

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

PART 2 OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH PART VIII OF THE COMPANIES (GUERNSEY) LAW, 2008 (AS AMENDED). THIS DOCUMENT CONTAINS PROPOSALS WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF THE ADMISSION OF THE SHARES OF INDUSTRIALS REIT LIMITED ("INDUSTRIALS") TO TRADING ON THE LONDON STOCK EXCHANGE'S MAIN MARKET FOR LISTED SECURITIES, THE CANCELLATION OF THE LISTING OF INDUSTRIALS SHARES ON THE OFFICIAL LIST AND THE DELISTING OF INDUSTRIAL SHARES ON THE MAIN BOARD OF THE JOHANNESBURG STOCK EXCHANGE.

If you are in any doubt as to the contents of this document and what action you should take, you are recommended to seek your own personal financial, legal and tax advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or (i) other appropriate independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended), if you are resident in the United Kingdom, (ii) a financial services provider registered in terms of the Financial Advisory and Intermediary Services Act 37 of 2002 (as amended), if you are in South Africa, or (iii) another appropriately authorised independent financial adviser, if you are in a territory outside the United Kingdom or South Africa.

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

Recommended Final Cash Offer

for

Industrials REIT Limited

(a non-cellular company limited by shares incorporated in Guernsey with registration number 64865)

by

Sussex Bidco LP

(a newly formed limited partnership established in Jersey with registration number 4158)

to be effected by means of a Court-sanctioned scheme of arrangement
under Part VIII of the Companies (Guernsey) Law, 2008 (as amended)

The release, publication or distribution of this document and/or the accompanying documents (in whole or in part) in or into jurisdictions other than the United Kingdom, Guernsey and South Africa may be restricted by the laws of those jurisdictions and therefore this document and/or the accompanying documents may not be distributed or published in any jurisdiction except under circumstances which result in compliance with applicable laws and regulations. Therefore, persons into whose possession this document and/or the accompanying documents come should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws and regulations of any such jurisdiction.

Neither this document nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful.

Industrials Shareholders should read the whole of this document (including all information incorporated into this document by reference to another source) and the accompanying Forms of Proxy. Definitions used in this document are as defined in Part 8 of this document unless defined elsewhere herein or the context requires otherwise. Industrials Shareholders may request hard copy forms of these documents. Please see section Right to Receive Copies in Hard Form on page 10 of this document for further details.

Your attention is drawn to the letter from the Chairman of Industrials set out in Part 1 of this document, which contains the unanimous recommendation of the Industrials Directors that you vote in favour of the Scheme at the Court Meeting and in favour of the Resolution to be proposed at the General Meeting. A letter from Numis Securities Limited ("**Numis**") and Eastdil Secured International Limited ("**Eastdil Secured**") explaining the Scheme appears in Part 2 of this document.

ACTION TO BE TAKEN

Voting at the Court Meeting and the General Meeting

Notices of the Court Meeting and the General Meeting, each of which have been convened for 31 May 2023 at Bryan Cave Leighton Paisner LLP, Governors House, 5 Laurence Pountney Hill, London, EC4R 0BR, are set out in Parts 9 and 10 of this document. The Court Meeting will start at 10.00 am London time (11.00 am SAST) and the General Meeting at 10.15 am London time (11.15 am SAST) (or as soon thereafter as the Court Meeting has concluded or been adjourned).

Industrials Shareholders on the Guernsey Register and who are receiving this document in hard copy will find accompanying this document a pink Form of Proxy for use in connection with the Court Meeting and a blue Form of Proxy for use in connection with the General Meeting.

Industrials Shareholders on the Guernsey Register who have elected (or who are deemed to have agreed) to receive communications from Industrials in electronic form will find the pink Form of Proxy for use in connection with the Court Meeting and the blue Form of Proxy for use in connection with the General Meeting on the Company's website at www.industrialsreit.com.

Industrials Shareholders on the South African Register and who are receiving this document in hard copy will find accompanying this document a yellow Form of Proxy for use in connection with the Court Meeting and a green Form of Proxy for use in connection with the General Meeting.

Industrials Shareholders on the South African Register who have elected (or who are deemed to have agreed) to receive communications from Industrials in electronic form will find the yellow Form of Proxy for use in connection with the Court Meeting and the green Form of Proxy for use in connection with the General Meeting on the Company's website at www.industrialsreit.com.

For the avoidance of doubt, Industrials Shareholders on the Guernsey Register should only complete and return the pink Form of Proxy for use in connection with the Court Meeting and the blue Form of Proxy for use in connection with the General Meeting. Industrials Shareholders on the South African Register should only complete and return the yellow Form of Proxy for use in connection with the Court Meeting and the green Form of Proxy for use in connection with the General Meeting.

Industrials Shareholders on the Guernsey Register

Please complete the enclosed or available Forms of Proxy whether or not you plan to attend either or both of the Meetings and return them in accordance with the instructions printed thereon to Computershare Investor Services (Guernsey) Limited at c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY or email them to #UKCSBRS.ExternalProxyQueries@computershare.co.uk, as soon as possible, but in any event so as to be received (during normal business hours) by 10.00 am London time (11.00 am SAST) on Friday 26 May 2023 in the case of the Court Meeting and by 10.15 am London time (11.15 am SAST) on Friday 26 May 2023 in the case of the General Meeting (or, in the case of adjournment, no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned Meeting).

If the pink Form of Proxy for use at the Court Meeting is not lodged by 10.00 am London time (11.00 am SAST) on Friday 26 May 2023, it may be handed to the chairman of the meeting or emailed to and received by #UKCSBRS.ExternalProxyQueries@computershare.co.uk before the start of the Court Meeting and will still be valid. However, in the case of the General Meeting, unless the blue Form of Proxy is lodged so as to be received by 10.15 am London time (11.15 am SAST) on Friday 26 May 2023, it will be invalid.

You can also submit your proxy vote via the internet through the share portal service at www.investorcentre.co.uk/eproxy. To do so, you will need to log on to your share portal account or register for the share portal if you have not already done so. Once registered, you will be able to vote. Proxies submitted via the share portal service must be received by the Guernsey Registrar no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the appointed time for the relevant Meeting or, in the case of an adjournment, no later than 48 hours

(excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned Meeting.

The completion and return of a Form of Proxy or proxy appointment via the share portal service will not prevent you from attending, speaking and voting in person at the Meetings or any adjournment thereof if you so wish and are so entitled.

Industrials Shareholders on the Guernsey Register who hold their Industrials Shares through CREST

Industrials Shareholders on the Guernsey Register who hold their shares through CREST and who wish to appoint a proxy or proxies for the Meetings or any adjournment(s) thereof may do so by using the CREST proxy voting service in accordance with the procedures set out in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to that CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. Proxies submitted via CREST must be received by the Guernsey Registrar by no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the appointed time for the relevant Meeting or in the case of an adjournment, no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned Meeting.

The completion and return of a CREST proxy instruction will not prevent you from attending, speaking and voting in person at the Meetings or any adjournment thereof if you so wish and are so entitled.

Industrials Shareholders on the South African Register who hold their Industrials Shares through STRATE and not in their own names

If you hold your Industrials Shares on the South African Register in dematerialised form and not in your own name you should not complete the Forms of Proxy.

In order to vote at or attend the Court Meeting and the General Meeting, you should be in contact with your CSDP or broker. If you have not been contacted by your CSDP or broker, it is advisable for you to contact your CSDP or broker immediately and furnish your CSDP or broker with your voting instructions in the manner and by the cut-off time stipulated by your CSDP or broker in terms of the custody agreement between you and your CSDP or broker.

If your CSDP or broker does not obtain voting instructions from you, your CSDP or broker will be obliged to act in accordance with the instructions contained in the custody agreement between you and your CSDP or broker.

Should you wish to attend, speak and vote, or to send a proxy to represent you at either or both of the Meetings, you must, in accordance with the custody agreement between you and your CSDP or broker, advise your CSDP or broker. Your CSDP or broker should then issue the necessary letter of representation to you or your proxy to attend, speak and vote at the Court Meeting or the General Meeting (as the case may be).

Industrials Shareholders on the South African Register who hold their Industrials Shares (i) in certificated form or (ii) through STRATE and in their own names

If you hold your Industrials Shares on the South African Register (i) in certificated form or (ii) through STRATE and in your own name, please complete the enclosed or available Forms of Proxy whether or not you plan to attend either or both of the Meetings and return them in accordance with the instructions printed thereon to Computershare Investor Services Proprietary Limited, at Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, South Africa or at Private Bag X9000, Saxonwold, 2132, South Africa or email them to proxy@computershare.co.za as soon as possible, but in any event so as to be received (during normal business hours) by 10.00 am London time (11.00 am SAST) on Friday 26 May 2023 in the case of the Court Meeting and by 10.15 am London time (11.15 am SAST) on Friday 26 May 2023 in the case of the General Meeting (or, in the case of adjournment, no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned Meeting).

If the yellow Form of Proxy for use at the Court Meeting is not lodged by 10.00 am London time (11.00 am SAST) on Friday 26 May 2023, it may be handed to the chairman of the meeting or emailed to and received by proxy@computershare.co.za before the start of the Court Meeting and will still be valid. However, in the case of the General Meeting, unless the green Form of Proxy is lodged so as to be received by 10.15 am London time (11.15 am SAST) on Friday 26 May 2023, it will be invalid.

The completion and return of a Form of Proxy will not prevent you from attending, speaking and voting in person at the Meetings or any adjournment thereof if you so wish and are so entitled.

Industrials Shareholder Helpline

If you are an Industrials Shareholder on the Guernsey Register and have any queries about this document, the Court Meeting, the General Meeting or on the completion and return of the Forms of Proxy, please contact the Guernsey Registrar on +44 (0) 370 707 4040. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. The helpline is open between 8.30 am – 5.30 pm (London time), Monday to Friday excluding public holidays in the United Kingdom. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

If you are an Industrials Shareholder on the South African Register and have any queries about this document, the Court Meeting or the General Meeting or on the completion and return of the Forms of Proxy, please contact the South African Registrar on +27 (11) 370 5000. Calls are charged at the standard geographic rate and will vary by provider. Calls outside South Africa will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. The helpline is open between 9.00 am – 5.30 pm (SAST), Monday to Friday excluding public holidays in South Africa. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

NOTICES

Numis Securities Limited ("**Numis**") which is authorised and regulated in the United Kingdom by the FCA, is acting as the financial adviser and Rule 3 financial adviser to Industrials and no one else in connection with the Acquisition and the matters set out in this document and shall not be responsible to anyone other than Industrials for providing the protections afforded to clients of Numis, nor for providing advice in connection with the Acquisition or any matter referred to herein. Neither Numis nor any of its subsidiaries, affiliates or branches owes or accepts any duty, liability or responsibility whatsoever (whether direct, indirect, consequential, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Numis in connection with this document, any statement or other matter or arrangement referred to herein or otherwise. Numis has given, and not withdrawn, its consent to the inclusion in this document of the references to its name and the advice it has given to Industrials in the form and context in which they appear.

Eastdil Secured International Limited ("**Eastdil Secured**") which is authorised and regulated in the United Kingdom by the FCA, is acting as the financial adviser to Industrials and no one else in connection with the Acquisition and the matters set out in this document and shall not be responsible to anyone other than Industrials for providing the protections afforded to clients of Eastdil Secured, nor for providing advice in connection with the Acquisition or any matter referred to herein. Neither Eastdil Secured nor any of its subsidiaries, affiliates or branches owes or accepts any duty, liability or responsibility whatsoever (whether direct, indirect, consequential, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Eastdil Secured in connection with this document, any statement or other matter or arrangement referred to herein or otherwise. Eastdil Secured has given, and not withdrawn, its consent to the inclusion in this document of the references to its name and the advice it has given to Industrials in the form and context in which they appear.

