation (capped at 3 per cent. per annum and collared at 1 per cent. per annum). The Company is also forward funding EV charging points at the property, pre-let on an unbroken 25-year, RPI-linked lease to a specialist EV operator; and
  - the acquisition of a £5m built Aldi foodstore in Lytham St Annes with 18-years term certain remaining on the lease and fixed five yearly rental uplifts of 2.5 per cent. per annum compounded.
- On 26 November 2020, the Company announced the acquisition of 11 foodstores and two discount stores from five different vendors/developers for a total cost of £61 million and at an average net initial yield of 5.7 per cent. (net of acquisition costs). The acquisitions comprised:
  - the exchange of contracts on the pre-let forward funding of an Aldi-anchored scheme in Berwick-upon-Tweed, Northumberland with an unbroken 20-year lease commencing on completion of the building works and five-yearly RPI inflation-linked reviews, together with an adjoining unit which has been fully pre-let to Iceland Foods Limited on an unbroken 10-year lease with upwards only rent reviews;
  - the acquisition of a foodstore in Portsmouth, Hampshire, which is fully let to Lidl UK GMBH with 22 years until expiry and 17 years until first break and rent reviews on a five-yearly basis at a fixed growth rate of 2 per cent. per annum compounded;
  - the acquisition of a foodstore in Poynton, Cheshire, which is fully let to Waitrose Limited with 15 years unexpired until first break and rent reviews on a five-yearly basis at a fixed growth rate of 2.5 per cent. per annum compounded;
  - the acquisition of a portfolio of seven Co-Op foodstores in Blackpool, Glasgow, Pontypridd, Sandbach, Southport, Wallasey and Wrexham, from a mortgagee, each of which is let to the Co-Operative Group Limited with over 16 years unexpired to first break and with annual rental uplifts fixed at 2.25 per cent. per annum; and
  - the acquisition of two discount stores in Bradford, Yorkshire, the first of which is fully let to The Range with 19 years until first break and fixed rental uplifts of 2.5 per cent. per annum compounded and the second of which is fully let to B&M Retail Limited with 14 years until first break and fixed rental uplifts of 2 per cent. per annum compounded.

- On 30 November 2020, the Company completed the disposal of its car storage facility in Corby let to BCA, for proceeds of £68 million, reflecting a low exit yield of 4.45 per cent. and an attractive geared IRR of over 14 per cent. per annum on completion.

Debt restructuring

- On 2 November 2020, the Group blended its three term loan facilities and reduced the fixed interest rate by 9 bps to 2.85 per cent. per annum, which is expected to provide approximately £2.0m of cash saving over the extended term. The blended facility was also extended to a thirteen-year maturity, expiring in December 2033.

PART 7

ADDITIONAL INFORMATION

1. THE COMPANY, THE AIFM AND THE INVESTMENT ADVISOR

1.1 The Company was incorporated in England and Wales on 21 December 2016 as a public limited company under the Companies Act with registered number 10535081. The Company's Legal Entity Identifier is 2138008YZGXOKAXQVI45. The Company is registered as an investment company under section 833 of the Companies Act and has received a certificate under section 761 of the Companies Act entitling it to commence business and to exercise its borrowing powers. The Company is domiciled in England and Wales and has no employees. The Company has an indefinite life.

1.2 The principal place of business and registered office of the Company is 1st Floor Senator House, 85 Queen Victoria Street, London EC4V 4AB and its telephone number is +44 (0)20 4513 9260. The Company's website address is www.lxireit.com. Information on the Company's website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

1.3 The principal legislation under which the Company operates is the Companies Act. The Company is not regulated as a collective investment scheme by the FCA. However, as a Company with its shares admitted to the premium segment of the Official List of the FCA and to trading on the London Stock Exchange's main market, the Company is subject to the Listing Rules, the UK Prospectus Regulation, the Prospectus Regulation Rules, the UK Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and to the rules of the London Stock Exchange.

1.4 The AIFM, Alvarium Fund Managers (UK) Limited, is a private limited company incorporated in England and Wales on 18 December 2015 under the Companies Act with company number 09921853. The AIFM is an authorised investment manager subject to regulation by the FCA (firm registration number 751355). The address of the registered office of the AIFM is 10 Old Burlington Street, London W1S 3AG, its telephone number is +44 (0) 20 7195 1400 and its Legal Entity Identifier is 213800V3RGPKFF69EW93.

1.5 The Investment Advisor, LXi REIT Advisors Limited, is a limited liability company incorporated in England and Wales on 22 December 2016 under the Companies Act with company number 10537567. The address of the registered office of the Investment Advisor is 10 Old Burlington Street, London W1S 3AG and its telephone number is +44(0)20 7195 1400.

2. SHARE CAPITAL

2.1 As at the date of this Registration Document, the Company's issued share capital, all of which is fully paid, was 521,426,010 Ordinary Shares and no Ordinary Shares were held in treasury.

2.2 The Company has convened the General Meeting at which the Directors are seeking authority from Shareholders to issue up to 400 million New Ordinary Shares on a non-pre-emptive basis pursuant to the Initial Issue and the Share Issuance Programme.

2.3 All of the New Ordinary Shares to be issued pursuant to the Initial Issue and the Share Issuance Programme will be in registered form and will be eligible for settlement in CREST. Temporary documents of title will not be issued.

2.4 Applicants who have signed and returned Application Forms in respect of the Offer for Subscription and the Open Offer may not withdraw their applications for New Ordinary Shares subject to their statutory right of withdrawal in the event of the publication of a supplementary prospectus.

2.5 The Company had not issued any convertible securities, exchangeable securities or securities with warrants; no share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option; and the Company had not granted or assumed any acquisition rights or obligations over authorised but unissued share capital or given any undertaking to increase the share capital.

3. DIRECTORS AND MAJOR SHAREHOLDERS

3.1 The table below sets out the number of existing Ordinary Shares held by each Director at the Latest Practicable Date, the percentage of Ordinary Share capital that holding represents at the Latest Practicable Date, the number of New Ordinary Shares each Director intends to subscribe for pursuant to the Initial Issue and the percentage of Ordinary Share capital each Director is expected to hold at the date of Initial Admission:

Director	Number of existing Ordinary Shares	% of issued Ordinary Share capital	Number of New Ordinary Shares	% of enlarged Ordinary Share capital*
Stephen Hubbard	169,389	0.032	16,000	0.032
Colin Smith OBE	222,909	0.043	–	0.038
Jan Etherden	57,274	0.011	20,000	0.013
John Cartwright	66,687	0.013	–	0.011
Patricia Dimond	17,431	0.003	8,000	0.004

* Assuming the Initial Issue is subscribed as to 60,164,539 New Ordinary Shares.

3.2 Save as disclosed in this paragraph 3, no Director has any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company as at the Latest Practicable Date.

3.3 None of the Directors has, or has had, an interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company or that has been effected by the Company since its incorporation.

3.4 The Company has not made any loans to the Directors which are outstanding, nor has it ever provided any guarantees for the benefit of any Director or the Directors collectively.

3.5 Over the five years preceding the date of this Registration Document, the Directors hold or have held the following directorships (apart from their directorships of the Company) or memberships of administrative, management or supervisory bodies and/or partnerships:

Name	Current	Previous
Stephen Hubbard	74 Cadogan Square Freehold Limited Cockwells Modern and Classic Boat Building Ltd LXi Property Holdings 1 Limited Workspace Group plc	The London Business Club*
Colin Smith OBE	—	Hilton Food Group plc LXi Property Holdings 1 Limited The Challenge Network**
Jan Etherden	Miton UK MicroCap Trust plc	Hotel Income REIT Plc LXi Property Holdings 1 Limited Ruffer Investment Company Ltd TwentyFour Income Fund Ltd
John Cartwright	Calvi Capital Limited Investment Committee of Lothbury Property Trust Oaklands (Chislehurst) Management Limited South Barracks Management Company Limited	LXi Property Holdings 1 Limited The Association of Real Estate Funds
Patricia Dimond	English National Opera Foresight VCT plc Withclarity Limited	

* Dissolved by voluntary strike-off on 14 May 2019.

** Colin Smith OBE retired as a Director of The Challenge Network on 5 December 2018. The company entered into administration on 27 November 2019 and creditors' voluntary liquidation on 26 May 2020.

3.6 Save as disclosed in paragraph 3.5 above, the Directors in the five years before the date of this Registration Document:

(a) do not have any convictions in relation to fraudulent offences;

(b) have not been associated with any bankruptcies, receiverships or liquidations of any partnership or company, or any company put into administration, through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and

(c) do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

3.7 There are no family relationships between any of the Directors.

3.8 The Company intends to maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

3.9 So far as is known to the Company, as at the Latest Practicable Date the following persons hold, directly or indirectly, the percentage of the Company's voting rights referred to below which are notifiable pursuant to the Disclosure Guidance and Transparency Rules:

Name	**Number of existing Ordinary Shares held**	**% of voting rights**
BlackRock Inc.	28,102,017	5.39
Brooks Macdonald Group plc	12,676,746	2.43
Old Mutual plc	11,141,368	2.14
Close Asset Management Ltd	7,568,250	1.45
City Asset Management plc	4,148,111	0.80

3.10 As at the Latest Practicable Date, save as set out in this paragraph 3, the Company is not aware of any persons who have a notifiable interest under English law in the Company's capital or voting rights.

3.11 All Shareholders have the same voting rights in respect of the share capital of the Company.

3.12 As at the Latest Practicable Date, the Company and the Directors are not aware of any other person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

3.13 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

3.14 None of the Directors has any conflict of interest or potential conflicts of interest between any of his or her duties carried out on behalf of the Company and his or her private interests and any other duties. The Investment Advisor, any of its directors, officers, employees, agents and affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an "**Interested Party**") may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services. For example, an Interested Party may acquire on behalf of a client an investment in which the Company may invest.

4. DIRECTORS' APPOINTMENT LETTERS

4.1 No Director has a service contract with the Company, nor are any such contracts proposed.

4.2 Each Director has entered into a letter of appointment with the Company. The Directors' appointments can be terminated in accordance with the Articles and without compensation. All Directors are subject to retirement by rotation in accordance with the Articles. There is no notice period specified in the letters of appointment or Articles for the removal of Directors. The Articles provide that the office of Director shall be terminated by, amongst other things:

(i) written resignation; (ii) unauthorised absences from board meetings for six consecutive months or more; or (iii) written request of all of the other Directors.

4.3 Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chairman, the current annual fees are £40,000 for each Director. The Chairman's current annual fee is £75,000. In addition, the Chair of the Audit Committee receives an additional fee of £5,000 per annum and the Chair of the Management Engagement Committee receives an additional fee of £3,000 per annum.

4.4 The aggregate of the remuneration (including any contingent or deferred compensation), and benefits in kind granted to the Directors by the Group for the year ended 31 March 2020 was £164,000.

4.5 The Directors are also entitled to out-of-pocket expenses incurred in the proper performance of their duties.

5. ARTICLES OF ASSOCIATION

The Articles contain provisions, *inter alia*, to the following effect:

5.1 Objects

The Articles do not provide for any objects of the Company and accordingly the Company's objects are unrestricted.

5.2 Variation of rights

Subject to the provisions of the Companies Act as amended and every other statute for the time being in force concerning companies and affecting the Company (the "**Statutes**"), if at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of that class (but not otherwise) and may be so varied either whilst the Company is a going concern or during or in contemplation of a winding-up. At every such separate general meeting the necessary quorum shall be at least two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question (but at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum), any holder of shares of the class present in person or by proxy may demand a poll and every such holder shall on a poll have one vote for every share of the class held by him. Where the rights of some only of the shares of any class are to be varied, the foregoing provisions apply as if each group of shares of the class differently treated formed a separate class whose rights are to be varied.

5.3 Alteration of share capital

The Company may by ordinary resolution:

(a) consolidate and divide all or any of its share capital into shares of larger nominal value than its existing shares;

(b) sub-divide its shares, or any of them, into shares of smaller nominal value than its existing shares; and

(c) determine that, as between the shares resulting from such a sub-division, one or more shares may, as compared with the others, have any such preferred, deferred or other rights or be subject to any such restrictions as the Company has power to attach to unissued or new shares.

5.4 Issue of shares

Subject to the provisions of the Companies Act and without prejudice to any rights attaching to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine (or if the Company has not so determined, as the Directors may determine).

5.5 **Dividends**

Subject to the provisions of the Companies Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the shareholders but no dividends shall exceed the amount recommended by the Directors. Subject to the provisions of the Companies Act, the Directors may pay interim dividends, or dividends payable at a fixed rate, if it appears to them that they are justified by the profits of the Company available for distribution. If the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

Subject to the rights of persons (if any) entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. If any share is issued on terms that it ranks for dividend as from a particular date, it shall rank for dividend accordingly. In any other case, dividends shall be apportioned and paid proportionately to the amount paid up on the shares during any portion(s) of the period in respect of which the dividend is paid.

5.6 **Voting rights**

Subject to any rights or restrictions attached to any shares, on a show of hands every shareholder present in person has one vote, every proxy present who has been duly appointed by a shareholder entitled to vote has one vote and every corporate representative present who has been duly authorised by a corporation has the same voting rights as the corporation would be entitled to. On a poll every shareholder (whether present in person or by proxy or by corporate representative) has one vote for every share of which he is the holder. A shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way. In the case of joint holders, the vote of the senior who tenders a vote shall be accepted to the exclusion of the vote of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the Register.

No shareholder shall have any right to vote at any general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, in respect of any share held by him unless all amounts presently payable by him in respect of that share have been paid.

Where a shareholder vote is required to be taken in accordance with the Listing Rules, that vote must be decided by a resolution of the holders of the shares that have been admitted to the premium listing. Where the provisions of the Listing Rules require that any resolution must, in addition, be approved by the independent shareholders (as defined in the Listing Rules), only independent shareholders who hold shares that have a premium listing shall be entitled to vote on the relevant resolution.

5.7 **Transfer of shares**

A share in certificated form may be transferred by an instrument of transfer, which may be in any usual form or in any other form approved by the Directors, executed by or on behalf of the transferor and, where the share is not fully paid, by or on behalf of the transferee. A share in uncertificated form may be transferred by means of the relevant electronic system concerned.

In their absolute discretion, the Directors may refuse to register the transfer of a share in certificated form which is not fully paid provided that if the share is listed on the Official List such refusal does not prevent dealings in the shares from taking place on an open and proper basis. The Directors may also refuse to register a transfer of a share in certificated form unless the instrument of transfer:

(a) is lodged, duly stamped, at the registered office of the Company or such other place as the Directors may appoint and is accompanied by the certificate for the share to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

(b) is in respect of only one class of share; and

(c) is not in favour of more than four transferees.

The Directors may refuse to register a transfer of a share in uncertificated form in any case where the Company is entitled to refuse to register the transfer under the CREST Regulations provided that such refusal does not prevent dealings in the shares from taking place on an open and proper basis.

If the Directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the Company or, in the case of an uncertificated share, the date on which the appropriate instruction was received by or on behalf of the Company in accordance with the CREST Regulations send to the transferee notice of refusal.

No fee shall be charged for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any share.

If at any time the holding or beneficial ownership of any shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Directors: (i) would cause the assets of the Company to be treated as "plan assets" of any Benefit Plan Investor; (ii) would or might result in the Company and/or its shares and/or any of its appointed investment managers or investment advisers being required to be registered or qualified under the US Investment Company Act and/or the US Investment Advisers Act of 1940, as amended and/or the US Securities Act and/or the US Exchange Act and/or any similar legislation (in any jurisdiction) that regulates the offering and sale of securities; (iii) may cause the Company not to be considered a "Foreign Private Issuer" under the US Exchange Act of 1934; (iv) may cause the Company to be a "controlled foreign corporation" for the purpose of the US Code; or (v) may cause the Company to become subject to any withholding tax or reporting obligation under FATCA or any similar legislation in any territory or jurisdiction (including the United Kingdom's International Tax Compliance Regulations 2015 (SI 2015/878), or to be unable to avoid or reduce any such tax or to be unable to comply with any such reporting obligation (including by reason of the failure of the shareholder concerned to provide promptly to the Company such information and documentation as the Company may have requested to enable the Company to avoid or minimise such withholding tax or to comply with such reporting obligation), then the Directors may declare the shareholder in question a "**Non-Qualified Holder**" and the Directors may require that any shares held by such shareholder ("**Prohibited Shares**") shall (unless the shareholder concerned satisfies the Directors that he is not a Non-Qualified Holder) be transferred to another person who is not a Non-Qualified Holder, failing which the Company may itself dispose of such Prohibited Shares at the best price reasonably obtainable and pay the net proceeds to the former holder.

5.8 **Distribution of assets on a winding-up**

If the Company is wound up, with the sanction of a special resolution and any other sanction required by law and subject to the Companies Act, the liquidator may divide among the shareholders in specie the whole or any part of the assets of the Company and for that purpose may value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders. With the like sanction, the liquidator may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the shareholders as he may with the like sanction determine, but no shareholder shall be compelled to accept any shares or other securities upon which there is a liability.

5.9 **Restrictions on rights: failure to respond to a Section 793 notice**

If a shareholder, or any other person appearing to be interested in shares held by that shareholder, fails to provide the information requested in a notice given to him under section 793 of the Companies Act by the Company in relation to his interest in shares (the "**default shares**") within 28 days of the notice (or, where the default shares represent at least 0.25 per cent. of their class, 14 days of the notice), sanctions shall apply unless the Directors determine otherwise. The sanctions available are the suspension of the right to attend or vote (whether in person or by representative or proxy) at any general meeting or any separate meeting of the holders of any class or on any poll and, where the default shares represent at least 0.25 per cent. of their class (excluding treasury shares), the withholding of any dividend payable in respect of those shares and the restriction of the transfer of those shares (subject to certain exceptions).

5.10 **Untraced shareholders**

Subject to various notice requirements, the Company may sell any of a shareholder's shares if, during a period of 12 years, at least three dividends (either interim or final) on such shares have become payable and no cheque for amounts payable in respect of such shares has been presented and no warrant or other method of payment has been effected and no communication has been received by the Company from the shareholder or person concerned.

5.11 **Appointment of Directors**

Unless the Company determines otherwise by ordinary resolution, the number of Directors (other than alternate Directors) shall not be subject to any maximum but shall not be less than two.

Subject to the Articles, the Company may by ordinary resolution appoint a person who is willing to act as, and is permitted by law to do so, to be a Director either to fill a vacancy or as an additional Director. The Directors may appoint a person who is willing to act, and is permitted by law to do so, to be a Director, either to fill a vacancy or as an additional Director. A person appointed as a Director by the other Directors is required to retire at the Company's next annual general meeting and shall then be eligible for reappointment.

5.12 **Powers of Directors**

The business of the Company shall be managed by the Directors who, subject to the provisions of the Articles and to any directions given by special resolution to take, or refrain from taking, specified action, may exercise all the powers of the Company.

Any Director may appoint any other Director, or any other person approved by resolution of the Directors and willing to act and permitted by law to do so, to be an alternate Director.

5.13 **Borrowings**

The Board on behalf of the Company may exercise all the powers of the Company to borrow money, to indemnify, to guarantee and to mortgage or charge its undertaking property and uncalled capital and (subject to the provisions of the Statutes regarding authority to allot debentures convertible into shares) to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

5.14 **Voting at board meetings**

No business shall be transacted at any meeting of the Directors unless a quorum is present and the quorum may be fixed by the Directors; unless so fixed at any other number the quorum shall be two. A Director shall not be counted in the quorum present in relation to a matter or resolution on which he is not entitled to vote but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the meeting. An alternate Director who is not himself a Director shall, if his appointor is not present, be counted in the quorum.

Questions arising at a meeting of the Directors shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

5.15 **Restrictions on voting**

Subject to any other provision of the Articles, a Director shall not vote at a meeting of the Directors on any resolution concerning a matter in which he has, directly or indirectly, a material interest (other than an interest in shares, debentures or other securities of, or otherwise in or through, the Company) unless his interest arises only because the case falls within certain limited categories specified in the Articles.

5.16 **Directors' interests**

Subject to the provisions of the Companies Act and provided that the Director has disclosed to the other Directors the nature and extent of any material interest of his, a Director, notwithstanding his office, may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested and may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is interested.

5.17 **Indemnity**

Subject to the provisions of the Companies Act, the Company may indemnify any person who is a Director, secretary or other officer (other than an auditor) of the Company, against (a) any liability whether in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any associated company or (b) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office; and purchase and maintain insurance for any person who is a Director, secretary, or other officer (other than an auditor) of the Company in relation to anything done or omitted to be done or alleged to have been done or omitted to be done as Director, secretary or officer.

5.18 **General meetings**

In the case of the annual general meeting, twenty-one clear days' notice at the least shall be given to all the members and to the auditors. All other general meetings shall also be convened by not less than twenty-one clear days' notice to all those members and to the auditors unless the Company offers members an electronic voting facility and a special resolution reducing the period of notice to not less than fourteen clear days has been passed in which case a general meeting may be convened by not less than fourteen clear days' notice in writing.

No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a shareholder or a proxy for a shareholder or a duly authorised representative of a corporation which is a shareholder (including for this purpose two persons who are proxies or corporate representatives of the same shareholder), shall be a quorum.

A shareholder is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. A shareholder may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. Subject to the provisions of the Companies Act, any corporation (other than the Company itself) which is a shareholder may, by resolution of its directors or other governing body, authorise such person(s) to act as its representative(s) at any meeting of the Company, or at any separate meeting of the holders of any class of shares.

Delivery of an appointment of proxy shall not preclude a shareholder from attending and voting at the meeting or at any adjournment of it.

Directors may attend and speak at general meetings and at any separate meeting of the holders of any class of shares, whether or not they are shareholders.

A poll on a resolution may be demanded at a general meeting either before a vote on a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared. A poll may be demanded by the Chairman or by: (a) not less than two members having the right to vote at the meeting; or (b) a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or (c) a member or members holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

5.19 **C Share rights**

(a) ***Definitions and Interpretation***

(i) For the purposes of paragraphs 5.19(a) to 5.19(e) only, the following words and expressions shall bear the following meanings:

"**C Shareholder**" means a person who is a holder of C Shares.

"**Calculation Date**" means the earliest of:

(A) close of business on the date nine months after the allotment of the C Shares, or if such day is not a Business Day, the first Business Day prior thereto;

(B) close of business on the date to be determined by the Directors after the day on which the Investment Advisor shall have given notice to the Directors that at least 90 per cent. of the net proceeds attributable to the C Shares (or such other percentage as the Directors and the Investment Advisor shall agree) shall have been invested;

(C) close of business on the last Business Day prior to the day on which the Directors resolve that any Force Majeure Circumstance has arisen or is imminent;

(D) close of business on such Business Day as the Directors may otherwise determine in their sole discretion.

"**Compulsory Redemption Notice**" has the meaning set out in paragraph 5.19(d)(ii)(A).

"**Conversion**" means the conversion of C Shares into Ordinary Shares, in accordance with the provisions of paragraph 5.19(e).

"**Conversion Date**" means the close of business on such Business Day as may be selected by the Directors falling as soon as reasonably practicable after the Calculation Date but not later than 30 Business Days after the Calculation Date.

Conversion Ratio means the ratio of the NAV per C Share to the NAV per Ordinary Share, which is calculated to six decimal places (with 0.0000005 being rounded upwards) by dividing the NAV per C Share by the NAV per Ordinary Share.