Java Capital Trustees and Sponsors Proprietary Limited ("**Java Capital**"), which is authorised and regulated in South Africa by the JSE, which is licensed as a securities exchange and is regulated by the Financial Sector Conduct Authority and the Prudential Authority of South Africa, is acting as JSE sponsor exclusively for Industrials and for no one else in connection with the matters referred to in this document and will not be responsible to anyone other than Industrials for providing the protections

afforded to clients of Java Capital, or for providing advice in relation to the contents of, matters referred to in, this document or any matter referred to herein. Neither Java Capital nor any of its subsidiaries, affiliates or branches owes or accepts any duty, liability or responsibility whatsoever (whether direct, indirect, consequential, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Java Capital in connection with this document, any statement or other matter or arrangement referred to herein or otherwise. Java Capital has given, and not withdrawn, its consent to the inclusion in this document of the references to its name and the advice it has given to Industrials in the form and context in which they appear.

N.M. Rothschild & Sons Limited ("**Rothschild & Co**"), which is authorised and regulated in the United Kingdom by the FCA, is acting as the lead financial adviser to Blackstone and Bidco and no one else in connection with the matters referred to in this document. Rothschild & Co, its affiliates and their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to anyone other than Blackstone and Bidco for providing the protections afforded to the clients of Rothschild & Co nor for providing advice in relation to the matters referred to in this document.

RBC Europe Limited (trading as "**RBC Capital Markets**"), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as a financial adviser to Blackstone and Bidco and no one else in connection with the subject matter of this document and will not be responsible to anyone other than Blackstone and Bidco for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this document.

Neither the US Securities and Exchange Commission nor any US state securities commission or regulatory authority has reviewed or approved this document or the Scheme. Any representation to the contrary is a criminal offence in the United States.

OVERSEAS JURISDICTIONS

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

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

If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), such Takeover Offer may not be made available, directly or indirectly, in, into or from, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction, and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facility.

The availability of the Acquisition to Industrials Shareholders who are not resident in the United Kingdom or Guernsey or South Africa (and, in particular, their ability to vote their Scheme Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf) may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom, Guernsey or South Africa should inform themselves of, and observe, any applicable requirements, as any failure to comply with such requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. The Acquisition shall be subject to the applicable requirements of the Companies Law, the Court, the Takeover Code, the Panel, the London Stock Exchange, the Johannesburg Stock Exchange, the Financial Conduct Authority, the Listing Rules, Finsurv and the JSE Listings Requirements.

The information contained in this document constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act 37 of 2002 (as amended) ("FAIS Act") and should not be construed as express or implied advice (as such term is used in the South African Financial Advisory and Intermediary Services Act 37 of 2002 (as amended)) that any particular transaction in respect of the Acquisition, is appropriate to the particular investment objectives, financial situations or needs of a shareholder or offeree, and nothing in this document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. Bidco is not a financial services provider licensed as such under the FAIS Act.

Nothing in this document should be viewed, or construed, as "*advice*", as that term is used in the South African Financial Markets Act 19 of 2012 (as amended).

Each Industrials Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Acquisition.

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

NOTES TO INDUSTRIALS SHAREHOLDERS IN THE UNITED STATES

None of the securities referred to in this document have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the fairness or merits of such securities or the adequacy or accuracy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.

The Acquisition is being made to acquire the securities of a Guernsey company by means of a scheme of arrangement provided for under Part VIII of the Companies Law. A transaction effected by means of a scheme of arrangement is not subject to the proxy solicitation or tender offer rules under the US Exchange Act. Accordingly, the Scheme will be subject to disclosure requirements and practices applicable to schemes of arrangement involving a target company incorporated in Guernsey listed on the London Stock Exchange, which are different from the disclosure requirements of the US under the US proxy solicitation and tender offer rules. The financial information included in this document has been or will have been prepared in accordance with accounting standards applicable in Guernsey and the UK and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US.

If Bidco were to elect to implement the Acquisition by means of a Takeover Offer, such Takeover Offer would be made in compliance with applicable US laws and regulations, including to the extent applicable Section 14(e) of the US Exchange Act and Regulation 14E thereunder, and in accordance with the Takeover Code. Such a takeover would be made in the United States by Bidco and no one else.

The receipt of cash pursuant to the Acquisition by a US holder as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for United States federal income tax purposes and under applicable United States state and local, as well as foreign and other, tax laws. Each Industrials Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him.

It may be difficult for US holders to enforce their rights and any claims arising out of the US federal securities laws, since Industrials is organised under the laws of Guernsey, some or all of its assets are located in a country other than the US, and all of its officers and directors are residents of countries other than the US. US holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

In accordance with normal UK practice and consistent with Rule 14e-5 under the US Exchange Act, Bidco, certain affiliated companies and the nominees or brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, shares in Industrials outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes effective, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and will comply with applicable law, including to the extent applicable the US Exchange Act. Any information about such purchases or arrangements to purchase will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com and via SENS. This information will also be publicly disclosed in the US to the extent that such information is made public in the UK.

IMPORTANT INFORMATION

This document does not constitute an offer or an invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this document or otherwise in any jurisdiction in which such offer or solicitation is unlawful.

This document and the accompanying documents have been prepared in connection with proposals in relation to a scheme of arrangement which will be subject to the applicable requirements of the Companies Law, the Court, and with the applicable requirements of Guernsey law, the Takeover Code, the Panel, the London Stock Exchange, the Listing Rules, the FCA, the South African Financial Markets Act 19 of 2012 (as amended), the JSE Listings Requirements and the laws of South Africa and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England and Wales, Guernsey and South Africa. Nothing in this document or the accompanying documents should be relied on for any other purpose.

The distribution of this document in jurisdictions outside the United Kingdom, Guernsey and South Africa may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. All Industrials Shareholders or other persons (including nominees, trustees and custodians) who would otherwise intend to, or may have a contractual or legal obligation to, forward this document and the accompanying Forms of Proxy to a jurisdiction outside the United Kingdom, Guernsey and South Africa should refrain from doing so and seek appropriate professional advice before taking any action.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by the Industrials Group, the Industrials Directors, Blackstone, the Blackstone Responsible Persons, Bidco, the Bidco Directors or by Numis, Eastdil Secured, Java Capital, Rothschild & Co or RBC Capital Markets or any other person involved in the Acquisition. Neither the delivery of this document nor holding of the Meetings, the Court Hearing, or filing the Scheme Court Order shall, under any circumstances, create any implication that there has been no change in the affairs of the Industrials Group, Bidco or Blackstone since the date of this document or that the information in, or incorporated into, this document is correct as at time subsequent to its date.

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

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

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

NO PROFIT FORECAST, ESTIMATE OR QUANTIFIED BENEFITS STATEMENTS

No statement in this document or incorporated by reference into this document is intended to constitute a profit forecast, profit estimate or quantified benefits statements for Industrials or Bidco for any period, nor should any statement in this document or incorporated by reference into this document be interpreted to mean that earnings or earnings per Industrials Share for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per Industrials Share.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

This document (including information incorporated by reference in this document), oral statements made regarding the Acquisition, and other information published by Bidco and Industrials contain certain statements, beliefs or opinions, with respect to the financial condition, results of operations and business of Bidco and Industrials which are, or may be deemed to be, "forward-looking statements" and which are prospective in nature. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. These statements are based on assumptions and assessments made by Industrials and/or Bidco, in light of their experience and perception of historical trends, current conditions, future developments and other factors they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given by Industrials and Bidco that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "goals", "hopes", "expects", "is expected", "envisages", "continue", "is subject to", "budget", "scheduled", "estimates", "forecasts", "predicts", "intends", "anticipates", "believes", "targets", "aims", "projects", "future-proofing" or words or terms of similar substance or the negative of such words or terms, as well as variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" (or words of similar meaning) be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward-looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Bidco's or any member of the Wider Bidco Group's, Industrials' or any member of the Wider Industrials Group's operations; and (iii) the effects of global economic conditions and governmental regulation on Bidco's, any member of the Wider Bidco Group's, Industrials' or any member of the Wider Industrials Group's business.

Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors may cause the actual results, performance or achievements of the Wider Bidco Group and/or the Wider Industrials Group to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These factors include changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or disposals. For a discussion of important factors which could cause actual results to differ from forward-looking statements in relation to the Industrials Group, refer to the Annual Report and the audited financial statements of the Industrials Group for the financial year ended 31 March 2022. Each of Bidco and the Industrials Group, and each

of their respective members, directors, officers, employees, advisers and persons acting on their behalf expressly disclaims any intention or obligation to update or revise any forward-looking or other statements contained in this document, whether as a result of new information, future events or otherwise, except as required by applicable law.

No member of the Wider Industrials Group, nor the Wider Bidco Group, nor any of their respective associates, directors, officers, employees or advisers provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur.

No member of the Wider Industrials Group, Blackstone, nor the Wider Bidco Group, nor any of their respective associates, directors, officers, employees or advisers assume any obligation and the Wider Industrials Group, Blackstone and the Wider Bidco Group disclaim any intention or obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law or regulation (including under the Listing Rules and the Disclosure Guidance and Transparency Rules of the FCA).

Except as expressly provided in this document, no forward-looking or other statements have been reviewed by the auditors of Industrials, Blackstone or the Wider Bidco Group or their respective financial advisers. All subsequent oral or written forward-looking statements attributable to Industrials or any member of the Wider Bidco Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.

DEALING DISCLOSURE REQUIREMENTS

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

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

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

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

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

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

ROUNDING

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

ELECTRONIC COMMUNICATIONS

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

PUBLICATION ON WEBSITE

A copy of this document (together with any document incorporated by reference) and the documents required to be published pursuant to Rule 26 of the Takeover Code will be made available, free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Industrials' website at www.industrialsreit.com by no later than 12.00 noon London time (1.00 pm SAST) on the date following the publication of this document. Save as expressly referred to in this document, neither the contents of Industrials' website, Blackstone's website nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this document.

RIGHT TO RECEIVE COPIES IN HARD COPY FORM

In accordance with Rule 30.3 of the Takeover Code, any person entitled to receive a copy of documents, announcements and information relating to the Acquisition is entitled to receive such documents (including information incorporated by reference into such documents by reference to another source) in hard copy form.

Industrials Shareholders recorded on the Guernsey Register may request hard copies of this document by contacting the Guernsey Registrar at c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY or on +44 (0) 370 707 4040 between 8.30 am and 5.30 pm (London time) Monday to Friday (public holidays excepted). Calls to this number are charged at the applicable international rate. Calls from a mobile device may incur network extras.

Industrials Shareholders recorded on the South African Register may request hard copies of this document by contacting the South African Registrar at Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, South Africa or at Private Bag X9000, Saxonwold, 2132, South Africa or on +27 (11) 370 5000 between 9.00 am and 5.30 pm (SAST) Monday to Friday (public holidays in South Africa excepted). Calls outside South Africa are charged at the applicable international rate. Calls from a mobile device may incur network extras.

You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form. If you have received this document in electronic form, copies of this document and any document or information incorporated by reference into this document will not be provided unless such a request is made.

SCHEME PROCESS

In accordance with section 5 of Appendix 7 of the Takeover Code, Industrials will announce through a Regulatory Information Service and SENS key events in the Scheme process including the outcomes of the Meetings and the Court Hearing.

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

DEFINITIONS AND INTERPRETATION

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

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

All references to **"EUR"** are to the lawful currency of the EU member states that comprise the euro area.

All references to **"Rand"** and **"South African Rand"** are to the lawful currency of South Africa.