"**Existing Ordinary Shares**" means the Ordinary Shares in issue immediately prior to Conversion.

"**Force Majeure Circumstances**" means, in relation to any C Shares: (i) any political and/ or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable; (ii) the issue of any proceedings challenging, or seeking to challenge, the power of the Company and/or its Directors to issue any C Shares with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are proposed to be issued; or (iii) the giving of notice of any general meeting of the Company at which a resolution is to be proposed to wind up the Company, whichever shall happen earliest.

"**NAV**" means, in relation to the Company the value, as at any date, of the assets of the Company after deduction of all liabilities of the Company and, in relation to a class in shares in the Company, the value, as at any date of the assets attributable to that class of shares after deduction of all liabilities attributable to that class of shares and after deduction of any declared but unpaid dividends, in each case determined in accordance with the accounting policies adopted by the Company from time to time and subject to any such adjustments as the Directors may determine in their absolute discretion taking into account the interests of shareholders as a whole.

"**NAV per C Share**" means, at any date, the NAV attributable to the C Shares divided by the number of C Shares in issue at the date of calculation.

"**NAV per Ordinary Share**" means, at any date, the NAV attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) at the date of calculation.

"**Pool**" means a notional pool of assets and liabilities as described in paragraph 5.19(c) created for a class of shares.

"**Redemption Date**" means a date, as determined by the Directors and falling prior to the Calculation Date, on which a redemption of C Shares is to be effected.

"**Redemption Value**" means 100 pence per C Share, or, if less, the amount subscribed for the issue of each C Share.

(b) ***Rights attaching to C Shares***

(i) The C Shares have attached to them the rights set out in this paragraph, and save as stated in the Articles have no further right of participation in the profits or assets of the Company.

(ii) At the Conversion Date, the C Shares shall be converted into Ordinary Shares in accordance with the provisions of paragraph 5.19(e).

(iii) Subject to paragraph 5.19(e)(xi), the C Shares shall not carry the right to receive any profits of the Company available for distribution whether by way of interim or final dividend.

(iv) Save in connection with the issue of any C Shares pursuant to paragraph 5.19(e)(vi), no dividend or other distribution shall be made or paid by the Company on any of its shares between any Calculation Date and the relevant Conversion Date (both dates inclusive) and no such dividend shall be declared with a record date falling between any Calculation Date and the relevant Conversion Date (both dates inclusive).

(v) Subject to paragraph 5.19(e)(xi), on a winding up or return of capital (otherwise than on a purchase or redemption by the Company of any C Shares), the holders of the C Shares shall be entitled to receive an amount per C Share equal to the lower of:

(A) the amount subscribed for the issue of each C Share; and

(B) the NAV per C Share,

but shall have no other rights to participate in the capital of the Company.

(vi) C Shares shall rank on a winding up in priority to all other shares of the Company from time to time in issue.

(vii) The holders of C Shares shall have:

(A) the right to receive notice of, and attend, speak and vote at class meetings of C Shareholders in accordance with the provisions of the Articles. Each holder of C Shares who is present in person (or being a corporation, by representative), or by proxy at a class meeting on a show of hands has one vote, and on a poll, every such person who is present in person (or being a corporation, by representative), or by proxy has one vote in respect of each C Share held by him; and

(B) no rights to receive notice of, attend, speak or vote at general meetings of the Company.

(c) ***Assets attributable to Ordinary Shares and C Shares***

(i) If at any time C Shares are in issue, the Directors shall establish for accounting purposes a single separate pool of assets and liabilities attributable to the C Shares and a single separate pool of assets and liabilities attributable to the Ordinary Shares (each, a "**Pool**"). The Directors shall maintain for accounting purposes all the assets, income, earnings, liabilities, expenses and costs of each Pool separate and separately identifiable from all other assets, income, earnings, liabilities, expenses and costs of the Company and the other Pool and the following provisions shall apply thereto:

(A) any consideration received on or proceeds from, the allotment and issue of shares of a particular class shall be applied to the Pool which relates to such class of shares, and the assets, liabilities, income and expenditure attributable thereto shall be applied only to that Pool subject to the following sub-paragraphs of this paragraph 5.19(c);

(B) on a redemption or repurchase of any shares of a particular class, the assets of the Pool which relates to such class of shares shall be reduced by an amount equal to the redemption or repurchase monies;

(C) for each Pool, the Company shall keep separate books and records in which all transactions relating to that Pool shall be recorded;

(D) any asset derived from any other asset or assets (whether cash or otherwise) comprised in any Pool shall be applied in the books and records of the Company to the same Pool as the asset or assets from which it was derived and any increase or diminution in the value of an asset comprised in a Pool shall be applied to that Pool;

(E) in the event that there is any asset of the Company which the Directors do not consider readily attributable to a particular Pool, the Directors shall allocate such asset in such manner and on such basis as they in their discretion deem fair and equitable and the Directors shall have the power to, and may at any time and from time to time, vary such basis in respect of any asset not previously allocated;

(F) the Directors shall have discretion to determine the basis upon which any liability shall be allocated between the Pools (including conditions as to subsequent allocations thereof if circumstances so permit or require) and shall have power at any time and from time to time to vary such basis;

(G) subject as otherwise provided in the Articles, the assets held for each Pool shall be applied solely in respect of the class of shares of the Pool for which the relevant Pool was established and the Articles shall be construed accordingly; and

(H) notwithstanding the foregoing, if a Pool has insufficient funds or assets to meet the debts and liabilities attributable to such Pool, any such shortfall shall be paid out of the assets attributable to the other Pool.

(ii) The Company shall give appropriate instructions to the AIFM to manage the Company's assets so that paragraph 5.19(c)(i) can be complied with.

(d) ***Redemption of C Shares***

(i) At the option of the Directors the Company may, on any Redemption Date, redeem for cash any C Shares in issue at a price per C Share equivalent to the Redemption Value and otherwise in accordance with this paragraph 5.19(d). The Company shall not be bound to make an offer to redeem any C Shares. Any C Shares redeemed by the Company will be cancelled and will not be available for reissue. Any redemption of C Shares will be in accordance with, and subject to, the provisions of the Articles and the Companies Act.

(ii) The Directors shall be entitled in their absolute discretion to determine the procedures for the redemption of the C Shares. Without prejudice to the generality of the foregoing, and in the absence of any such determination as aforesaid, the following provisions shall apply:

(A) not less than five Business Days prior to any Redemption Date, the Company will notify holders of C Shares (by means of announcement, written notice or otherwise ("**Compulsory Redemption Notice**")) of its intention to redeem C Shares on such Redemption Date, the aggregate number of C Shares, the aggregate value of C Shares at the Redemption Value, the percentage of each C Shareholder's holding of C Shares, rounded down to the nearest whole number, it wishes to redeem, and the date by reference to which holdings of C Shares will be redeemed;

(B) in the event of a partial redemption of any holding of C Shares the following provisions shall apply:

(1) in the case of a holding of C Shares in certificated form, the Company shall procure that in relation to those C Shares which have not been redeemed, a balance certificate in respect of such C Shares shall be sent (at the risk of the relevant holder) to the address of that holder as entered in the register of members of the Company or, in the case of joint holders, to the address of the first

named holder as entered in the register of members of the Company, within 28 days of the relevant Redemption Date;

(2) in the case of C Shares in uncertificated form which have not been the subject of a redemption, such holders relevant system account shall be updated accordingly, and

(3) all documents and remittances sent by, to or from holders of C Shares or their appointed agents pursuant to this paragraph 5.19(d) will be sent at their own risk,

(C) payment of the redemption monies in respect of any C Shares in certificated form shall be made by cheque or warrant made payable to the relevant holder or, in the case of joint holders, to all such relevant joint holders sent (at the risk of the relevant holder) to the address of the holder as entered in the register of members of the Company or, in the case of joint holders, to the address of the first named joint holder as entered in the register of members of the Company. Every such cheque or warrant which is sent through the post shall be sent by first class post;

(D) payment of the redemption monies in respect of any C Shares held in uncertificated form will be credited to the appropriate relevant system account.

(iii) On the redemption of any C Shares, the name of the registered holder shall be removed from the register of members of the Company in respect of such C Shares and such C Shares shall be cancelled.

(iv) If any holder of any C Shares to be redeemed shall fail or refuse to accept payment of the redemption monies payable in respect thereof, the redemption monies payable to such holder shall be set aside and paid into a separate interest bearing account with the Company's bankers (designated for the benefit of such holder) and such setting aside shall be deemed for all purposes hereof to be a payment to such holder and all the said holder's rights as a holder of the relevant C Shares shall cease and determine as from the date fixed for the redemption of such shares and the Company shall thereby be discharged from all obligations in respect thereof. The Company shall not be responsible for the safe custody of the monies so placed on deposit or for interest thereon except such interest as the said monies may earn while on deposit less any expenses incurred by the Company in connection therewith.

(v) The Company may exclude from any compulsory redemption of C Shares pursuant to this paragraph any holders of C Shares where the Directors believe that the compulsory redemption of their shares would or might involve a contravention of the laws or regulations of any territory.

(e) ***Conversion of C Shares***

(i) The C Shares for the time being in issue shall be converted into Ordinary Shares on the relevant Conversion Date in accordance with the following provisions of this paragraph 5.19(e).

(ii) The Directors shall procure that as soon as reasonably practicable after the relevant Calculation Date, but no later than 30 Business Days from the relevant Calculation Date:

(A) the Conversion Ratio as at the relevant Calculation Date and the numbers of Ordinary Shares to which each holder of C Shares shall be entitled on Conversion shall be calculated; and

(B) the Auditors shall confirm that such calculations as have been made by the Company have, in their opinion, been performed in accordance with the Articles and are arithmetically accurate whereupon such calculations shall become final and binding on the Company and all holders of the Company's shares and any other securities issued by the Company which are convertible into the Company's shares.

Further, the Directors may, at their discretion, procure an independent valuation of the assets at the relevant Calculation Date.

(iii) The Directors shall procure that, as soon as practicable following such confirmation and in any event within 30 Business Days of the relevant Calculation Date, a notice is sent to each holder of C Shares advising such shareholder of the Conversion Date, the Conversion Ratio and the numbers of Ordinary Shares to which such holder of C Shares will be entitled on Conversion.

(iv) Subject to paragraph 5.19(e)(vi), on Conversion the relevant number of C Shares shall automatically convert into such number of Ordinary Shares as shall be necessary to ensure that upon such Conversion being completed the aggregate number of Ordinary Shares into which the same number of C Shares are converted equals the number of C Shares in issue at the relevant Calculation Date multiplied by the relevant Conversion Ratio (rounded down to the nearest whole Ordinary Share).

(v) The Ordinary Shares arising upon Conversion shall be divided amongst the holders of C Shares *pro rata* according to their respective former holdings of C Shares (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to Ordinary Shares arising upon Conversion including, without prejudice to the generality of the foregoing, selling any Ordinary Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company).

(vi) If the Conversion requires more Ordinary Shares to arise on Conversion than the number of C Shares that are in issue, the Directors shall, subject to the terms of the Articles, the approval of an ordinary resolution of the Company and in accordance with applicable law, issue fully paid up additional C Shares prior to the Conversion by way of capitalisation of the share premium account of the Company such that there are the requisite number of C Shares in issue to allow the Company to comply with this paragraph 5.19(e).

(vii) Forthwith upon Conversion, the share certificates relating to the C Shares shall be cancelled and the Company shall issue new certificates in respect of the Ordinary Shares which have arisen upon Conversion.

(viii) The Conversion shall be effected by way of conversion and redesignation of the relevant number of C Shares into the relevant number of Ordinary Shares and the Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider fair and reasonable having regard to the interests of all Shareholders.

(ix) The Ordinary Shares into which any C Shares shall convert shall rank *pari passu* with the Existing Ordinary Shares for dividends and other distributions in relation to the Ordinary Shares made or declared by reference to a record date falling after the relevant Calculation Date.