All references to **"CHF"** are to the lawful currency of Switzerland.

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

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

The terms **"parent undertaking"**, **"subsidiary undertaking"** and **"associated undertaking"** shall have the same meanings as defined in section 1162 of the Companies Act and references to **"parent"** and **"subsidiary"** shall be interpreted accordingly.

All references to a statutory provision or law or to any order or regulation shall be construed as a reference to that provision or law, order or regulation as extended, modified, replaced or re-enacted from time to time.

This document is dated Tuesday, 9 May 2023.

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ACTION TO BE TAKEN

For the reasons set out in this document, the Industrials Board unanimously recommends that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Industrials Shareholders vote in favour of the Resolution relating to the Acquisition to be proposed at the General Meeting, as the Industrials Directors (and certain of their connected persons) who hold Industrials Shares have irrevocably undertaken to do in respect of their own beneficial holdings of Industrials Shares, and that you take the action described below.

The Court Meeting and the General Meeting will be held at Bryan Cave Leighton Paisner LLP, Governors House, 5 Laurence Pountney Hill, London EC4R 0BR on 31 May 2023. The Court Meeting will start at 10.00 am London time (11.00 am SAST) and the General Meeting at 10.15 am London time (11.15 am SAST) (or as soon thereafter as the Court Meeting has concluded or been adjourned). The Scheme requires approval at both of the Meetings.

1. Documents for Industrial Shareholders on the Guernsey Register

All Industrials Shareholders on the Guernsey Register (other than those who have elected (or who are deemed to have agreed) to receive electronic communications) should have received the following with this document:

- a pink Form of Proxy for use in respect of the Court Meeting;
- a blue Form of Proxy for use in respect of the General Meeting; and
- a prepaid envelope for use in the United Kingdom and Guernsey.

If you have not received all of these documents, please contact the Guernsey Registrar on the relevant telephone number set out in the paragraph under the section headed "Helpline" below.

All Industrials Shareholders on the Guernsey Register who have elected (or who are deemed to have agreed) to receive communications from Industrials in electronic form will find both the pink Form of Proxy for use in connection with the Court Meeting and the blue Form of Proxy for use in connection with the General Meeting on the Company's website at www.industrialsreit.com.

2. Documents for Industrial Shareholders on the South African Register

All Industrials Shareholders on the South African Register (other than those who have elected (or who are deemed to have agreed) to receive electronic communications) should have received the following with this document:

- a yellow Form of Proxy for use in respect of the Court Meeting; and
- a green Form of Proxy for use in respect of the General Meeting.

If you have not received all of these documents, please contact the South African Registrar on the relevant telephone number set out in the paragraph under the section heading "Helpline" below.

All Industrials Shareholders on the South African Register who have elected (or who are deemed to have agreed) to receive communications from Industrials in electronic form will find both the yellow Form of Proxy for use in connection with the Court Meeting and the green Form of Proxy for use in connection with the General Meeting on the Company's website at www.industrialsreit.com.

All Industrials Shareholders on the South African Register who hold their Industrial Shares through STRATE and not in their own names should make contact with their CSDP or broker and furnish their CSDP or broker with their voting instructions in the manner and by the cut-off time stipulated by their CSDP or broker.

3. Voting at the Court Meeting and the General Meeting

This page should be read in conjunction with the rest of this document, the accompanying Forms of Proxy (if provided) and any document incorporated by reference.

The Court Meeting and the General Meeting will be held at Bryan Cave Leighton Paisner LLP, Governors House, 5 Laurence Pountney Hill, London, EC4R 0BR, on 31 May 2023 at 10.00 am London time (11.00 am SAST) and 10.15 am London time (11.15 am SAST), respectively (or, in the case of the General Meeting, as soon thereafter as the Court Meeting has been concluded or adjourned). The Scheme requires approval at the Court Meeting, and the implementation of the Scheme requires approval at the General Meeting.

IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST (WHETHER IN PERSON OR BY PROXY) SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF THE OPINION OF SCHEME SHAREHOLDERS. YOU ARE THEREFORE STRONGLY URGED TO EITHER SIGN AND RETURN YOUR FORMS OF PROXY (IF PROVIDED), APPOINT AN ELECTRONIC OR CREST PROXY OR (IF YOU HOLD YOUR SCHEME SHARES ON THE SOUTH AFRICAN REGISTER THROUGH STRATE AND NOT IN YOUR OWN NAME) MAKE CONTACT WITH YOUR CSDP OR BROKER AS SOON AS POSSIBLE.

Industrials Shareholders on the Guernsey Register

You are encouraged to **PLEASE COMPLETE AND SIGN** both the enclosed or available blue and pink Forms of Proxy, even if you are intending on attending either or both of the Meetings in person, and to return them by hand, by post or by email in accordance with the instructions provided thereon, as soon as possible, but in any event so as to be received (during normal business hours) by no later than 10.00 am London time (11.00 am SAST) on Friday 26 May 2023 in the case of the pink Form of Proxy in respect of the Court Meeting and by no later than 10.15 am London time (11.15 am SAST)) on Friday 26 May 2023 in the case of the blue Form of Proxy in respect of the General Meeting. This will enable your votes to be counted at the Meetings in the event of your absence.

If the pink Form of Proxy for use at the Court Meeting is not lodged by 10.00 am London time (11.00 am SAST) on Friday 26 May 2023 (or, in the case of adjournment, no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned Meeting), it may be handed to the chairman of the meeting or emailed to and received by #UKCSBRS.ExternalProxyQueries@computershare.co.uk before the start of the Court Meeting and will still be valid.

However, in the case of the General Meeting, unless the blue Form of Proxy is lodged so as to be received by 10.15 am London time (11.15 am SAST) on Friday 26 May 2023 (or, in the case of adjournment, no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned Meeting), it will be invalid. Industrials Shareholders in the United Kingdom or Guernsey should return their Forms of Proxy using the prepaid envelope provided for their convenience. An Industrials Shareholder may appoint more than one proxy in relation to each of the Meetings, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Industrials Shareholder.

You can also submit your proxy vote via the internet through the share portal service at www.investorcentre.co.uk/eproxy. To do so, you will need to log on to your share portal account or register for the share portal if you have not already done so. Once registered, you will immediately be able to vote. Proxies submitted via the share portal service must be received by the Guernsey Registrar no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the appointed time for the relevant Meeting or, in the case of an adjournment, no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned Meeting.

Neither the completion and return of a Form of Proxy nor the submission of a proxy through the share portal will prevent you from attending, speaking and voting at the Court Meeting or the General Meeting, or any adjournment thereof, in person should you wish to do so and are so entitled.

Industrials Shareholders on the Guernsey Register with Industrials Shares held in CREST

If you hold your Industrials Shares on the Guernsey Register in CREST you may vote using the CREST proxy voting service in accordance with the procedures set out in the CREST Manual (please also refer to the notices of the Meetings and the accompanying notes to the notice of the Meetings set out at the end of this document). Proxies submitted via CREST (under CREST participant ID 3RA50) must be received by the Guernsey Registrar no later than 10.00 am London Time (11.00 am SAST) on Friday 26 May 2023 in the case of the Court Meeting and by no later than 10.15 am London Time (11.15 am SAST) on Friday 26 May 2023 in the case of the General Meeting (or, in the case of an adjourned meeting, no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned Meeting).

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

Industrials Shareholders on the South African Register with Industrials Shares held through STRATE and not in their own names

If you hold your Industrials Shares on the South African Register in dematerialised form and not in your own name, you should not complete the Forms of Proxy.

In order to vote at or attend the Court Meeting and the General Meeting, you should be in contact with your CSDP or broker. If you have not been contacted by your CSDP or broker, it is advisable for you to contact your CSDP or broker immediately and furnish your CSDP or broker with your voting instructions in the manner and by the cut-off time stipulated by your CSDP or broker in terms of the custody agreement between you and your CSDP or broker.

If your CSDP or broker does not obtain voting instructions from you, your CSDP or broker will be obliged to act in accordance with the instructions contained in the custody agreement between you and your CSDP or broker.

Should you wish to attend, speak and vote, or to send a proxy to represent you at the Court Meeting or the General Meeting, you must, in accordance with the custody agreement between you and your CSDP or broker, advise your CSDP or broker. Your CSDP or broker should then issue the necessary letter of representation to you for you or your proxy to attend, speak and vote at the Court Meeting or the General Meeting (as the case may be).

Industrials Shareholders on the South African Register who hold their Industrials Shares (i) in certificated form or (ii) through STRATE and in their own names

You are encouraged to **PLEASE COMPLETE AND SIGN** both the enclosed or available yellow and green Forms of Proxy, even if you are intending on attending either or both of the Meetings in person, and to return them by hand, by post or by email in accordance with the instructions provided thereon, as soon as possible, but in any event so as to be received (during normal business hours) by no later than 10.00 am London time (11.00 am SAST) on Friday 26 May 2023 in the case of the yellow Form of Proxy in respect of the Court Meeting and by no later than 10.15 am London time (11.15 am SAST) on Friday 26 May 2023 in the case of the green Form of Proxy in respect of the General Meeting. This will enable your votes to be counted at the Meetings in the event of your absence.

If the yellow Form of Proxy for use at the Court Meeting is not lodged by 10.00 am London time (11.00 am SAST) on Friday 26 May 2023 (or, in the case of adjournment, no later than 48 hours (excluding any part of such 48-hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned Meeting), it may be handed to the chairman of the meeting or emailed to and received by proxy@computershare.co.za before the start of the Court Meeting and will still be valid.

However, in the case of the General Meeting, unless the green Form of Proxy is lodged so as to be received by 10.15 am London time (11.15 am SAST) on Friday 26 May 2023 (or, in the case of adjournment, no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned Meeting), it will be invalid. An Industrials Shareholder may appoint more than one proxy in relation to each of the Meetings, provided

that each proxy is appointed to exercise the rights attached to a different share or shares held by that Industrials Shareholder.

Neither the completion and return of a Form of Proxy nor the submission of a proxy through the share portal will prevent you from attending, speaking and voting at the Court Meeting or the General Meeting, or any adjournment thereof, in person should you wish to do so and are so entitled.

Helpline

If you are an Industrials Shareholder recorded on the Guernsey Register and have any queries about this document, the Court Meeting, the General Meeting, or on the completion and return of the Forms of Proxy, please contact the Guernsey Registrar on +44 (0) 370 707 4040. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. The helpline is open between 8.30 am – 5.30 pm (London time), Monday to Friday excluding public holidays in the United Kingdom. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

If you are an Industrials Shareholder recorded on the South African Register and have any queries about this document, the Court Meeting or the General Meeting, or on the completion and return of the Forms of Proxy, please contact the South African Registrar on +27 (11) 370 5000. Calls are charged at the standard geographic rate and will vary by provider. Calls outside South Africa will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. The helpline is open between 9.00 am – 5.30 pm (SAST), Monday to Friday excluding public holidays in South Africa. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

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

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

All times in this document are London times, unless otherwise stated.

EVENT	TIME AND/OR DATE
Record date for Industrials Shareholders on the Guernsey Register and the South African Register for the purposes of the despatch of this document	Thursday 4 May 2023
Despatch of this document and announcement on a Regulatory Information Service and SENS	Tuesday 9 May 2023
Last day to trade on the JSE in order to be eligible to vote at the Court Meeting	Tuesday 23 May 2023
Last day to trade on the LSE in order to be eligible to vote at the Court Meeting	Wednesday 24 May 2023
Latest time for lodging Forms of Proxy for the:	
Court Meeting (pink form and yellow form)	10.00 am (11.00 am SAST) on Friday 26 May 2023 ⁽¹⁾
General Meeting (blue form and green form)	10.15 am (11.15 am SAST) on Friday 26 May 2023 ⁽²⁾
Scheme Voting Record Time for the Court Meeting and the General Meeting	6.00 pm (7.00 pm SAST) on Friday 26 May 2023 ⁽³⁾
Court Meeting	10.00 am (11.00 am SAST) on Wednesday 31 May 2023
General Meeting	10.15 am (11.15 am SAST) on Wednesday 31 May 2023 ⁽⁴⁾
Results of the Court Meeting and the General Meeting published on a Regulatory Information Service and SENS	Wednesday 31 May 2023
No transfers between the Guernsey Register and South African Register can be processed after	Friday 2 June 2023

The following dates and times associated with the Scheme are subject to change and will depend on, among other things, the date on which the Conditions to the Scheme are satisfied or, if capable of waiver, waived, and the date on which the Court sanctions the Scheme. As at the date of this document, the CMA has responded to the CMA Briefing Paper that it has no further questions in relation to the Acquisition and has not otherwise opened an inquiry, or implied that it is still investigating whether to open an inquiry. Provided that the CMA has not opened an inquiry, or implied that it is still investigating whether to open an inquiry by the proposed date of the Court Hearing (set out below) and all other Conditions (with the exception of the sanction of the Scheme by the Court pursuant to the Condition at paragraph 1.3(i) of Part 4 (Conditions and further terms of the Scheme and the Acquisition) of this document) are satisfied or waived, Bidco and Industrials propose to proceed with the following dates and times. Bidco is not aware of any fact or circumstance, as at the date of this document, that would result in any delay in the satisfaction of the CMA condition set out in paragraph 2(b) of Part 4 (Conditions and further terms of the Scheme and the Acquisition) of this document. Should any of these dates change, Industrials will give adequate notice by issuing an announcement through a Regulatory Information Service and SENS, with such announcement being made available on Industrials' website. Further updates and changes to these times will be notified in the same way. See also note (5).

EVENT	TIME AND/OR DATE
Court Hearing	Tuesday 20 June 2023
Application for the delisting of shares lodged with the Johannesburg Stock Exchange	Tuesday 20 June 2023
Announcement of GBP/Rand Exchange Rate and finalisation announcement in respect of the Scheme to be published on a Regulatory Information Service and on SENS	Tuesday 20 June 2023
Last day to trade on the Johannesburg Stock Exchange	Tuesday 20 June 2023
Last day of dealings in, and for registration of transfers of, Industrials Shares on the London Stock Exchange, and disablement of Industrials Shares in CREST	Tuesday 20 June 2023
Scheme Record Time Tuesday 20 June 2023	6.00 pm (7.00 pm SAST) on
Dealings in Industrials Shares suspended on the Johannesburg Stock Exchange	9.00 am SAST on Wednesday 21 June 2023
Dealings in Industrials Shares suspended on the London Stock Exchange	7.30 am (8.30 am SAST) on Wednesday 21 June 2023
Effective Date of the Scheme	Wednesday 21 June 2023
Cancellation of listing of Industrials Shares on London Stock Exchange	By 8.00 am (9.00 am SAST) on Thursday 22 June 2023
Last day for settlement of trades prior to Scheme Record Time on the South African Register	Friday 23 June 2023
Payment made to Industrials Shareholders on the South African Register	Monday 26 June 2023
Delisting of Industrials Shares from the Johannesburg Stock Exchange	By 9.00 am SAST on Tuesday 27 June 2023
Latest date for despatch of cheques, electronic payment and/or settlement through CREST to Industrial Shareholders on the Guernsey Register in respect of the Cash Consideration	Wednesday 5 July 2023
Long Stop Date ⁽⁶⁾	Sunday 31 December 2023

The dates and times given are indicative only and are based on Industrials' current expectations and may be subject to change. If any of the expected times and/or dates above change, the revised times and/or dates will be notified to Industrials Shareholders by announcement through a Regulatory Information Service and SENS, with such announcement being made available on Industrials' website at www.industrialsreit.com.

- (1) It is requested that pink Forms of Proxy for the Court Meeting (if you hold your Industrials Shares on the Guernsey Register) and yellow Forms of Proxy for the Court Meeting (if you hold your Industrials Shares on the South African Register (i) in certificated form or (ii) through STRATE and in your own name) be lodged at least 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) prior to the time appointed for the Court Meeting. Pink Forms of Proxy not so lodged may be handed to the Chairman of the Court Meeting or emailed to and received by #UKCSBRS.ExternalProxyQueries@computershare.co.uk, while yellow Forms of Proxy not so lodged may be handed to the Chairman of the Court Meeting or emailed to and received by proxy@computershare.co.za, before the start of the Court Meeting and will still be valid. Please see "Action to be taken" in paragraph 17 of Part 2 of this document.
- (2) Blue Forms of Proxy for the General Meeting (if you hold your Industrials Shares on the Guernsey Register) and green Forms of Proxy for the General Meeting (if you hold your Industrials Shares on the South African Register (i) in certificated form or (ii) through STRATE and in your own name) must be lodged with the Guernsey Registrar or the South African Registrar (as appropriate) at least 48 hours (excluding any part of such 48 hour period falling on a non-

Business Day) prior to the time appointed for the General Meeting. Blue Forms of Proxy and green Forms of Proxy may NOT be lodged after this time. Please see "Action to be taken" in paragraph 17 of Part 2 of this document.

- (3) If either the Court Meeting or the General Meeting is adjourned, the Scheme Voting Record Time for the relevant adjourned Meeting will be 6.00 pm London time (7.00 pm SAST) on the day which is two Business Days before the date set for such adjourned Meeting.
- (4) Or as soon thereafter as the Court Meeting shall have concluded or been adjourned.
- (5) These dates and times are indicative only and will depend, among other things, upon the date upon which: (i) the Conditions set out in Part 4 of this document are satisfied or (if applicable) waived; and (ii) the Court sanctions the Scheme. Industrials will give notice of the change(s) by issuing an announcement through a Regulatory Information Service and SENS, with such announcement being made available on Industrials' website at www.industrialsreit.com.
- (6) This is the latest date by which the Scheme may become Effective. However, the Long Stop Date may be extended to such later date as may be agreed between Bidco and Industrials (and, if required, subject to the Panel's consent and approval by the Court).

PART 1

LETTER FROM THE CHAIRMAN OF INDUSTRIALS

Directors:

Richard Grant (*Independent Non-Executive Chairman*)
Paul Arenson (*Executive Director*)
James Beaumont (*Executive Director*)
Julian Carey (*Executive Director*)
Paul Miller (*Senior Independent Non-Executive Director*)
Philip Holland (*Independent Non-Executive Director*)
Patsy Watson (*Non-Executive Director*)
Richard Smith (*Independent Non-Executive Director*)
Louisa Bell (*Independent Non-Executive Director*)

Registered Office:

Kingsway House
Havilland Street
St Peter Port
GY1 2QE
Guernsey

Incorporated in Guernsey
with registered number 64865

9 May 2023

To: Industrials Shareholders and, for information purposes only, to participants in the Industrials Share Plans

Dear Shareholder,

Recommended Final Cash Offer for Industrials by Bidco

1. Introduction

On 14 April 2023, the Industrials Board and Bidco announced that they had reached agreement on the terms of a recommended final cash offer pursuant to which Bidco will acquire the entire issued and to be issued share capital of Industrials. The Acquisition is to be effected by means of a Court-sanctioned scheme of arrangement between Industrials and Scheme Shareholders under Part VIII of the Companies Law.

This letter sets out the background to the Acquisition, the reasons why the Industrials Board considers the Acquisition to be fair and reasonable, and why it is unanimously recommending that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Industrials Shareholders vote in favour of the Resolution to be proposed at the General Meeting (as the Industrials Directors and certain of their connected persons who own or control Industrials Shares have irrevocably undertaken to do in respect of their own beneficial holdings, as set out in paragraph 7 of this letter below).

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

2. The Acquisition

Under the terms of the Acquisition, which is subject to the satisfaction (or waiver) of the Conditions (and to the further terms of the Acquisition) as set out in full in Part 4 of this document, Scheme Shareholders at the Scheme Record Time will be entitled to receive:

for each Scheme Share: 168 pence in cash

The Final Offer Price represents a premium of approximately:

- 42.4 per cent. to the closing price per Industrials Share of 118.0 pence on 31 March 2023 (being the last Business Day prior to the commencement of the Offer Period);
- 40.6 per cent. to the volume weighted average price per Industrials Share of 119.5 pence for the one-month period ended 31 March 2023 (being the last Business Day prior to the commencement of the Offer Period); and

- 12.0 per cent. to the Rolled-forward 31 March 2023 Unaudited EPRA NTA per share of 150 pence per Industrials Share.

The Acquisition values the entire issued and to be issued ordinary share capital of Industrials at approximately £511,196,472 on a fully diluted basis.

The financial terms of the Acquisition are final and will not be increased, except that Bidco reserves the right to increase the Final Offer Price where: (i) there is an announcement of a possible offer or a firm intention to make an offer for Industrials by any third party; or (ii) the Panel otherwise provides its consent.

Schedule 1 to this document contains a valuation report in respect of Industrials' property portfolio from Jones Lang LaSalle, as at 31 March 2023, pursuant to the requirements of Rule 29 of the Takeover Code. Jones Lang LaSalle has given and not withdrawn its consent to the publication of its valuation report in this document in the form and context in which it is included.

If, on or after the date of the Announcement, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Industrials Shares (in each case with a record date prior to the Effective Date), the Cash Consideration will automatically be reduced by an amount equal to the amount of such dividend and/or distribution and/or return of capital (other than in circumstances where Bidco is permitted to increase the Final Offer Price, in which case the Cash Consideration shall not automatically be reduced, but Bidco reserves the right to elect to reduce the Cash Consideration by such amount). Where the Cash Consideration is so reduced, any reference in this document to the Cash Consideration will automatically be deemed to be a reference to the Cash Consideration as so reduced by the amount of such dividend and/or distribution and/or return of capital. In such circumstances, Industrials Shareholders would be entitled to receive and retain any such dividend or other distribution and/or return of capital. Any automatic reduction of the Cash Consideration or the exercise by Bidco of its rights and/or obligations referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, not be regarded as constituting any revision or variation of the terms of the Acquisition or the Scheme.

3. Background to and reasons for the Acquisition

Industrials operates in an attractive segment, with well-located and well-maintained estates. Blackstone believes that the full potential of the business is best achieved as a private company, with greater access to capital. This will facilitate both increased investment in the existing estates to improve specifications and ESG credentials, and the opportunity to grow the business and fully leverage the potential of the platform.

4. Background to and reasons for the recommendation

Industrials has transitioned its business between 2018 and 2023 from a multi-sector, pan-European property investor into a focused UK MLI operating company. This transition was predicated on the strong underlying fundamentals of the UK MLI sector, where growing demand and inelastic supply have, and continue to, deliver strong rental growth, whilst the affordability of rent to customers remains high. The portfolio continues to perform well, showing strong rental uplifts on a quarterly basis and significant reversionary growth in rents across the portfolio.

As part of the transition, Industrials invested in and built the Industrials Hive® operating platform over several years which provides Industrials with the ability to increase the scale of its portfolio and operations in a cost efficient manner, thereby growing earnings and underlying property returns.

Despite the inflationary environment and higher rates negatively impacting all listed property businesses, the Industrials Board remains confident that Industrials' high-quality portfolio, management platform and pipeline provide a foundation for continued growth. Since the start of 2023, overall performance has been in line with the Industrials Board's expectations. Industrials has delivered underlying total accounting returns of between 5.4 per cent. and 23.6 per cent. per annum over the last five years.