(x) Upon completion of a Conversion, the assets, liabilities, income and expenditure attributable to the C Shares in accordance with paragraph 5.19(c) shall be allocated to the Ordinary Shares.

(xi) The rights of any C Shares which remain in issue following Conversion shall with effect from the Conversion Date be amended so that on a return of assets on a winding up or otherwise, they entitle the holder only to payment of one penny in respect of his entire holding of such C Shares and shall entitle the holder to the payment of a fixed cumulative preferential dividend of 0.000000001 pence per C Share payable annually but no other right to share in the profits of the Company. The holders of such C Shares shall not be entitled to receive notice of or attend or vote at any general meeting of the Company. With effect from the relevant Conversion, each holder of C Shares grants an irrevocable authority on the Company at any time thereafter to appoint any person to execute on behalf of the holders of such C Shares a transfer thereof (and/or an agreement to transfer the same) to such person(s) as the Company may determine as custodian thereof and/or to redeem the same itself (in accordance with the provisions of the Companies Act), in any such case for one penny (plus any accrued dividend) for all such C Shares held by any member without obtaining any further sanction of the holder or holders thereof and pending such transfer and/or redemption to retain the certificate for such C Shares. Subject to the Companies Act, the Company shall on the relevant Conversion (or as soon as practicable thereafter) redeem all of the relevant C Shares then in issue, at a price of one penny (plus any accrued dividends) in aggregate for all such C Shares held by any member and redeemed at any one time and the notice referred to in paragraph 5.19(e)(iii) shall be deemed to constitute notice to each holder of C Shares (and any person or persons having rights to acquire or acquiring C Shares on or after the Calculation Date) that the C Shares shall be so redeemed (and the Company shall not be obliged to account to any holder of C Shares for the redemption arising in respect of such C Shares).

(xii) For the avoidance of doubt, no act undertaken by the Company in accordance with paragraph 5.19(e)(vi) shall amount to the variation, alteration or abrogation of the rights attaching to any class of share in the Company.

5.20 **REIT provisions**

A summary of the REIT provisions included in the Articles is set out in paragraph 3 of Part 5 of this Registration Document.

6. UK CITY CODE ON TAKEOVERS AND MERGERS

The Takeover Code applies to the Company.

Given the existence of the buyback powers described in this Registration Document, there are certain considerations that Shareholders should be aware of with regard to the Takeover Code.

Under Rule 9 of the Takeover Code, any person who acquires shares which, taken together with shares already held by him or shares held or acquired by persons acting in concert with him, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares. Similarly, when any person or persons acting in concert already hold more than 30 per cent. but not more than 50 per cent. of the voting rights of such company, a general offer will normally be required if any further shares increasing that person's percentage of voting rights are acquired.

Under Rule 37 of the Takeover Code when a company purchases its own voting shares, a resulting increase in the percentage of voting rights carried by the shareholdings of any person or group of persons acting in concert will be treated as an acquisition for the purposes of Rule 9 of the Takeover Code. A shareholder who is neither a director nor acting in concert with a Director will not normally incur an obligation to make an offer under Rule 9 of the Takeover Code in these circumstances.

However, under note 2 to Rule 37 of the Takeover Code where a shareholder has acquired shares at a time when he had reason to believe that a purchase by the company of its own voting shares would take place, then an obligation to make a mandatory bid under Rule 9 of the Takeover Code may arise.

The buyback powers could have implications under Rule 9 of the Takeover Code for Shareholders with significant shareholdings. The buyback powers should enable the Company to anticipate the possibility of such a situation arising. Prior to the Board implementing any share buyback the Board will seek to identify any Shareholders who they are aware may be deemed to be acting in concert under note 1 of Rule 37 of the Takeover Code and will seek an appropriate waiver in accordance with note 3 of Rule 37. However, neither the Company, nor any of the Directors, nor the Investment Advisor will incur any liability to any Shareholder(s) if they fail to identify the possibility of a mandatory offer arising or, if having identified such a possibility, they fail to notify the relevant Shareholder(s) or if the relevant Shareholder(s) fail(s) to take appropriate action.

If an offer is made for the shares or any class of shares in the capital of a company and if, within 4 months after the date of such offer, the offer is approved by shareholders comprising 90 per cent. in value of the shares affected (excluding any shares held as treasury shares) then the offeror may, within 2 months after the expiration of those 4 months, send an acquisition notice to any dissenting shareholders informing them that it wishes to acquire their shares (an "**Acquisition Notice**"). Where an Acquisition Notice is given, the offeror is then entitled and bound to acquire those shares on the terms on which the original offer, approved by the shareholders comprising 90 per cent. in value of the shares affected, was made.

7. RELATED PARTY TRANSACTIONS

There have been no related party transactions entered into by the Company at any time since the date of the last unaudited consolidated interim accounts of the Group (being 30 September 2020).

8. INVESTMENT RESTRICTIONS

The Company will at all times invest and manage its assets with the objective of spreading risk and in accordance with its published investment policy as set out in Part 1 of this Registration Document.

The Company will not invest in other listed closed-ended investment funds.

In the event of a breach of the investment policy set out in Part 1 of this Registration Document and the investment restrictions set out therein, the AIFM and the Investment Advisor shall inform the Board upon becoming aware of the same and if the Board considers the breach to be material, notification will be made to an RIS.

The Company must not conduct any trading activity which is significant in the context of its group as a whole.

9. MATERIAL CONTRACTS OF THE COMPANY

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

9.1 Share Issuance Agreement

The Share Issuance Agreement dated 18 February 2021 between the Company, the AIFM, the Investment Advisor, Peel Hunt and Jefferies whereby each of Peel Hunt and Jefferies has undertaken, as agent for the Company, to use its reasonable endeavours to procure subscribers for New Ordinary Shares under the Initial Issue and Subsequent Placings.

The Share Issuance Agreement is subject to, *inter alia*, the New Ordinary Shares to be issued pursuant to the Initial Issue being admitted to the premium segment of the Official List and to trading on the premium segment of the London Stock Exchange's main market by 15 March 2021 (or such later date and time as Peel Hunt, Jefferies and the Company agree but not later than 8.00 a.m. on 31 March 2021).

Conditional upon completion of the Initial Issue, Peel Hunt and Jefferies are entitled to be paid an aggregate commission by the Company of up to 1.5 per cent. of the value of any New Ordinary Shares issued pursuant to the Initial Issue, in consideration for their services in relation to the Initial Issue. Peel Hunt and Jefferies are also entitled to receive an aggregate commission of 1.5 per cent. of the value of any New Ordinary Shares issued pursuant to any Subsequent Placings.

Under the Share Issuance Agreement, which may be terminated by Peel Hunt and/or Jefferies in certain circumstances prior to and after Initial Admission, the Company, the AIFM and the Investment Advisor have given certain warranties and indemnities to Peel Hunt and Jefferies. These warranties and indemnities are customary for an agreement of this nature.

Under the Share Issuance Agreement, each of Peel Hunt and Jefferies may at its discretion and out of its own resources at any time rebate to some or all investors, or to other parties, part or all of its fees relating to the Initial Issue and any Subsequent Placing. Peel Hunt and Jefferies are also entitled under the Share Issuance Agreement to retain agents and may pay commission in respect of the Initial Issue and any Subsequent Placing to any or all of those agents out of their own resources.

The Share Issuance Agreement is governed by the laws of England and Wales.

9.2 **Receiving Agent Agreement**

The Receiving Agent Agreement between the Company and the Receiving Agent dated 18 February 2021, pursuant to which the Receiving Agent has agreed to provide receiving agent duties and services to the Company in respect of the Initial Issue.

Under the terms of the Receiving Agent Agreement, the Receiving Agent is entitled to customary fees. The Receiving Agent is also entitled to reimbursement of all reasonable out of pocket expenses incurred by it in connection with its duties.

The Receiving Agent Agreement limits the Receiving Agent's liability thereunder to the lesser of £250,000 or an amount equal to five times the fee payable to the Receiving Agent under the agreement. The Receiving Agent Agreement also contains an indemnity from the Company in favour of the Receiving Agent, its affiliates and their directors, officers, employees and agents against any and all losses, damages, liabilities, professional fees, court costs and reasonably incurred expenses resulting or arising from the Company's breach of the agreement and, in addition, any third-party claims, actions, proceedings, investigations or litigation relating to or arising from or in connection with the agreement or the services provided thereunder, except to the extent such losses are determined to have resulted solely from the fraud, wilful default or negligence on the part of the party seeking indemnity under the agreement. The indemnity is customary for an agreement of this nature.

The Receiving Agent Agreement is governed by the laws of England.

9.3 **2019 Placing Agreement**

The 2019 Placing Agreement dated 20 May 2019 between the Company, the AIFM, the Investment Advisor and Peel Hunt whereby Peel Hunt undertook, as agent for the Company, to use its reasonable endeavours to procure subscribers under the 2019 Issue.

Under the 2019 Placing Agreement, the Company agreed to pay Peel Hunt a commission in consideration for its services in relation to the 2019 Issue.

The 2019 Placing Agreement contained certain warranties and indemnities given by the Company, the AIFM and the Investment Advisor to Peel Hunt, which were customary for an agreement of this nature.

The 2019 Placing Agreement was governed by the laws of England and Wales.

9.4 **2019 Receiving Agent Agreement**

The 2019 Receiving Agent Agreement between the Company and the Receiving Agent dated 20 May 2019, pursuant to which the Receiving Agent agreed to provide receiving agent duties and services to the Company in respect of the 2019 Issue.

Under the terms of the 2019 Receiving Agent Agreement, the Receiving Agent was entitled to customary fees. The Receiving Agent was also entitled to reimbursement of all reasonable out of pocket expenses incurred by it in connection with its duties.

The 2019 Receiving Agent Agreement limited the Receiving Agent's liability thereunder to the lesser of £250,000 or an amount equal to five times the fee payable to the Receiving Agent under the agreement. The 2019 Receiving Agent Agreement also contained an indemnity from the Company in favour of the Receiving Agent, its affiliates and their directors, officers, employees and agents against any and all losses, damages, liabilities, professional fees, court costs and reasonably incurred expenses resulting or arising from the Company's breach of the agreement and, in addition, any third-party claims, actions, proceedings, investigations or litigation relating to or arising from or in connection with the agreement or the services provided thereunder, except to the extent such losses are determined to have resulted solely from the fraud, wilful default or negligence on the part of the party seeking indemnity under the agreement. Such indemnity is customary for an agreement of this nature.

The 2019 Receiving Agent Agreement was governed by the laws of England.

9.5 **Investment Management Agreement**

The Investment Management Agreement dated 12 February 2020 between the Company and Alvarium Fund Managers (UK) Limited (formerly LJ Administration (UK) Limited), pursuant to which Alvarium Fund Managers (UK) Limited is appointed to act as investment manager and AIFM of the Company.

Pursuant to the agreement, the AIFM is responsible for managing the assets of the Company in accordance with the investment policy of the Company and subject to the overall policies and communicated directions of the Board.

The AIFM is entitled to receive from the Company in respect of its services provided under the Investment Management Agreement, a fee of £24,000 per annum.

The Investment Management Agreement may be terminated on 12 months' written notice, such notice to expire on or at any time after 31 March 2025. The Investment Management Agreement may be terminated with immediate effect on the occurrence of certain events, including insolvency or in the event of a material and continuing breach. The Investment Management Agreement will terminate immediately in the event of termination of the Investment Advisory Agreement.

The Company has given an indemnity in favour of the AIFM in respect of the AIFM's potential losses in carrying on its responsibilities under the Investment Management Agreement, except as shall arise from the fraud, wilful default or gross negligence of the AIFM or any material breach of the Investment Management Agreement by the AIFM or a material breach of a material FCA rule by the AIFM.