However, the Industrials Board believes that this strong financial and operational performance, as well as attractive sector dynamics, have not been reflected in the current share price, with a significant de-rating experienced over the last year driven by the inflationary and higher interest rate environment.

The Industrials Board has carefully considered the medium and long-term prospects for Industrials, assessing the opportunities to materially increase the scale of the business in an accretive way, in order to create additional value for Industrials Shareholders. Whilst the Industrials Board remains confident in Industrials' strategy and continues to believe that Industrials is well positioned to succeed as an independent business, it has also considered the medium-term risks posed by the uncertainty in the current economic environment, as well as the limitations and risks specific to Industrials including:

- a potential continuation of the share price discount to the Rolled-forward 31 March 2023 Unaudited EPRA NTA per share of 150 pence per Industrials Share and, related to that, the ongoing inability to raise capital through the public equity markets, thereby constraining Industrials' investment strategy and ability to increase scale;
- the increased costs associated with refinancing current debt facilities as they fall due and the costs associated with raising new debt in the current market which limit the sources of capital to fund investment and growth of the portfolio;
- the inflationary impact on Industrials' cost base; and
- the continuing uncertainty with respect to the shape and speed of any recovery due to continuing volatile market conditions.

The Final Offer Price of 168 pence per Industrials Share followed the Industrials Board having received and rejected multiple proposals from Bidco over a period of a few weeks. In arriving at its recommendation, the Industrials Board believes that the Acquisition is in the best interests of Industrials Shareholders by significantly accelerating the value that could be realised by Industrials independently. In reaching its conclusion, the Industrials Board has carefully considered the following:

- the risk-adjusted returns that may be generated by Industrials' strategy as compared with the certainty of execution of the Acquisition, which represents an acceleration of expected value creation;
- that the Final Offer Price of 168 pence per Industrials Share represents a 12.0 per cent. premium to the Rolled-forward 31 March 2023 Unaudited EPRA NTA per share of 150 pence per Industrials Share;
- that the Final Offer Price represents premia of 42.4 per cent. to the unaffected share price of 118 pence as at 31 March 2023 and a 40.6 per cent. to the volume weighted average share price of 119.5 pence over the one-month period ended on 31 March 2023;
- that the Acquisition provides Industrials Shareholders with the opportunity to realise the entirety of their interests in cash; and
- the impact of the Acquisition on all of Industrials' stakeholders, including the importance of Industrials' employees to Bidco's future strategy.

In addition to the financial terms of the Acquisition, in its evaluation of Bidco as a suitable owner of Industrials from the perspective of all stakeholders, the Industrials Board has also taken into account Bidco's intentions for the business, management and employees and other stakeholders of Industrials. The Industrials Board believes that Bidco is strongly positioned to support Industrials in its next phase of growth and will continue to invest in the business to improve the long-term value of Industrials' business and increase the future opportunities for Industrials.

As such, the Industrials Board unanimously recommends that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Industrials Shareholders vote in favour of the Resolution to be proposed at the General Meeting.

5. Bidco's intentions for Industrials

Your attention is drawn to the statement of Bidco's intentions for the Industrials Group if the Scheme becomes Effective as set out in paragraph 7 of Part 2 of this document.

6. Current trading and prospects

In its half year results for the six months ended 30 September 2022, Industrials reported a basic loss attributable to ordinary shareholders of £21.3 million, equating to a loss of 7.18 pence per share on a diluted IFRS EPS basis. As at 30 September 2022, Industrials had net assets of £495 million and a net asset value per ordinary share of 168 pence or EPRA NTA per share of 162 pence. As at 31 March 2023, Industrials had net assets of £459 million and a Rolled-forward 31 March 2023 Unaudited EPRA NTA per share of 150 pence per Industrials Share.

On 28 April 2023, Industrials published its trading update in respect of the period from 1 January 2023 to 31 March 2023 and announced that its MLI portfolio had delivered on target, with 4.8% like-for-like growth in passing rents and 10.6% growth in estimated rental values over the 12 month period. It was also noted that during the quarter, Industrials had concluded 120 leasing transactions taking the total for the financial year to 401, a 50% increase on the prior year.

7. Irrevocable undertakings and letters of intent

To become Effective, the Scheme requires, amongst other things, the approval of Scheme Shareholders at the Court Meeting convened for 10.00 am London time (11.00 am SAST) on Wednesday 31 May 2023 and the passing of the Resolution to be proposed at the General Meeting convened for 10.15 am London time (11.15 am SAST) on Wednesday 31 May 2023. The Scheme also requires the sanction of the Court at the Court Hearing.

Bidco has received irrevocable undertakings from each of the Industrials Directors and certain of their connected persons to vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting in respect of their own beneficial holdings, in respect of which they control the voting rights amounting to 18,707,811 Industrials Shares, representing approximately 6.3 per cent. of Industrials' issued ordinary share capital at close of business on 3 May 2023 (being the Latest Practicable Date), excluding shares held as treasury shares.

In addition to the irrevocable undertakings received from the Industrials Directors, Bidco has also received letters of intent to vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting from Industrials shareholders TR Property Investment Trust PLC, Earl Fiduciary AG, Stenham Asset Management Limited, Waverton Investment Management Limited, Global One Ltd, John Keogan, Roger Carey and Ian Charles Melia, in respect of, in aggregate, 61,314,483 Industrials Shares, representing approximately 20.7 per cent. of the ordinary share capital of Industrials in issue on 3 May 2023 (being the Latest Practicable Date), excluding shares held as treasury shares.

In total, therefore, Bidco has procured irrevocable undertakings and letters of intent, including those irrevocable undertakings from the Industrials Directors and certain of their connected persons, to vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting in respect of, in aggregate, 80,022,294 Industrials Shares, representing approximately 27.0 per cent. of the ordinary share capital of Industrials in issue on 3 May 2023 (being the Latest Practicable Date), excluding shares held as treasury shares.

Further details of these irrevocable undertakings and letters of intent, including the circumstances in which they fall away, are set out in paragraph 4 of Part 7 of this document.

8. Information on Blackstone and Bidco

Bidco is a Jersey limited partnership that was established on 24 March 2023. Bidco was formed for the purposes of the Acquisition and is an entity owned indirectly by investment funds advised by Blackstone and has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Acquisition.

Blackstone is the world's largest alternative asset manager. Blackstone seeks to create positive economic impact and long-term value for its investors, the companies it invests in, and the communities in which it operates. Blackstone's asset management businesses, with \$991 billion in assets under

management as of 31 March 2023, include investment vehicles focused on real estate, private equity, public debt and equity, non-investment grade credit, real assets and secondary funds, all on a global basis.

Blackstone Real Estate is a global leader in real estate investing. Blackstone's real estate business was founded in 1991 and had \$332 billion of investor capital under management as of 31 March 2023. Blackstone is one of the largest property owners in the world, owning and operating a \$577 billion real estate portfolio as of 31 December 2022 across every major geography and sector, including logistics, multifamily and single-family housing, office, hospitality and retail.

The Blackstone Real Estate group is highly active in the urban logistics and industrial segments. Mileway, Blackstone's pan-European urban logistics platform, is a leading last mile logistics real estate company in Europe, owning and managing over 170 million square feet of last mile logistics real estate including circa 53 million square feet in the UK. In addition, St Modwen Properties, which was taken private by Blackstone in 2021, is a leading UK logistics owner and developer, and now comprises a 12.6 million square foot standing logistics portfolio (as of Q1 2023), including 3 million square feet which has been delivered under Blackstone's ownership, and a near-term development pipeline consisting of over 7 million square feet.

Further information is available at www.Blackstone.com.

9. Cancellation of trading of Industrials Shares

The last day of dealings in Industrials Shares on both the Main Market of the London Stock Exchange and on the Main Board of the Johannesburg Stock Exchange is expected to be the Business Day immediately prior to the Effective Date.

Further details are set out in paragraph 10 of Part 2 of this document.

10. United Kingdom, Guernsey and South African Taxation

A summary of relevant UK, Guernsey and South African taxation, which is intended as a general guide only, is set out in paragraph 14 of Part 7 of this document. If you are in any doubt as to your tax position, or you are subject to taxation in any jurisdiction other than the UK, Guernsey or South Africa, you are strongly advised to consult an appropriate independent professional adviser.

11. Action to be taken

Your attention is drawn to the sections of this document on pages 2 to 4 and in paragraph 17 of Part 2, which explain the actions to be taken in relation to the Scheme.

Overseas Shareholders holding Industrials Shares should refer to paragraph 11 of Part 2 of this document. Details relating to settlement are included in paragraph 13 of Part 2 of this document.

IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST (WHETHER IN PERSON OR BY PROXY) SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF THE OPINION OF SCHEME SHAREHOLDERS. YOU ARE THEREFORE STRONGLY URGED TO SIGN AND RETURN YOUR FORMS OF PROXY OR APPOINT AN ELECTRONIC OR CREST PROXY OR (IF YOU HOLD YOUR SCHEME SHARES ON THE SOUTH AFRICAN REGISTER THROUGH STRATE AND NOT IN YOUR OWN NAME) MAKE CONTACT WITH YOUR CSDP OR BROKER AS SOON AS POSSIBLE.

If you have any queries, please contact the Guernsey Registrar if you are registered on the Guernsey Register or South African Registrar if you are registered on the South African Register on the relevant telephone numbers set out in the paragraph under the section heading "Helpline" above. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

12. Further information

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

The attention of Industrials Shareholders is drawn to the letter from Numis and Eastdil Secured set out in Part 2 of this document (being the Explanatory Statement pursuant to Part VIII of the Companies Law). The terms of the Scheme are set out in full in Part 3 of this document. Your attention is also drawn to the further information contained in this document and, in particular, to the Conditions in Part 4, the information on the Industrials Group in Part 5, the information on Bidco in Part 6 and the additional information in Part 7 (including the information on UK, Guernsey and South African taxation in paragraph 14 of Part 7) of this document.

13. Update on CMA Condition

As at the date of this document, the CMA has responded to the CMA Briefing Paper that it has no further questions in relation to the Acquisition and has not otherwise opened an inquiry, or implied that it is still investigating whether to open an inquiry.

Provided that the CMA has not opened an inquiry, or implied that it is still investigating whether to open an inquiry by the proposed date of the Court Hearing (being 20 June 2023) and all other Conditions (with the exception of the sanction of the Scheme by the Court pursuant to the Condition at paragraph 1.3(i) of Part 4 of this document) are satisfied or waived, Bidco and Industrials propose to proceed with the Court Hearing on 20 June 2023.

Should any of the above change, Industrials will give adequate notice by issuing an announcement through a Regulatory Information Service and SENS, with such announcement being made available on Industrials' website. Further updates and changes will be notified in the same way.

14. Recommendation

The Industrials Directors, who have been so advised by Numis and Eastdil Secured as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Industrials Directors, Numis and Eastdil Secured have taken into account the commercial assessments of the Industrials Directors. Numis is providing independent financial advice to the Industrials Directors for the purposes of Rule 3 of the Takeover Code.

The Industrials Directors believe that the terms of the Acquisition (including the Scheme) are in the best interests of Industrials Shareholders as a whole and unanimously recommend that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Industrials Shareholders vote in favour of the Resolution to be proposed at the General Meeting. The Industrials Directors and certain persons connected to them have irrevocably undertaken to do the same in respect of their own beneficial holdings, in respect of which they control the voting rights amounting to 18,707,811 Industrials Shares representing, in aggregate, approximately 6.3 per cent. of the ordinary share capital of Industrials in issue on 3 May 2023 (being the Latest Practicable Date) excluding shares held as treasury shares.

Yours faithfully

Richard Grant

Independent Non-Executive Chairman

PART 2

EXPLANATORY STATEMENT

(in compliance with section 108 of the Companies Law)

Numis Securities Limited
45 Gresham Street, London
England, EC2V 7BF
United Kingdom

And

Eastdil Secured International Limited
One Berkeley Street, London
W1J 8DJ
United Kingdom

9 May 2023

To Industrials Shareholders and, for information purposes only, to participants in the Industrials Share Plans

Dear Sir/Madam

1. Introduction

On 14 April 2023, the Industrials Board and Bidco announced that they had reached agreement on the terms of a recommended final cash offer pursuant to which Bidco will acquire the entire issued and to be issued share capital of Industrials.

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

Your attention is drawn to the Letter from the Chairman of Industrials set out in Part 1 of this document which forms part of this Explanatory Statement. That letter contains, amongst other things, the background to and reasons for the unanimous recommendation of the Industrials Directors and states that the Industrials Directors, who have been so advised by Numis and Eastdil Secured, consider the terms of the Scheme to be fair and reasonable. In giving advice to the Industrials Directors, Numis and Eastdil Secured have taken into account the commercial assessments of the Industrials Directors. Numis is providing independent financial advice to the Industrials Directors for the purposes of Rule 3 of the Takeover Code. The Industrials Directors unanimously recommend that all Scheme Shareholders vote in favour of the resolution to approve the Scheme to be proposed at the Court Meeting and that all Industrials Shareholders vote in favour of the Resolution to be proposed at the General Meeting.

The Industrials Directors have been advised by Numis and Eastdil Secured in connection with the Acquisition. Numis and Eastdil Secured have been authorised by the Industrials Directors to write to you and set out the terms of the Acquisition and to provide you with other relevant information. In giving its advice, Numis and Eastdil Secured are advising the Industrials Directors in relation to the Acquisition and is not acting for any Industrials Director in their personal capacity or for any Industrials Shareholder in relation to the Acquisition. Numis and Eastdil Secured will not be responsible to any such person for providing the protections afforded to its clients or for advising any such person in relation to the Acquisition. In particular, Numis and Eastdil Secured will not owe any duties or responsibilities to any particular Industrials Shareholder concerning the Acquisition. Please note that dates and timings set out in this document are indicative only and may be subject to change. Statements made in this letter regarding (i) the background to and reasons for the recommendation of the Industrials Directors; (ii) the business of Industrials; and/or (iii) the intentions or expectations of or concerning the Industrials Group reflect the views of the Industrials Directors. Statements made in this letter regarding (i) Bidco's reasons for the Acquisition; (ii) information concerning the business of Blackstone and Bidco; (iii) the financial effects of the Acquisition on Bidco and/or (iv) the intentions of or expectations of or concerning Blackstone and Bidco reflect the views of the Bidco Directors.

2. The Acquisition

Under the terms of the Acquisition, which is subject to the satisfaction (or waiver) of the Conditions (and to the further terms of the Acquisition) as set out in full in Part 4 of this document, Scheme Shareholders at the Scheme Record Time will be entitled to receive:

for each Scheme Share: 168 pence in cash

The Final Offer Price represents a premium of approximately:

- 42.4 per cent. to the closing price per Industrials Share of 118.0 pence on 31 March 2023 (being the last Business Day prior to the commencement of the Offer Period);
- 40.6 per cent. to the volume weighted average price per Industrials Share of 119.5 pence for the one-month period ended 31 March 2023 (being the last Business Day prior to the commencement of the Offer Period); and
- 12.0 per cent. to the Rolled-forward 31 March 2023 Unaudited EPRA NTA per share of 150 pence per Industrials Share.

The Acquisition values the entire issued and to be issued ordinary share capital of Industrials at approximately £511,196,472 on a fully diluted basis.

The financial terms of the Acquisition are final and will not be increased, except that Bidco reserves the right to increase the Final Offer Price where: (i) there is an announcement of a possible offer or a firm intention to make an offer for Industrials by any third party; or (ii) the Panel otherwise provides its consent.

Schedule 1 to this document contains a valuation report in respect of Industrials' property portfolio from Jones Lang LaSalle, as at 31 March 2023, pursuant to the requirements of Rule 29 of the Takeover Code. Jones Lang LaSalle has given and not withdrawn its consent to the publication of its valuation report in this document in the form and context in which it is included.

If, on or after the date of the Announcement, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Industrials Shares (in each case with a record date prior to the Effective Date), the Cash Consideration will automatically be reduced by an amount equal to the amount of such dividend and/or distribution and/or return of capital (other than in circumstances where Bidco is permitted to increase the Final Offer Price, in which case the Cash Consideration shall not automatically be reduced, but Bidco reserves the right to elect to reduce the Cash Consideration by such amount). Where the Cash Consideration is so reduced, any reference in this document to the Cash Consideration will automatically be deemed to be a reference to the Cash Consideration as so reduced by the amount of such dividend and/or distribution and/or return of capital. In such circumstances, Industrials Shareholders would be entitled to receive and retain any such dividend or other distribution and/or return of capital. Any automatic reduction of the Cash Consideration or the exercise by Bidco of its rights and/or obligations referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, not be regarded as constituting any revision or variation of the terms of the Acquisition or the Scheme.

3. Structure of the Scheme proposals

The Scheme is an arrangement made between Industrials and the Scheme Shareholders under Part VIII of the Companies Law, which requires the approval of the Scheme Shareholders and the sanction of the Court. The purpose of the Scheme is to provide for Bidco to become the legal and beneficial holder of the entire issued and to be issued share capital of Industrials.

In order to achieve this, it is proposed that all Scheme Shares will be transferred to Bidco, in consideration for which the Scheme Shareholders whose names appear on the Register of Industrials at the Scheme Record Time will be entitled (subject to certain terms and conditions) to receive the Cash Consideration on the basis set out in this document.

To become Effective, the Scheme requires, amongst other things, the approval of Scheme Shareholders at the Court Meeting convened for 10.00 am London time (11.00 am SAST) on Wednesday 31 May 2023. The Scheme also requires the sanction of the Court at the Court Hearing and the passing of the

Resolution to be proposed at the General Meeting convened for 10.15 am London time (11.15 am SAST) on Wednesday 31 May 2023. More details are provided at paragraph 14 of this Explanatory Statement.

The Scheme is subject to the Conditions and to certain further terms referred to in Part 4 of this document. In particular, it requires the approval of Scheme Shareholders for the Scheme at the Court Meeting, which has been convened for 10.00 am London time (11.00 am SAST) on Wednesday 31 May 2023. The Scheme must be approved by a majority in number of Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting representing not less than 75 per cent. of the votes cast by such Scheme Shareholders.

Implementation of the Scheme will also require the passing at the General Meeting (which will be held immediately after the Court Meeting) of the Resolution as a special resolution, which requires the approval of Industrials Shareholders representing at least 75 per cent. of the votes cast at the General Meeting (either in person or by proxy). In respect of the Resolution, each Industrials Shareholder will be entitled to cast one vote for each Industrials Share held.

Following the Meetings, the Scheme must be sanctioned by the Court and will only become Effective upon delivery to the Guernsey Registry of a copy of the Scheme Court Order for registration (which must occur within 7 days after the making of the Scheme Court Order in accordance with the Companies Law). Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted, or whether they voted in favour of or against the Scheme at the Court Meeting or whether they voted in favour of or against the Resolution at the General Meeting.

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

4. Irrevocable undertakings and letters of intent

Bidco has received irrevocable undertakings from each of the Industrials Directors and certain of their connected persons to vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting in respect of their own beneficial holdings, in respect of which they control the voting rights amounting to 18,707,811 Industrials Shares, representing approximately 6.3 per cent. of Industrials' issued ordinary share capital at close of business on 3 May 2023 (being the Latest Practicable Date), excluding shares held as treasury shares.

In addition to the irrevocable undertakings received from the Industrials Directors, Bidco has also received letters of intent to vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting from TR Property Investment Trust PLC, Earl Fiduciary AG, Stenham Asset Management Limited, Waverton Investment Management Limited, Global One Ltd, John Keogan, Roger Carey and Ian Charles Melia, in respect of, in aggregate, 61,314,483 Industrials Shares, representing approximately 20.7 per cent. of the ordinary share capital of Industrials in issue on 3 May 2023 (being the Latest Practicable Date), excluding shares held as treasury shares.

In total, therefore, Bidco has procured irrevocable undertakings and letters of intent, including those irrevocable undertakings from the Industrials Directors and certain of their connected persons, to vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting in respect of, in aggregate, 80,022,294 Industrials Shares, representing approximately 27.0 per cent. of the ordinary share capital of Industrials in issue on 3 May 2023 (being the Latest Practicable Date), excluding shares held as treasury shares.

Further details of these irrevocable undertakings and letters of intent, including the circumstances in which they fall away, are set out in paragraph 4 of Part 7 of this document.

5. Information on Industrials

Industrials is a UK REIT investing in multi-let industrial ("MLI") properties with the strategic goal of becoming the leading MLI business in the UK. Established in 2012 and headquartered in London, Industrials has a primary listing on the premium listing segment of the Official List and is admitted to trading on the premium segment of the London Stock Exchange's Main Market for listed securities. Industrials also has a secondary listing on the Johannesburg Stock Exchange.

Industrials specialises in the ownership and operation of MLI estates across the UK, leasing the estates to a diversified range of small and medium-sized businesses. In 2018 Industrials converted to a UK REIT and announced a transition phase to become a 100 per cent. focused UK MLI REIT. Industrials announced the completion of this transition on 5 April 2023 following the disposal of Industrials' interest in the joint venture in care homes located in Germany.

Industrials operates a technology-enabled operating platform, Industrials Hive®, that manages the process of selling leases over industrial space. Industrials offers its Smart Lease – a three-page document that uses short and clear sentences using simplified terms – via the Industrials Hive® platform, enabling lease transactions to complete electronically and making the entry into leases quicker and easier.

As of 31 March 2023 (being the last Business Day prior to the commencement of the Offer Period), Industrials had a market capitalisation of £350,295,328.

6. Information on Blackstone and Bidco

Bidco is a Jersey limited partnership that was established on 24 March 2023. Bidco was formed for the purposes of the Acquisition and is an entity owned indirectly by investment funds advised by Blackstone and has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Acquisition.

Blackstone is the world's largest alternative asset manager. Blackstone seeks to create positive economic impact and long-term value for its investors, the companies it invests in, and the communities in which it operates. Blackstone's asset management businesses, with \$991 billion in assets under management as of 31 March 2023, include investment vehicles focused on real estate, private equity, public debt and equity, non-investment grade credit, real assets and secondary funds, all on a global basis.

Blackstone Real Estate is a global leader in real estate investing. Blackstone's real estate business was founded in 1991 and had \$332 billion of investor capital under management as of 31 March 2023. Blackstone is one of the largest property owners in the world, owning and operating a \$577 billion real estate portfolio as of 31 December 2022 across every major geography and sector, including logistics, multifamily and single family housing, office, hospitality and retail.

Further information is available at www.Blackstone.com.

7. Directors, management, employees, pensions, research and development and locations

Bidco's strategic plans for Industrials

Bidco recognises the quality of the portfolio and strength of the technology based operating platform that Industrials has developed. Following completion of the Acquisition, Bidco intends for Industrials to continue to operate as a standalone business.

Prior to the Announcement, consistent with market practice, Bidco was granted access to Industrials' senior management for the purposes of confirmatory due diligence. However, because of the constraints of a public offer process, Bidco has not yet had access to sufficiently detailed operational information to formulate a detailed strategy for Industrials.

Following the Effective Date, Bidco intends to work with Industrials' management to undertake a detailed evaluation of Industrials to formulate a detailed strategy for the business. Bidco expects that this evaluation will be completed within approximately six to nine months from the Effective Date.