The Investment Management Agreement replaced the previous investment management agreement between the Company and the AIFM dated 6 February 2017, entered into in connection with the Company's IPO (the "**Original Investment Management Agreement**"). The Original Investment Management Agreement was on substantially the same terms as the current Investment Management Agreement, save that the Original Investment Management Agreement was terminable on 12 months' written notice, such notice to expire on or at any time after 31 March 2022.

The Investment Management Agreement is governed by the laws of England and Wales.

9.6 **Investment Advisory Agreement**

The Investment Advisory Agreement dated 12 February 2020 between the Company, Alvarium Fund Managers (UK) Limited (formerly LJ Administration (UK) Limited) and the Investment Manager, pursuant to which the Investment Advisor is appointed to provide certain services to the Company and the AIFM in relation to the Company and its portfolio.

The Investment Advisor is entitled to receive from the Company in respect of its services provided under the Investment Advisory Agreement, a fee payable monthly in arrear calculated at the rate of: (i) one-twelfth of 0.75 per cent. per calendar month of Market Capitalisation up to or equal to £500 million; and (ii) one-twelfth of 0.65 per cent. per calendar month of Market Capitalisation above £500 million.

Pursuant to the Investment Advisory Agreement, the services of the Investment Advisor are exclusive and the Investment Advisor is not permitted to render similar services to others without the Board's prior written consent, save for services provided to certain funds managed by Osprey Equity Partners in respect of any investments made by them at the date of the agreement. Furthermore, the Investment Advisor will not engage in any property acquisition services in relation to any long index-linked asset(s) falling within the Company's stated investment policy and investment objective, which have been identified by the Investment Advisor and in respect of which the reasonably estimated aggregate consideration or commitment involved is likely to be in excess of £5,000,000, without offering the Company a right of first refusal in respect of such asset(s).

The Investment Advisory Agreement may be terminated on 12 months' written notice, such notice to expire on or at any time after 31 March 2025. The Investment Advisory Agreement may be terminated with immediate effect on the occurrence of certain events, including insolvency or in the event of a material and continuing breach. The Investment Advisory Agreement will terminate immediately in the event of termination of the Investment Management Agreement. The Investment Advisory Agreement may also be terminated if a "Key Person Event" occurs. A Key Person Event will be deemed to occur if both of the key persons (being Simon Lee and John White) (a) cease to be an officer or employee of the

Investment Advisor's group or (b) cease to be actively involved in the provision of the Investment Advisor's services under the Investment Advisory Agreement which have not been delegated, and within three months of the relevant departure date or the date on which such active involvement can reasonably be determined to have ceased, they are not replaced by a person or persons whom the Board considers, in its reasonable discretion, to be of equal or satisfactory standing.

The Company has given an indemnity in favour of the Investment Advisor in respect of the Investment Advisor's potential losses in carrying on its responsibilities under the Investment Advisory Agreement, except as shall arise from the fraud, wilful default or gross negligence of the Investment Advisor or any material breach of the Investment Advisory Agreement by the Investment Advisor or a material breach of a material FCA rule by the Investment Advisor.

The Investment Advisory Agreement replaced the previous investment advisory agreement between the Company, the AIFM and the Investment Advisor dated 6 February 2017, entered into in connection with the Company's IPO (the "**Original Investment Advisory Agreement**"). The Original Investment Advisory Agreement was on substantially the same terms as the current Investment Advisory Agreement, save that (i) the Original Investment Advisory Agreement was terminable on 12 months' written notice, such notice to expire on or at any time after 31 March 2022, and (ii) the current Investment Advisory Agreement includes strengthened key man and exclusivity provisions.

The Investment Advisory Agreement is governed by the laws of England and Wales.

9.7 **Investor Lock-in Deed**

The Investor Lock-in Deed dated 24 September 2018 between the Company, Peel Hunt and the Spanish Family Office Investors.

Pursuant to the terms of the Investor Lock-in Deed, the Spanish Family Office Investors each agreed that they would not sell, grant options over or otherwise dispose of any interest in any Ordinary Shares acquired by them under the 2018 Issue until 12 October 2020 save in certain specified circumstances.

The Investor Lock-in Deed is governed by the laws of England and Wales.

9.8 **Administration Agreement**

The Administration Agreement dated 6 February 2017 between the Company and the Administrator and the letters of variation dated 8 June 2017 and 15 February 2019, pursuant to which the Administrator is appointed to perform certain accounting, administration and related services.

The Administrator is permitted under the Administration Agreement to delegate any of its duties to: (i) an associate of the Administrator; or (ii) subject to the prior written consent of the Company (such consent not to be unreasonably withheld) any other person, provided that the Administrator remains liable for the acts and/or omissions of such person as if they were its own acts and/or omissions.

The Administration Agreement is terminable by either party on three months' notice in writing, and may be terminated immediately by either party in certain situations, including in the event of insolvency of the other party.

In consideration for its administration services, the Administrator is currently entitled to receive a fee of £196,704.34 per annum. Any additional services provided by the Administrator will incur additional charges.

The Administrator's total liability in relation to the provision of the administration services or otherwise in relation to the operation of the Administration Agreement, whether in contract, tort, or for misrepresentation or otherwise shall be limited to three times the fees payable to it under the agreement.

The Administration Agreement contains certain customary covenants, undertakings and indemnities by the Company in favour of the Administrator.

The Administration Agreement is governed by the laws of England and Wales.

9.9 **Company Secretarial Services Agreement**

The Company Secretarial Services Agreement dated 11 July 2017 between the Company and the Company Secretary, pursuant to which the Company Secretary is appointed to perform company secretarial duties and functions for the Company.

Under the terms of the Company Secretarial Services Agreement the Company Secretary is currently entitled to a company secretarial fee of £59,455 per annum, exclusive of VAT. This fee accrues daily and is paid monthly in arrear. In the event that the Company Secretary is required to undertake any other additional duties, beyond the scope of those set out in the Company Secretarial Services Agreement, the Company Secretary is entitled to charge an additional fee. The Company shall also reimburse the Company Secretary for its disbursements to cover all out of pocket expenses properly incurred by the Company Secretary in connection with the provision of its company secretarial services for and/or on behalf of the Company.

Either party may terminate the Company Secretarial Services Agreement on six months' written notice. The agreement is also subject to immediate termination on the occurrence of certain events, including material and continuing breach or insolvency.

The Company has agreed to indemnify the Company Secretary, its directors, officers and employees and any agents, sub-contractors or delegates appointed by the Company Secretary from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, legal costs, reasonable expenses or disbursements of any kind or nature whatsoever (other than those arising from the fraud, negligence or wilful default on the part of the Company Secretary) as a result of or in connection with performing the services under the Company Secretarial Services Agreement. This indemnity is customary for an agreement of this nature.

The Company Secretarial Services Agreement is governed by the laws of England and Wales.

9.10 **Registrar Services Agreement**

The Registrar Services Agreement between the Company and the Registrar dated 6 February 2017, pursuant to which the Registrar has been appointed as registrar to the Company.

The Registrar Services Agreement shall continue unless terminated by either party on not less than three months' notice, such notice to expire at the end of any successive 12 month period from the date that the Company's Ordinary Shares were first admitted to trading on the London Stock Exchange's main market, being 27 February 2017. The agreement is also subject to immediate termination on the occurrence of certain events, including material and continuing breach or insolvency.

The Registrar Services Agreement limits the Registrar's liability thereunder to the lesser of £500,000 or an amount equal to five times the annual fee payable to the Registrar pursuant to the Registrar Services Agreement.

The Registrar Services Agreement contains a provision whereby the Company indemnifies the Registrar and its affiliates against any and all losses, damages, liabilities, professional fees, court costs and expenses resulting or arising from the Company's breach of the agreement and, in addition, any third-party claims, actions, proceedings, investigations or litigation relating to or arising from or in connection with the agreement or the services provided thereunder, except to the extent such losses are determined to have resulted solely from fraud, wilful default or negligence on the Registrar's (or its affiliate's) part. The indemnity is customary for an agreement of this nature.

Under the terms of the Registrar Services Agreement, the Registrar is entitled to customary fees.

The Registrar Services Agreement is governed by the laws of England and Wales.

9.11 **Depositary Agreement**

The Depositary Agreement dated 6 February 2017 entered into between the Depositary, the Company and the AIFM, pursuant to which the safekeeping of the Company's assets is entrusted to the Depositary who is required to provide depositary services to the Company in fulfilment of the requirements of the AIFM Rules. The Depositary is also responsible for ensuring that the Company's cash flows are properly monitored and for reviewing the AIFM's cash monitoring procedures.

The Depositary Agreement was initially entered into between the Depositary, the Company and LJ Capital Limited (then the Company's AIFM). Following the successful completion of the Company's IPO, LJ Capital Limited ceased to act as AIFM to the Company and, accordingly, a deed of novation dated 6 February 2018 was entered into between the Depositary, the Company, LJ Capital Limited and Alvarium Fund Managers (UK) Limited pursuant to which the parties agreed that the rights, obligations and liabilities of LJ Capital Limited under the Depositary Agreement were novated to Alvarium Fund Managers (UK) Limited.

The Depositary may delegate some of its custody functions to a custodian, who in turn may further sub delegate to a sub-custodian, wherever permissible, in accordance with applicable law.

In consideration for its services, the Depositary is entitled to receive a fee of £32,500 per annum plus an additional fee of 0.3 basis points per annum on any capital raised by the Company in excess of £250 million. In addition, the Depositary is entitled to receive transaction fees where the number of property acquisitions in a calendar year exceeds eight.

The Depositary Agreement contains provisions to allow for its termination by any party on not less than six months' prior written notice to each other party, or immediately in the case of certain specified circumstances, including material and continuing breach or insolvency.

The Depositary Agreement contains certain customary undertakings and indemnities by the Company and the AIFM in favour of the Depositary.

The Depositary Agreement is governed by the laws of England and Wales.

9.12 **Directors' Lock-in Deed**

By way of a deed between each of the Directors, the Company and Peel Hunt dated 6 February 2017, the Directors have agreed that they will not sell, grant options over or otherwise dispose of any interest in any Ordinary Shares acquired by them in satisfaction of their entitlement to directors' fees (save in certain circumstances, including: (i) in acceptance of a general offer to all the Shareholders for the whole or part of the entire issued share capital of the Company; or (ii) pursuant to an intervening court order; or (iii) following termination of their appointment as a non-executive Director of the Company) prior to the date which is eighteen months after the date of acquisition of the relevant Ordinary Shares.

The Directors' Lock-in Deed is governed by the laws of England and Wales.

9.13 **First Facility Agreement**

The facility agreement originally dated 30 June 2017 and amended and restated or varied from time to time, including on 8 December 2017, 7 December 2018 and 2 November 2020, between LXi Property Holdings 1 Limited as the borrower (the "**Borrower**"); LXi Property Holdings 1 Limited as the guarantor (the "**Original Guarantor**"), LXi Property Holdings 2 Limited and Alco 1 Limited as the acceding guarantors (the "**Acceding Guarantors**"), the Company as shareholder (the "**Shareholder**"), Lloyds Bank plc as mandated lead arranger (the "**Arranger**"); Scottish Widows Limited as lender (the "**Original Lender**"), Lloyds Bank plc as agent of the other finance parties (the "**Agent**") and Lloyds Bank plc as security trustee for the secured parties (the "**Security Trustee**").

The First Facility Agreement relates to an initial facility of £45 million and a forward facility of £10 million, with a total maximum commitment of £55 million. The purpose of the First Facility is to refinance the cost of acquiring additional assets to the Borrower's portfolio (primarily being forward funded and built properties), payment of costs associated with that process and the Borrower's general corporate purposes. The First Facility is secured against the assets of the Borrower.

The term of the First Facility expires in December 2033.