Employees and management

Bidco attaches great importance to the skill and experience of Industrials' management and employees and recognises the important contribution they have made to the development of the business.

Other than a small and non-material reduction in headcount (subject to any applicable informing and consulting obligations and Bidco's obligations under the Co-Operation Agreement) principally within the central corporate and support functions (including listed company-related functions) following

Industrials ceasing to be a listed company, Bidco does not intend to make any reductions to Industrials' headcount. Any headcount reductions will be carried out in accordance with applicable law.

Bidco does not intend to make any changes to the conditions of employment or the balance of skills and functions of the employees and management of Industrials.

It is intended that, with effect from the Effective Date, each of the non-executive members of the Industrials Board shall resign from his or her office as a director of Industrials.

Existing rights and pensions

Bidco confirms that, following the Acquisition becoming effective, the existing contractual and statutory employment rights, including in relation to pension schemes, of all of Industrials' management and employees will be fully safeguarded in accordance with applicable law and the Co-Operation Agreement.

Industrials operates a defined contribution pension scheme. Bidco does not intend to make any changes to the current employer pension contribution arrangements, the accrual of benefits for existing members or the rights of admission of new members under the pension scheme.

The Acquisition will affect participants in the Industrials Share Plans. The existing rights of those participants will be fully safeguarded in accordance with applicable law and contractual requirements. Further details of this are set out in paragraph 8 below.

Headquarters, locations, fixed assets and research and development

Bidco intends to retain Industrials' existing head office at 3rd floor, 180 Great Portland St, London W1W 5QZ and regional office at First Floor, 2 Stockport Exchange, Railway Road, Stockport, SK4 1BS.

Bidco has no intention to redeploy Industrials' fixed asset base. Industrials has confirmed that it has no research and development function, and Bidco has no plans in this regard.

Management incentive arrangements

Following the Acquisition becoming Effective, Bidco intends to review the management, governance and incentive structure of Industrials. Bidco has not entered into, and has not had any, discussions on the terms of any form of incentivisation arrangements with members of Industrials' management. Following the Effective Date, Bidco may have discussions and enter into appropriate arrangements for certain members of the Industrials' management team.

Trading Facilities

Industrials Shares are currently listed on the Official List and admitted to trading on the Main Market and as a secondary listing and admission on the Main Board of the Johannesburg Stock Exchange. Subject to the Scheme becoming effective, applications will be made to:

- (a) the FCA and the London Stock Exchange respectively for the cancellation of the listing of Industrials Shares on the Official List and the cancellation of trading of Industrials Shares on the Main Market;
- (b) Finsurv and the Johannesburg Stock Exchange for the cancellation of the listing of Industrials Shares on the Main Board; and
- (c) The International Stock Exchange Authority Limited for the shares of Topco (which shall be, from the Effective Date, the sole limited partner of Bidco, and subject to the Scheme being effective, the indirect owner of Industrials) to be admitted to trading on the Official List of The International Stock Exchange (or another "recognised stock exchange" (as defined in section 1137 of the Corporation Tax Act 2020)) in order to achieve REIT status for Topco.

None of the statements in this paragraph 7 are "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

Views of Industrials' board

In considering the recommendation of the Acquisition to Industrials Shareholders, the Industrials Directors have given due consideration to Bidco's intentions for the business, management, employees and locations of business of Industrials.

The Industrials Directors welcome Bidco's intention that, following completion of the Acquisition, the existing contractual and statutory employment rights, including in relation to pensions, of all Industrials' management and employees will be fully safeguarded in accordance with applicable law.

8. Industrials Share Plans

Participants in the Industrials Share Plans will be contacted regarding the effect of the Acquisition on their rights under the Industrials Share Plans and an appropriate proposal will be made to such participants which reflects those rights. Details of the impact of the Scheme on each of the Industrials Share Plans and the proposals will be sent to participants simultaneously with this document.

A summary of the effect of the Scheme on Industrials Share Plans is set out below. In the event of any conflict between the summary set out below and the rules of the relevant Industrials Share Plan and/or the communications to participants in the Industrials Share Plans regarding the effect of the Scheme on their rights under the Industrials Share Plans, and the details of the arrangements applicable to them (the "**Share Plan Notices**"), the rules of the relevant Industrials Share Plan or the terms of the Share Plan Notices (as the case may be) will prevail.

Industrials LTIP

Awards granted under the Industrials LTIPs which have not lapsed, and would not otherwise vest, prior to the date on which the Court sanctions the Scheme will (as a consequence of the Acquisition and in accordance with the rules of the Industrials LTIPs) vest on the date on which the Court sanctions the Scheme. Market value options will vest in full. The extent to which nil-cost options will vest has been determined by the Industrials remuneration committee, taking into account the extent to which applicable performance targets (if any) or any other conditions have been or would be likely to have been satisfied as well as to the appropriateness of any time pro-rating. The balance of such nil-cost options will lapse. Awards vesting under the Industrials LTIPs will accrue dividend equivalents in the ordinary course.

Industrials STIP

Awards granted under the Industrials STIP which have not lapsed, and would not otherwise vest, prior to the date on which the Court sanctions the Scheme will (as a consequence of the Acquisition and in accordance with the rules of the Industrials STIP) vest in full on the date on which the Court sanctions the Scheme. Awards vesting under the Industrials STIP will accrue dividend equivalents in the ordinary course.

Industrials SAYE Plan

Options granted under the Industrials SAYE Plan which would not otherwise become exercisable prior to the Effective Date will (as a consequence of the Acquisition and in accordance with participants' contractual rights under the SAYE) be exercisable in the 20 day period following the Effective Date, and will be exercisable over less than the full number of Industrials Shares than would otherwise be the case on maturity of the related savings contracts. Option holders will be able to elect in advance to exercise their options under the SAYE on the Effective Date.

9. The Industrials Directors and the effect of the Scheme on their interests

The names of the Industrials Directors and the details of their interests in Industrials Shares are set out in paragraphs 2 and 3 of Part 7 of this document. Industrials Shares held by the Industrials Directors as at the Scheme Record Time will be subject to the Scheme.

At the close of business on the Disclosure Date (as defined in paragraph 3 of Part 7 of this document), the Industrials Directors (together with their Interested Persons, as defined in paragraph 3 of Part 7 of this document) were interested in, in total, 5,635,874 Industrials Shares, amounting to 1.89% of the issued share capital (excluding shares under option and treasury shares).

Details of irrevocable undertakings given by the Industrials Directors and certain of their connected persons who own or control Industrials Shares, including details of the circumstances in which they will cease to be binding, are set out in paragraph 4 of Part 7 of this document. Particulars of the service contracts (including termination provisions) and letters of appointment of the Industrials Directors are set out in paragraph 6 of Part 7 of this document.

For the purposes of section 108(2) of the Companies Law, save as disclosed in this document, the effect of the Scheme on such interests of the Industrials Directors does not differ from its effect on the like interests of any other holder of Scheme Shares.

No debentures have been issued in respect of Industrials and there are therefore no trustees of any deed securing the issuance of any debentures in respect of Industrials and no explanation is required to be given for the purposes of section 108(3) of the Companies Law.

10. Delisting and re-registration of the Industrials Shares

Prior to the Scheme becoming Effective, the following applications will be made:

- for the cancellation of the primary listing of Industrials Shares on the Official List and for the cancellation of trading of the Industrials Shares on the Main Market of the London Stock Exchange;
- for the cancellation of the secondary listing of Industrials Shares on the Main Board of the Johannesburg Stock Exchange; and
- for the shares of Topco (which shall be, from the Effective Date, the sole limited partner of Bidco, and subject to the Scheme being effective, the indirect owner of Industrials) to be admitted to trading on the Official List of The International Stock Exchange (or another “recognised stock exchange” (as defined in section 1137 of the Corporation Tax Act 2020)) in order to achieve REIT status for Topco,

in each case to take effect from or shortly after the Effective Date.

The last day of dealings in Industrials Shares on the Main Market of the London Stock Exchange and the Johannesburg Stock Exchange is expected to be the Business Day immediately prior to the Effective Date, following which all Industrials Shares will be suspended from the Official List and from trading on the Main Market of the London Stock Exchange, and Industrials Shares will be disabled in CREST and also suspended from trading on the Main Board of the Johannesburg Stock Exchange and disabled in the STRATE system.

It is further intended that an application will be made to The International Stock Exchange Authority Limited for the shares of Topco (which shall be, from the Effective Date, the sole limited partner of Bidco, and subject to the Scheme being effective, the indirect owner of Industrials) to be admitted to trading on the Official List of The International Stock Exchange (or another “recognised stock exchange” (as defined in section 1137 of the Corporation Tax Act 2020)) in order to achieve REIT status for Topco, which admission is expected to take place on or shortly before the Effective Date.

On the Effective Date, share certificates in respect of Industrials Shares shall cease to be valid and entitlements to Industrials Shares held within the CREST or STRATE systems shall be cancelled.

11. Overseas Shareholders

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

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

This document has been prepared for the purposes of complying with English law, Guernsey law, the Takeover Code, requirements of the Panel, the London Stock Exchange, the Listing Rules, the FCA, the South African Financial Markets Act 19 of 2012 (as amended) and the JSE Listings Requirements and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of any other jurisdiction.

12. United Kingdom, Guernsey and South African Taxation

A summary of relevant UK, Guernsey and South African taxation, which is intended as a general guide only, is set out in paragraph 14 of Part 7 of this document. If you are in any doubt as to your tax position, or you are subject to taxation in a jurisdiction other than the United Kingdom, Guernsey and South Africa, you are strongly advised to consult an appropriate independent professional adviser.

13. Settlement, mandates and communication preferences

Subject to the Scheme becoming Effective, and in accordance with the terms of the Scheme, settlement of the Cash Consideration to which any Scheme Shareholder is entitled will be effected within 14 days of the Effective Date in the manner and subject to what is set out below.

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

Except with the consent of the Panel, settlement of the Cash Consideration to which any Scheme Shareholder is entitled will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which Bidco may otherwise be, or claim to be, entitled against such Scheme Shareholder.

(a) *Where Scheme Shares are held in certificated form*

Where, at the Scheme Record Time, and subject to the remainder of this section, a Scheme Shareholder holds Scheme Shares in certificated form, settlement of the Cash Consideration shall be despatched by cheque or by electronic payment to their mandated bank or building society account as recorded by the Registrars or by such other method as may be approved by the Panel.

In light of ongoing concerns about the reliability of the South African postal system and, where deemed necessary, to enhance the processes by which certificated shareholders will receive the Cash Consideration, it is proposed that cheques will not be mailed to (a) Scheme Shareholders who hold their shares in certificated form and have a registered address on the Guernsey Register in South Africa, (b) Scheme Shareholders who hold their Scheme Shares in certificated form on the South African Register or (c) any other Scheme Shareholder who holds their shares in certificated form where the Company and/or either of the Registrars has identified a verification issue with the information provided for that Scheme Shareholder or any underlying beneficial holders, where the information is required for the purpose of payment of the Cash Consideration to the Scheme Shareholder, which needs to be addressed before payment of the Cash Consideration to such Scheme Shareholder can be made. In these circumstances, the Registrars will, where they hold validated, and verified mandated bank or building society electronic payment details for such Scheme Shareholder, despatch payment to them by way of electronic payment to their mandated bank or building society or, where they do not have such details, hold the Cash Consideration on trust for such Scheme Shareholders and engage with each of them to verify their identity and payment details before payment of the Cash Consideration is made to them (whether by way of electronic payment or, if requested, cheque (in the latter case only in respect of such Scheme Shareholders who do not have a registered address on the Register in South Africa)). In addition and without prejudice to the foregoing, no electronic payment shall be made to any Scheme Shareholder where the Company and/or the Registrars have been unable to validate the electronic payment details to the satisfaction of the Company and/or the Registrars. The Registrars shall also have the power to withhold any Cash Consideration payable to any Scheme Shareholder where either the Company and/or either of the Registrars believe that there is a verification issue with the information provided for that Scheme Shareholder or any underlying beneficial holders, where the information is required for the purpose of payment of the Cash Consideration to the Scheme Shareholder. Further details of such trust arrangement are set out in paragraph 4 in Part 3 below.