The First Facility is interest only with a bullet payment on the date of termination. The interest on each loan under the First Facility has a fixed all-in rate payable at 2.74 per cent. per annum for the term of the loan.

Financial covenants pursuant to the terms of the First Facility Agreement include that the Borrower must ensure: (i) a maximum loan to value ratio of 50 per cent., across both the First Facility Agreement and the Second Facility Agreement, calculated against the secured properties listed in each agreement; (ii) a historical interest cover of at least 200 per cent. to 300 per cent. at certain times; (iii) a projected interest cover of at least 300 per cent. at certain times; and (iv) that no occupational tenant of the secured properties is responsible for more than 30 per cent. of the total aggregated annual rental income.

The First Facility Agreement is governed by the laws of England and Wales.

9.14 **Second Facility Agreement**

The facility agreement originally dated 8 December 2017 and amended and restated on 2 November 2020 between LXi Property Holdings 1 Limited as the borrower (the "**Borrower**"), LXi Property Holdings 1 Limited and LXi Property Holdings 2 Limited and Alco 1 Limited each as guarantor (each an "**Original Guarantor**"), Lloyds Bank plc as the mandated lead arranger (the "**Arranger**"), Scottish Widows Limited as lender (the "**Original Lender**"), Lloyds Bank plc as agent of the other finance parties (the "**Agent**") and Lloyds Bank plc as security trustee for the secured parties (the "**Security Trustee**").

The Second Facility Agreement relates to a facility of £40 million. The purpose of the facility is to refinance the cost of acquiring additional assets to the Borrower's portfolio (primarily being forward funded and built properties), payment of costs associated with that process and the Borrower's general corporate purposes. The Second Facility is secured against the assets of the Borrower.

The term of the Second Facility expires in December 2033.

The Second Facility is interest only with a bullet repayment on the date of termination. The interest on each loan made under the Second Facility has a fixed all-in rate payable at 2.74 per cent. per annum for the term of the loan.

Financial covenants pursuant to the terms of the Second Facility Agreement include that the Borrower must ensure: (i) a maximum loan to value ratio of 50 per cent. across both the First Facility and the Second Facility calculated against the secured properties listed in the First Facility Agreement and the Second Facility Agreement; (ii) a historical interest cover of at least 200 per cent. to 300 per cent. at certain times; (iii) a projected interest cover of at least 300 per cent. at certain times; and (iv) that no occupational tenant of the secured properties is responsible for more than 30 per cent. of the total aggregated annual rental income.

The Second Facility Agreement is governed by the laws of England and Wales.

9.15 **Third Facility Agreement**

The facility agreement originally dated 7 December 2018 and amended and restated on 2 November 2020 between LXi Property Holdings 3 Limited as the borrower (the "**Borrower**"), LXI Property Holdings 3 Limited, Corby (General Partner) Limited, Corby Limited Partnership, Corby Rail Services Limited, Corby (No. 2) Trustee Limited, Corby No. 2 Unit Trust and LXI Cowdenbeath Limited each as guarantor (each an "**Original Guarantor**"), Lloyds Bank plc as the mandated lead arranger (the "**Arranger**"), Scottish Widows Limited as lender (the "**Original Lender**"), Lloyds Bank plc as agent of the other finance parties (the "**Agent**") and Lloyds Bank plc as security trustee for the secured parties (the "**Security Trustee**").

The Third Facility Agreement relates to a facility of £75 million for a 15 year term to 5 December 2033. The purpose of the facility is to refinance the cost of acquiring additional assets to the Borrower's portfolio (primarily being forward funded and built properties), payment of costs associated with that process and the Borrower's general corporate purposes. The Third Facility is secured against the assets of the Borrower.

The Third Facility is interest only with a bullet repayment on the date of termination. The interest on each loan made under the Third Facility has a fixed all-in rate payable at 2.99 per cent. per annum for the term of the loan.

Financial covenants pursuant to the terms of the Third Facility Agreement include that the Borrower must ensure: (i) a maximum loan to value ratio of 50 per cent; (ii) a historical interest cover of at least 200 per cent. to 300 per cent. at certain times; (iii) a projected interest cover of at least 300 per cent. at certain times; and (iv) that no occupational tenant of the secured properties is responsible for more than 30 per cent. of the total aggregated annual rental income.

The Third Facility Agreement is governed by the laws of England and Wales.

9.16 **Revolving Credit Facility Agreement**

The revolving credit facility agreement originally dated 31 July 2019 and amended and restated on 12 October 2020 between LXi Property Holdings 4 Limited as the borrower (the "**Borrower**"), LXi Property Holdings 4 Limited, LXi Property Holdings 4A Limited and LXi Spirit Limited each as guarantor (each a "**Guarantor**"), the Company as shareholder (the "**Shareholder**"), the Company as subordinated creditor (the "**Subordinated Creditor**"), Lloyds Bank plc as mandated lead arranger (the "**Arranger**"), Lloyds Bank plc as lender (the "**Lender**"), Lloyds Bank plc as agent of the other finance parties (the "**Agent**") and Lloyds Bank plc as security trustee for the secured parties (the "**Security Trustee**").

The agreement relates to a revolving credit facility of £100 million for a 3 year term to August 2022, which may be extended by up to two years with the consent of the lenders (being the Lender and any person who becomes a lender pursuant to the terms of the agreement). The Revolving Credit Facility is secured against a defined portfolio of the Group's assets, held as a lending group through a wholly owned subsidiary of the Company.

Each loan made under the Revolving Credit Facility is interest only and is repayable in full on the earlier of the next interest payment date (being 31 March, 30 June, 30 September and 31 December in each year) and the date of termination of the agreement, save that loans may be rolled over. The interest on each loan made under the Revolving Credit Facility is 1.55 per cent. per annum over LIBOR for the term of the loan.

Financial covenants pursuant to the terms of the Revolving Credit Facility Agreement include that that the Borrower must ensure: (i) a maximum loan to value ratio of 50 per cent.; (ii) a historical interest cover of at least 300 per cent. at all times; and (iii) that no occupational tenant of the secured properties is responsible for more than 35 per cent. of the total aggregated annual rental income.

The Revolving Credit Facility Agreement is governed by the laws of England and Wales.

10. LITIGATION

There are no governmental, legal or arbitration proceedings, and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened, nor of any such proceedings having been pending or threatened at any time preceding the date of this Registration Document which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Company and/or the Group during the 12 months preceding the date of this Registration Document.

11. GENERAL

11.1 No application is being made for the New Ordinary Shares to be dealt with in or on any stock exchange or investment exchange other than the main market of the London Stock Exchange.

11.2 Alvarium Fund Managers (UK) Limited has given and not withdrawn its written consent to the issue of this Registration Document with references to its name in the form and context in which such references appear.

11.3 LXi REIT Advisors Limited accepts responsibility for and has authorised the inclusion (in the form and context in which it is included) of the information contained in Part 2 and the paragraph entitled "AIFM and Investment Advisor" in Part 3 of this Registration Document, and declares that, to the best of its knowledge, the information contained in Part 2 and the paragraph entitled "AIFM and Investment Advisor" in Part 3 of this Registration Document is in accordance with the facts and those parts of the Registration Document make no omission likely to affect their import.

11.4 LXi REIT Advisors Limited has given and not withdrawn its written consent to the issue of this Registration Document with references to its name in the form and context in which such references appear.

11.5 Knight Frank LLP of 55 Baker Street, Marylebone, London W1U 8AN, which is qualified for the purposes of the below mentioned valuation in accordance with the RICS Valuation – Global Standards, January 2020, issued by the Royal Institution of Chartered Surveyors, has given and not withdrawn its consent to the inclusion in this Registration Document of its report in Part 4 of this Registration Document and to the issue of this Registration Document with the inclusion of its name and references to it in the form and context in which they appear and has authorised the contents of its report in Part 4 of this Registration Document for the purposes of Prospectus Regulation Rule 5.3.2R(2)(f), in the form and context in which they appear. Knight Frank LLP is a limited liability partnership incorporated in England and Wales on 3 November 2003 (registered number OC305934) and its Legal Entity Identifier is 213800995RRALBMRYV38.

11.6 There has been no material change in the valuation of the properties which are the subject of the Property Valuation Report that appears in Part 4 of this Registration Document since the date of the valuation contained in that report.

11.7 Where third party information has been referenced in this Registration Document, the source of that third party information has been disclosed. All information in this Registration Document that has been sourced from third parties has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

11.8 The effect of the Initial Issue and the Share Issuance Programme will be to increase the net assets of the Company. On the assumption that the Initial Issue and the Share Issuance Programme are subscribed as to 400 million New Ordinary Shares (being the maximum number of New Ordinary Shares available thereunder), and assuming such shares are issued at the Issue Price, the Initial Issue and the Share Issuance Programme would be expected to increase the net assets of the Company by approximately £488 million.

11.9 Shareholders are obliged to comply with the shareholding notification and disclosure requirements set out in Chapter 5 of the DTRs. A Shareholder is required pursuant to Chapter 5 of the DTRs to notify the Company if, as a result of an acquisition or disposal of shares or financial instruments, the Shareholder's percentage of voting rights of the Company reaches, exceeds or falls below, three per cent. of the Company's voting rights or any one per cent. threshold above that.

12. AUDITORS

The auditors to the Company are BDO LLP of 55 Baker Street, London W1U 7EU. BDO LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

13. DEPOSITARY

Langham Hall UK Depositary LLP, of 5 Old Bailey, London EC4M 7BA, acts as the Company's depositary. The Depositary is authorised and regulated by the FCA. The Depositary is a limited liability partnership registered in England and Wales with registered number OC388007 and its telephone number is +44 (0)20 3597 7969. The Depositary was incorporated on 20 September 2013. The Depositary is not involved, directly or indirectly, with the business affairs, organisation, sponsorship or management of the Company and is not responsible for the preparation of the Prospectus and accepts no responsibility for any information contained in the Prospectus.

14. DISCLOSURES UNDER THE UK MARKET ABUSE REGULATION AND REGULATION (EU) NO. 596/2014

The information disclosed by the Company under the UK Market Abuse Regulation and, prior to 1 January 2021, Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 over the last 12 months which is relevant as at the date of this Registration Document relates only to: (i) changes to the Group's portfolio, which are incorporated in paragraph 5 of Part 1 of this Registration Document ("Portfolio and performance") and paragraph 1 of Part 2 of this Registration Document ("Investment opportunity") as part of the disclosure of the Group's current portfolio that is included in those sections; (ii) dividends declared by the Company and target dividends, which are referred to in paragraph 6 of Part 1 of this Registration Document ("Dividend policy and target total NAV return"); (iii) changes in the valuation of the Group's Properties, which are incorporated into the Property Valuation Report in Part 4 of this Registration Document; (iv) changes in the Group's Net Asset Value and EPRA Net Tangible Assets, which are incorporated into paragraph 8 of Part 1 of this Registration Document ("NAV and investment returns"); and (v) published financial information of the Group, which is incorporated into Part 6 of this Registration Document.

15. DOCUMENTS INCORPORATED BY REFERENCE

This document should be read and construed in conjunction with the following documents, which have been previously published and filed with the FCA, which are available from the offices of the AIFM at 10 Old Burlington Street, London W1S 3AG and from the Company's website at www.lxireit.com and which are available for inspection in accordance with paragraph 16 below:

Reference document	Information incorporated by reference	Page number(s) in the document
2020 Annual Report and Accounts	Overview	1
	Highlights	2-4
	Chairman's statement	6-8
	Investment Advisor's report	10-18
	The Investment Advisor	20-21
	Investment objective and policy	22-23
	Key performance indicators	25
	EPRA performance measures	26
	Section 172 statement	27-29
	Principal risks and uncertainties	30-31
	Going concern and viability statement	32-34
	Directors' Report	36-38
	Corporate governance statement	40-45
	Report of the Audit Committee	46-48
	Report of the Management Engagement Committee	49
	Depositary statement	50
	Directors' remuneration report	51-53
	Statement of Directors' responsibilities	54
	Independent Auditor's Report	55-60
	Consolidated statement of comprehensive income	62
	Consolidated statement of financial position	63
	Consolidated statement of changes in equity	64
	Consolidated cash flow statement	65
	Notes to the consolidated financial statements	66-87
	Company statement of financial position	88
	Company statement of changes in equity	89
	Notes to the Company financial statements	90-94
	Notes to the EPRA performance measures	96-97
	Glossary	99
	Company information	100
2020 Interim Report	LXi REIT plc	1
	Highlights	2-4
	Chairman's statement	6-8
	Investment Advisor's report	9-16
	Key performance indicators	18-19
	EPRA performance measures	20
	Principal risks and uncertainties	21
	Directors' responsibility statement	21
	Independent review report	23
	Condensed consolidated statement of comprehensive income	24
	Condensed consolidated statement of financial position	25
	Condensed consolidated statement of changes in equity	26-27
	Condensed consolidated cash flow statement	28
	Notes to the condensed consolidated financial statements	29-54
	Notes to the EPRA performance measures	55
	Company information	56

16. DOCUMENTS ON DISPLAY

Copies of the following documents will be available for inspection at the registered office of the Company and the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London, EC2M 7SH during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this Registration Document until 17 February 2022 and shall be available on the Company's website (www.lxireit.com):

(a) this Registration Document;

(b) the Summary;

(c) the Securities Note;

(d) the Company's memorandum of association and Articles;

(e) the Property Valuation Report;

(f) the 2020 Annual Report and Accounts; and

(g) the 2020 Interim Report.

Dated: 18 February 2021

PART 8

DEFINITIONS

The following definitions apply throughout this Registration Document unless the context requires otherwise:

"**2018 Issue**"	the initial placing, placing, open offer, offer for subscription and intermediaries offer of Ordinary Shares as described in the prospectus dated 24 September 2018, under which gross proceeds of £175 million were raised
"**2019 Issue**"	the placing, open offer, offer for subscription and intermediaries offer of Ordinary Shares as described in the prospectus dated 20 May 2019, under which gross proceeds of approximately £200 million were raised
"**2019 Placing Agreement**"	the placing agreement between the Company, the AIFM, the Investment Advisor and Peel Hunt dated 20 May 2019 and entered into in connection with the 2019 Issue, a summary of which is set out in paragraph 9.3 of Part 7 of this Registration Document
"**2019 Receiving Agent Agreement**"	the receiving agent agreement between the Company and the Receiving Agent dated 20 May 2019 in connection with the 2019 Issue, a summary of which is set out in paragraph 9.4 of Part 7 of this Registration Document
"**2020 AGM**"	the annual general meeting of the Company held at 2.00 p.m. on 30 June 2020
"**2020 Annual Report and Accounts**"	the annual report and consolidated financial statements of the Group for the financial year ended 31 March 2020
"**Administration Agreement**"	the administration agreement between the Company and the Administrator, a summary of which is set out in paragraph 9.8 of Part 7 of this Registration Document
"**Administrator**"	Langham Hall UK Services LLP
"**Admission**"	admission of the New Ordinary Shares to be issued pursuant to the Initial Issue or a Subsequent Issue: (i) to trading on the premium segment of the London Stock Exchange's main market becoming effective in accordance with the LSE Admission Standards; and (ii) to the premium list of the Official List becoming effective in accordance with the Listing Rules
"**AIC**"	the Association of Investment Companies
"**AIC Code**"	the 2019 AIC Code of Corporate Governance
"**AIFM**"	Alvarium Fund Managers (UK) Limited
"**AIFM Rules**"	the UK's implementation of the European Union's Alternative Investment Fund Managers directive (No. 2071/61/EU) and all legislation made pursuant thereto, including the Alternative Investment Fund Managers Regulations 2013 and any other applicable UK implementing legislation and regulations
"**Alvarium**"	the trading name for a group of affiliated businesses that are subsidiaries of Alvarium Investments Limited
"**Application Forms**" and each an "**Application Form**"	the Open Offer Application Form and/or the Offer for Subscription Application Form, as the context requires
"**Articles**"	the articles of association of the Company
"**Audit Committee**"	the audit committee of the Board

"**Auditors**"	BDO LLP
"**Benefit Plan Investor**"	a "benefit plan investor" (as defined in Section 3(42) of ERISA and any regulations promulgated thereunder), including without limitation: (a) any "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to the provisions of Part 4 of Title I of ERISA; (b) a "plan" as defined in and subject to Section 4975 of the US Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Code; and (c) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements by reason of any such plans' investment in the entity, a "plan" that is subject to the prohibited transaction provisions of Section 4975 of the US Code, and entities the assets of which are treated as "plan assets" under Section 3(42) of ERISA by reason of investment therein by Benefit Plan Investors
"**Business Day**"	a day (excluding Saturdays and Sundays, or public holidays in England and Wales) on which banks generally are open for business in London for the transaction of normal business
"**C Shares**"	C shares in the capital of the Company having the rights and restrictions set out in paragraph 5.19 of Part 7 of this Registration Document; for the avoidance of doubt, there are no C Shares in issue as at the date of this document and the Company does not have the ability to issue C Shares under the Initial Issue or the Share Issuance Programme
"**certificated**" or "**in certificated form**"	not in uncertificated form
"**Common Reporting Standard**"	the Common Reporting Standard on Automatic Exchange of Information
"**Companies Act**"	the Companies Act 2006 and any statutory modification or re-enactment thereof for the time being in force
"**Company**"	LXi REIT plc
"**Company Secretary**"	PraxisIFM Fund Services (UK) Limited
"**Company Secretarial Services Agreement**"	the company secretarial services agreement between the Company and the Company Secretary, a summary of which is set out in paragraph 9.9 of Part 7 of this Registration Document
"**CPI**"	UK Consumer Price Index
"**CPIH**"	UK Consumer Prices Index including owner occupiers' housing costs
"**CREST**"	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form
"**CREST Regulations**"	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended
"**CTA 2010**"	Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force
"**Depositary**"	Langham Hall UK Depositary LLP
"**Depositary Agreement**"	the depositary agreement between the Company, the Depositary and the AIFM, a summary of which is set out in paragraph 9.11 of Part 7 of this Registration Document
"**Directors**" or "**Board**"	the board of directors of the Company

"**Directors' Lock-in Deed**"	the lock-in deed between each of the Directors, the Company and Peel Hunt, summarised in paragraph 9.12 of Part 7 of this Registration Document
"**Disclosure Guidance and Transparency Rules**" or "**DTRs**"	the disclosure guidance and transparency rules contained within the FCA Handbook
"**Distribution**"	any dividend or other distribution on or in respect of the shares of the Company and references to a Distribution being paid include a distribution not involving a cash payment being made
"**Distribution Transfer**"	a disposal or transfer (however effected) by a person of his rights to a Distribution from the Company such that he is not beneficially entitled (directly or indirectly) to such a Distribution and no person who is so entitled subsequent to such disposal or transfer (whether the immediate transferee or not) is (whether as a result of the transfer or not) a Substantial Shareholder
"**Distribution Transfer Certificate**"	a certificate in such form as the Directors may specify from time to time to the effect that the relevant person has made a Distribution Transfer, which certificate may be required by the Directors to satisfy them that a Substantial Shareholder is not beneficially entitled (directly or indirectly) to a Distribution
"**EPRA**"	European Public Real Estate Association
"**EPRA Best Practice Recommendations**"	the EPRA's best practice recommendations for financial reporting of listed property companies
"**EPRA Net Tangible Assets**" or "**EPRA NTA**"	a measure that assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability. The EPRA NTA per share for the Group is equal to the IFRS NAV per share to one tenth of a pence as there are no deferred tax liabilities or other adjustments other than the reversal of mark-to-market adjustments of derivatives applicable to the Group
"**ERISA**"	US Employee Retirement Income Security Act of 1974, as amended
"**Estimated EPRA NTA**"	the estimated EPRA NTA calculated as set out in paragraph 8 of Part 1 of this Registration Document
"**Estimated EPRA NTA per Ordinary Share**"	the Estimated EPRA NTA attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) as at the date of calculation
"**Estimated NAV**"	the estimated NAV calculated as set out in paragraph 8 of Part 1 of this Registration Document
"**Estimated NAV per Ordinary Share**"	the Estimated NAV attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) as at the date of calculation
"**EU**"	the European Union
"**Euroclear**"	Euroclear UK & Ireland Limited, being the operator of CREST
"**EUWA**"	European Union (Withdrawal) Act 2018 (as amended)
"**Excess Charge**"	in relation to a Distribution which is paid or payable to a person, all tax or other amounts which the Directors consider may become payable by the Company under Section 551 of the CTA 2010 and any interest, penalties, fines or surcharge attributable to such tax as a result of such Distribution being paid to or in respect of that person
"**FATCA**"	the US Foreign Account Tax Compliance Act
"**FCA**"	the Financial Conduct Authority

"**FCA Handbook**"	the FCA handbook of rules and guidance as amended from time to time
"**First Facility**"	the 12-year, fixed rate, interest only loan facility of a total maximum commitment of £55 million with Scottish Widows, acting in partnership with Lloyds Bank Commercial Real Estate, pursuant to the terms of the First Facility Agreement, which has been extended to terminate in December 2033
"**First Facility Agreement**"	the facility agreement originally dated 30 June 2017 and amended and restated or varied from time to time, including on 2 November 2020, pursuant to which the Company secured the First Facility, a summary of which is set out in paragraph 9.13 of Part 7 of this Registration Document
"**FSMA**"	the Financial Services and Markets Act 2000 (as amended) and any statutory modification or re-enactment thereof for the time being in force
"**Future Registration Document**"	any registration document required to be issued in the future by the Company and subject to separate approval by the FCA
"**Future Securities Note**"	a securities note to be issued in the future by the Company in respect of each issue, if any, of Ordinary Shares (other than pursuant to the Initial Issue or a Subsequent Placing) made pursuant to this Registration Document and subject to separate approval by the FCA
"**Future Summary**"	a summary to be issued in future by the Company in respect of each issue, if any, of Ordinary Shares (other than pursuant to the Initial Issue or a Subsequent Placing) made pursuant to this Registration Document and subject to separate approval by the FCA
"**General Meeting**"	the general meeting of the Company convened for 2.00 p.m. on 10 March 2021
"**Gross Asset Value**"	the aggregate value of the total assets of the Company as determined in accordance with the accounting principles adopted by the Company from time to time
"**Gross Issue Proceeds**"	the gross proceeds of the Initial Issue
"**Group**"	the Company and its subsidiaries from time to time
"**HMRC**"	Her Majesty's Revenue and Customs
"**IFRS**"	international financial reporting standards
"**Independent Valuer**"	Knight Frank LLP, which is registered in England and Wales (registered number OC305934)
"**Initial Admission**"	Admission of the New Ordinary Shares issued pursuant to the Initial Issue
"**Initial Issue**"	the issue of New Ordinary Shares pursuant to the Initial Placing, the Open Offer, the Offer for Subscription and the Intermediaries Offer
"**Initial Placing**"	the conditional placing of New Ordinary Shares by Peel Hunt and Jefferies at the Issue Price pursuant to the Share Issuance Agreement as described in Part 1 of the Securities Note
"**interest in the Company**"	includes, without limitation, an interest in a Distribution made or to be made by the Company

"**Intermediaries**"	the entitles listed in paragraph 8 of Part 4 of the Securities Note, together with any other intermediary (if any) that is appointed by the Company in connection with the Intermediaries Offer after the date of this Registration Document and "**Intermediary**" shall mean any one of them
"**Intermediaries Offer**"	the offer of New Ordinary Shares by the Intermediaries to retail investors
"**Intermediaries Offer Adviser**"	Peel Hunt LLP
"**Investment Advisor**"	LXi REIT Advisors Limited
"**Investment Advisory Agreement**"	the investment advisory agreement dated 12 February 2020 between the Company, the AIFM and the Investment Advisor, a summary of which is set out in paragraph 9.6 of Part 7 of this Registration Document
"**Investment Management Agreement**"	the investment management agreement dated 12 February 2020 between the Company and the AIFM, a summary of which is set out in paragraph 9.5 of Part 7 of this Registration Document
"**Investor Lock-in Deed**"	the lock-in deed between the Company, the Spanish Family Office Investors and Peel Hunt dated 24 September 2018, a summary of which is set out in paragraph 9.7 of Part 7 of this Registration Document
"**IPO**"	initial public offering
"**IRR**"	internal rate of return
"**Issue Price**"	124.5 pence per New Ordinary Share
"**Issue Resolutions**"	(1) the ordinary resolution to be proposed at the General Meeting seeking authority to allot up to 400 million New Ordinary Shares pursuant to the Initial Issue and the Share Issuance Programme; and (2) the special resolution to be proposed at the General Meeting to disapply pre-emption rights in respect of the Initial Issue and the Share Issuance Programme
"**Jefferies**"	Jefferies International Limited and Jefferies GmbH, the Company's joint global co-ordinator, joint broker and joint bookrunner
"**Latest Practicable Date**"	16 February 2021, being the latest practicable date prior to the date of this Registration Document for ascertaining certain information contained herein
"**LIBOR**"	the London Interbank Offered Rate
"**Listing Rules**"	the listing rules made by the FCA pursuant to Part VI of the FSMA
"**London Stock Exchange**"	London Stock Exchange plc
"**LSE Admission Standards**"	the admission and disclosure standards published by the London Stock Exchange
"**Management Engagement Committee**"	the management engagement committee of the Board
"**Market Capitalisation**"	the average of the mid-market prices for an Ordinary Share and, if applicable, a C Share, respectively, as derived from the Daily Official List of the London Stock Exchange on each Business Day in the relevant calendar month, multiplied by the number of Ordinary Shares and, if applicable, C Shares, respectively, in issue on the last Business Day of the relevant calendar month, excluding any Ordinary Shares held by the Company in treasury
"**Member State**"	any member state of the European Economic Area

"**NAV**" or "**Net Asset Value**"	the value, as at any date, of the assets of the Company after deduction of all its liabilities, before deducting dividends that have been declared but not paid as at the relevant reporting date, determined in accordance with the accounting policies adopted by the Company from time to time
"**NAV per Ordinary Share**" or "**Net Asset Value per Ordinary Share**"	at any time the NAV attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) at the date of calculation
"**Net Issue Proceeds**"	the Gross Issue Proceeds less applicable fees and expenses of the Initial Issue
"**New Ordinary Shares**"	the new Ordinary Shares to be issued by the Company pursuant to the Initial Issue and the Share Issuance Programme
"**Nomination Committee**"	the nomination committee of the Board
"**Non-PID Dividend**"	a dividend paid by the Company that is not a PID
"**Offer for Subscription**"	the offer for subscription of New Ordinary Shares at the Issue Price on the terms set out in the Securities Note
"**Offer for Subscription Application Form**"	the application form for use in connection with the Offer for Subscription set out at the end of the Securities Note
"**Official List**"	the Official List of the FCA
"**Open Offer**"	the offer to Qualifying Shareholders (as defined in the Securities Note), constituting an invitation to apply for New Ordinary Shares, on the terms and subject to the conditions set out in the Securities Note and, in the case of Qualifying non-CREST Shareholders (as defined in the Securities Note), the Open Offer Application Form
"**Open Offer Application Form**"	the application form on which Qualifying non-CREST Shareholders (as defined in the Securities Note) may apply for New Ordinary Shares under the Open Offer
"**Ordinary Shares**"	ordinary shares of £0.01 each in the capital of the Company
"**Osprey Equity Partners**" or "**Osprey**"	Osprey Equity Partners Limited
"**Peel Hunt**"	Peel Hunt LLP, the Company's sponsor, joint global co-ordinator, joint broker, joint bookrunner and intermediaries offer adviser
"**PID**"	the distribution by the Company of the profits of its Property Rental Business, including distributions received by it from other UK REITs, by way of a dividend in cash or the issue of share capital in lieu of a cash dividend in accordance with Section 530 of the CTA 2010
"**Portfolio**"	the property assets of the Group from time to time including those property assets on which the Group has exchanged but not completed contracts to acquire (save where there are substantial remaining conditions to completion)
"**Property Rental Business**"	in respect of a REIT, "**Property Rental Business**" as defined for the purposes of Part 12 CTA 2010
"**Property Valuation Report**"	the valuation report dated 18 February 2021 prepared by the Independent Valuer in respect of the Portfolio set out in Part 4 of this Registration Document
"**Prospectus**"	this Registration Document, together with the Summary and Securities Note and any Future Registration Document, Future Summary or Future Securities Note
"**Prospectus Regulation Rules**"	the rules and regulations made by the FCA under Part VI of FSMA

"**Q3 Dividend**"	the third interim dividend of the Group in respect of the year ending 31 March 2021 of 1.44 pence per Ordinary Share, payable on 26 March 2021 to Shareholders on the register at 26 February 2021, which for the avoidance of doubt will not be paid in respect of New Ordinary Shares acquired pursuant to the Initial Issue or the Share Issuance Programme
"**Receiving Agent**"	Link Group, a trading name of Link Market Services Limited
"**Receiving Agent Agreement**"	the receiving agent agreement between the Company and the Receiving Agent dated 18 February 2021, a summary of which is set out in paragraph 9.2 of Part 7 of this Registration Document
"**Register**"	the register of members of the Company
"**Registrar**"	Link Market Services Limited, trading as Link Group
"**Registrar Services Agreement**"	the registrar services agreement between the Company and the Registrar, a summary of which is set out in paragraph 9.10 of Part 7 of this Registration Document
"**Registration Document**" or "**this Registration Document**"	this registration document dated 18 February 2021 issued by the Company and approved by the FCA
"**Regulation S**"	Regulation S promulgated under the US Securities Act
"**REIT**"	a company or group to which Part 12 of the CTA 2010 applies (including, where relevant, a REIT Group)
"**REIT Group**"	a group UK REIT within the meaning of Part 12 CTA 2010
"**REIT Regime**"	Part 12 CTA 2010 (and related regulations)
"**Relevant Registered Shareholder**"	a Shareholder who holds all or some of the shares in the Company that comprise a Substantial Shareholding (whether or not a Substantial Shareholder)
"**Reporting Obligation**"	any obligation from time to time of the Company to provide information or reports to HMRC as a result of or in connection with the Company's status, or the Company's status as a REIT
"**Residual Business**"	that part of the business of companies within a REIT that is not part of the Property Rental Business
"**Revolving Credit Facility**" or "**RCF**"	the revolving credit facility of £100 million with Lloyds Bank plc pursuant to the terms of the Revolving Credit Facility Agreement
"**Revolving Credit Facility Agreement**"	the revolving credit facility agreement originally dated 31 July 2019 and amended and restated on 12 October 2020 pursuant to which the Company secured the Revolving Credit Facility, a summary of which is set out in paragraph 9.16 of Part 7 of this Registration Document
"**RICS**"	Royal Institution of Chartered Surveyors
"**RIS**"	a regulatory information service authorised by the FCA to release regulatory announcements to the London Stock Exchange
"**RPI**"	UK Retail Price Index
"**RPIX**"	UK Retail Price Index excluding Mortgage Interest
"**Second Facility**"	the 12-year, fixed rate, interest only loan facility of £40 million with Scottish Widows Limited, acting in partnership with Lloyds Bank Commercial Banking, pursuant to the terms of the Second Facility Agreement, which has been extended to terminate in December 2033

"**Second Facility Agreement**"	the facility agreement originally dated 8 December 2017 and amended and restated on 2 November 2020 pursuant to which the Company secured the Second Facility, a summary of which is set out in paragraph 9.14 of Part 7 of this Registration Document
"**Securities Note**"	the securities note dated 18 February 2021 issued by the Company in respect of the Ordinary Shares made available pursuant to this Registration Document and approved by the FCA
"**Share Issuance Agreement**"	the Share Issuance Agreement dated 18 February 2021 between the Company, the AIFM, the Investment Advisor, Peel Hunt and Jefferies, a summary of which is set out in paragraph 9.1 of Part 7 of this Registration Document
"**Share Issuance Programme**"	the proposed programme of Subsequent Issues of Ordinary Shares on the terms set out in the Securities Note (and any Future Securities Note)
"**Shareholder**"	a holder of Ordinary Shares
"**Spanish Family Office Investors**"	the group of private Spanish family offices linked to Mr Ram Bhavnani, who invested an aggregate of approximately £40 million pursuant to the 2018 Issue
"**SPV**"	special purpose vehicle
"**Subsequent Issue**"	any placing, open offer, offer for subscription and/or intermediaries offer of New Ordinary Shares pursuant to the Share Issuance Programme
"**Subsequent Placing**"	any placing of New Ordinary Shares pursuant to the Share Issuance Programme described in the Securities Note
"**Substantial Shareholder**"	any person whose interest in the Company, whether legal or beneficial, direct or indirect, may cause the Company to be liable to pay tax under Section 551 of CTA 2010 (as such legislation may be modified, supplemented or replaced from time to time) on or in connection with the making of a Distribution to or in respect of such person including, at the date of adoption of the Articles, any holder of excessive rights as defined in Section 553 of CTA 2010
"**Substantial Shareholding**"	the shares in relation to which or by virtue of which (in whole or in part) a person is a Substantial Shareholder
"**Summary**"	the summary dated 18 February 2021 issued by the Company pursuant to the Registration Document and approved by the FCA
"**Takeover Code**"	the UK City Code on Takeovers and Mergers
"**Third Facility**"	the 15-year, fixed rate, interest only loan facility of a total maximum commitment of £75 million with Scottish Widows, acting in partnership with Lloyds Bank Commercial Real Estate, pursuant to the terms of the Third Facility Agreement
"**Third Facility Agreement**"	the facility agreement originally dated 6 December 2018 and amended and restated on 2 November 2020 pursuant to which the Company secured the Third Facility, a summary of which is set out in paragraph 9.15 of Part 7 of this Registration Document
"**total NAV return**"	(i) growth in the NAV per Ordinary Share plus (ii) dividends paid per Ordinary Share, in the relevant period
"**UK Corporate Governance Code**"	the UK Corporate Governance Code as published by the Financial Reporting Council from time to time
"**UK Market Abuse Regulation**"	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse as it forms part of the domestic law of the United Kingdom by virtue of the EUWA

"**UK MiFID II**"	the UK's implementation of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (MiFID), together with the UK version of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (MiFIR), which forms part of the domestic law of the United Kingdom by virtue of the EUWA
"**UK MiFID II Delegated Regulation**"	Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive, as it forms part of the domestic law of the United Kingdom by virtue of the EUWA
"**UK PRIIPs Regulation**"	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products, together with its implementing and delegated acts, as they form part of the domestic law of the United Kingdom by virtue of the EUWA
"**UK Prospectus Regulation**"	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as it forms part of the domestic law of the United Kingdom by virtue of the EUWA
"**uncertificated**" or "**in uncertificated form**"	a share recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
"**United Kingdom**" or "**UK"**	the United Kingdom of Great Britain and Northern Ireland
"**United States**" or "**US**"	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
"**US Code**"	US Internal Revenue Code, as amended
"**US Exchange Act**"	US Securities Exchange Act of 1934, as amended
"**US Investment Company Act**"	US Investment Company Act of 1940, as amended
"**US Securities Act**"	US Securities Act of 1933, as amended
"**VAT**"	value added tax

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