Subject to the above, all deliveries of cheques required to be made pursuant to the Scheme shall be effected by posting them no later than 14 days after the Effective Date by first class post or by such other method as may be approved by the Panel, addressed to the persons entitled to them at their respective addresses as appearing in the Register at the Scheme Record Time (or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in the Register in respect of such joint holding at such time) and neither Industrials nor Bidco (nor any of their respective nominees or agents) shall be responsible for any loss or delay in the transmission of cheques sent in this way.

All Cash Consideration due to Scheme Shareholders registered on the Guernsey Register shall be paid in pounds sterling and, in the case of a cheque, drawn on a UK clearing bank or by electronic payment to their mandated bank or building society account as recorded by the Guernsey Registrar.

In the case of Scheme Shareholders on the Guernsey Register, all cheques shall be made payable to the holder (except that, in the case of joint holders, Bidco reserves the right to make cheques payable to the joint holder whose name stands first in the Register in respect of such joint holding at the Scheme Record Time) and the encashment of any such cheque shall be a complete discharge to Bidco for the obligation to pay the monies represented thereby. As noted above, no cheques will be issued or paid to (a) Scheme Shareholders who hold their shares in certificated form and have a registered address on the Guernsey Register in South Africa, (b) Scheme Shareholders who hold their Scheme Shares in certificated form on the South African Register or (c) any other Scheme Shareholder who holds their shares in certificated form where the Company and/or either of the Registrars has identified a verification issue. The Cash Consideration due to such Scheme Shareholders will be held in trust by the Registrars on behalf of such Scheme Shareholder for a period of twelve years from the Effective Date, after which time if it remains unclaimed for any reason the Cash Consideration will be forfeited and cease to remain owing by Bidco or Industrials (or the Guernsey Registrar) and shall thenceforth belong to Bidco (with any interest accruing being for the benefit of Bidco). For the avoidance of doubt, no interest will accrue for the benefit of Scheme Shareholders on the Cash Consideration.

(b) ***Where Scheme Shares are held in uncertificated or dematerialised form (that is, in CREST or the STRATE system)***

Where, at the Scheme Record Time, a Scheme Shareholder holds Scheme Shares in uncertificated or dematerialised form, the payment of Cash Consideration to which:

- (i) CREST shareholders are entitled, shall be effected through CREST by Bidco instructing (or procuring the instruction of) Euroclear to create a CREST assured payment obligation in accordance with the CREST assured payment arrangements in favour of the appropriate CREST account through which the relevant Scheme Shareholder holds those uncertificated Scheme Shares in respect of the Cash Consideration due to that Scheme Shareholder; or
- (ii) STRATE shareholders are entitled, shall be effected through the STRATE system by Bidco instructing (or procuring the instruction of) STRATE or the South African Registrar (as applicable) to create a STRATE system assured payment obligation in accordance with the STRATE system assured payment arrangements in favour of the appropriate STRATE account through which the relevant Scheme Shareholder holds those dematerialised Scheme Shares in respect of the Cash Consideration due to that Scheme Shareholder, with such Cash Consideration having been converted into Rand at the GBP/Rand Exchange Rate.

The instruction by (or on behalf of) Bidco to create an assured payment arrangement (whether under CREST or the STRATE system) shall be a complete discharge of Bidco's obligations under the Scheme with reference to payments through CREST or the STRATE system (as relevant).

The CREST payment obligations set out above will be created within 14 days after the Effective Date. As from the Effective Date, each holding of Industrials Shares credited to any stock account in CREST will be disabled and all Industrials Shares will be removed from CREST in due course thereafter.

The STRATE payment obligations set out above will be settled within five days after the Effective Date. As from the Effective Date, each holding of Industrials Shares credited to any stock account in the STRATE system will be disabled and all Industrials Shares will be removed from the STRATE system on the business day following settlement of the STRATE payment obligations.

Bidco reserves the right to pay Cash Consideration to all or any relevant CREST or STRATE shareholders at the Scheme Record Time by cheque or electronic payment to their mandated bank or building society account as recorded by the Registrars as set out above if for any reason it wishes to do so.

(c) ***For all Scheme Shareholders***

No electronic payment shall be made to any Scheme Shareholder where the Company and/or the Registrars have been unable to validate the electronic payment details to the satisfaction of the Company and/or the Registrars. The Registrars shall also have the power to withhold any Cash Consideration payable to any Scheme Shareholder where either the Company and/or either of the Registrars believe that there is a verification issue with the information provided for that Scheme Shareholder or any underlying beneficial holders, where the information is required for the purpose of payment of the Cash Consideration to the Scheme Shareholder. Further details of such trust arrangement are set out in paragraph 4 in Part 3 below.

14. The Meetings and the Court Hearing

Before the Court's sanction of the Scheme can be sought, the Scheme will require approval by the Scheme Shareholders at the Court Meeting and the passing of the Resolution by Industrials Shareholders to implement the Scheme at the General Meeting. Notices of the Meetings are set out in Parts 9 and 10 of this document. Shareholders' entitlement to attend and vote at the Meetings and the number of votes which may be cast at them will be determined by reference to the Register at the Scheme Voting Record Time or, if such Meetings are adjourned, on the Register at 6.00 pm London time (7.00 pm SAST) on the day that is two Business Days before the relevant adjourned Meeting. If the Scheme becomes Effective, it will be binding on all Scheme Shareholders including those who did not vote or who voted against the Scheme or the Resolution.

Any Industrials Shares which Bidco or any other member of the Wider Bidco Group (or their respective nominees) may acquire before the Court Meeting are not Scheme Shares and therefore none of Bidco or any other member of the Wider Bidco Group (or their respective nominees) is or will be entitled to vote at the Court Meeting in respect of the Industrials Shares held or acquired by it.

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

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

The Court Meeting has been convened for 10.00 am London time (11.00 am SAST) on Wednesday 31 May 2023 at Bryan Cave Leighton Paisner LLP, Governors House, 5 Laurence Pountney Hill, London, EC4R 0BR. At the Court Meeting, voting will be by way of poll and not a show of hands and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held. The approval required at the Court Meeting is a majority in number of those Scheme Shareholders present and voting, whether in person or by proxy, at the Court Meeting representing not less than 75 per cent. of the votes cast by such Scheme Shareholders.

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

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

THROUGH STRATE AND NOT IN YOUR OWN NAME) MAKE CONTACT WITH YOUR CSDP OR BROKER AS SOON AS POSSIBLE, AND, IN ANY EVENT SO THE FORM OF PROXY FOR THE COURT MEETING IS RECEIVED BY 10.00 AM LONDON TIME (11.00 AM SAST) ON FRIDAY 26 MAY 2023. A FORM OF PROXY FOR THE COURT MEETING NOT LODGED AT THE RELEVANT TIME MAY BE HANDED IN TO THE CHAIRMAN OF THE COURT MEETING OR EMAILED TO AND RECEIVED BY #UKCSBRS.EXTERNALPROXYQUERIES@COMPUTERSHARE.CO.UK (FOR SCHEME SHAREHOLDERS ON THE GUERNSEY REGISTER) OR PROXY@COMPUTERSHARE.CO.ZA (FOR SCHEME SHAREHOLDERS ON THE SOUTH AFRICAN REGISTER) BEFORE THE START OF THE COURT MEETING.

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

In addition to the Court Meeting, the General Meeting has been convened at Bryan Cave Leighton Paisner LLP, Governors House, 5 Laurence Pountney Hill, London, EC4R 0BR at 10.15 am London time (11.15 am SAST) on Wednesday 31 May 2023 (or as soon thereafter as the Court Meeting is concluded or adjourned) to consider and, if thought fit, pass the Resolution to:

- (i) authorise the Industrials Directors to take all actions as they may consider necessary or appropriate to give effect to the Scheme; and
- (ii) approve certain amendments to the Articles to ensure that, subject to the Scheme becoming Effective, any Industrials Shares issued to any person (other than to Bidco and/or its nominees) at or after the Scheme Record Time will be compulsorily acquired by, or to the order of, Bidco, in consideration of (subject to certain terms and conditions) the payment of Cash Consideration on the same basis as under the Scheme. The proposed amendments to the Articles are set out in full in the notice of the General Meeting in Part 10 of this document.

Voting on the Resolution will be held by way of poll and not a show of hands and each Industrials Shareholder present in person or by proxy will be entitled to one vote for every Industrials Share held as at the Scheme Voting Record Time. The resolution to approve the Scheme and certain amendments to the Articles (detailed in (i) and (ii) above) will be a special resolution which requires a vote in favour of not less than 75 per cent. of the votes cast either in person or by proxy.

You will find the notice of the General Meeting set out in Part 10 of this document. The quorum for the General Meeting will be three or more Industrials Shareholders present in person or by proxy.

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

Under the Companies Law, the Scheme also requires the sanction of the Court. The Court Hearing to sanction the Scheme is currently expected to be held on Tuesday 20 June 2023, subject to the prior satisfaction or waiver of the other Conditions set out in Part 4 of this document.

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

Bidco has confirmed that, subject to the prior satisfaction or, where applicable, waiver of the other Conditions set out in Part 4 of this document it will be represented by counsel at the Court Hearing so as to consent to the Scheme and to undertake to the Court to be bound by the Scheme.

The Scheme will become Effective upon delivery to the Guernsey Registry of a copy of the Scheme Court Order for registration (which must occur within 7 days after the making of the Scheme Court Order in accordance with the Companies Law). This is presently expected to occur on the Business Day immediately following the Court Hearing to sanction the Scheme.

(d) ***Modifications to the Scheme***

The Scheme contains a provision for Industrials and Bidco to consent on behalf of all persons affected to any modification of, or addition to, the Scheme or to any condition approved or imposed by the Court. The Court would be unlikely to approve any modification of, or additions to, or impose a condition to the Scheme which might be material to the interests of the Scheme Shareholders, unless Scheme Shareholders were informed of any modification, addition or condition.

It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in these circumstances. Similarly, if a modification, addition or condition is put forward which in the opinion of the Industrials Directors is of such a nature or importance that it requires the consent of Scheme Shareholders at a further meeting, the Industrials Directors will not take the necessary steps to enable the Scheme to become Effective unless and until such consent is obtained. For the avoidance of doubt, no modification may be made to this Scheme once it has taken effect.

(e) ***Conditions of the Scheme***

The implementation of the Scheme is conditional upon satisfaction or, where applicable, waiver of the Conditions, which are set out in full in Part 4 of this document and **it is important that Industrials Shareholders read Part 4 in its entirety**. The Conditions include, amongst others:

- the Court Meeting being held on or before the 22nd day after the expected date of such hearing, which is expected to be held on Wednesday 31 May 2023 (or such later date as may be agreed by Bidco and Industrials and (if required) the Court may allow);
- the General Meeting being held on or before the 22nd day after the expected date of such hearing, which is expected to be held on Wednesday 31 May 2023 (or such later date as may be agreed by Bidco and Industrials);
- the Scheme being approved by a majority in number of the Scheme Shareholders who are present, entitled to vote and vote at the Court Meeting, or at any adjournment thereof, either in person or by proxy, representing not less than 75 per cent. of the votes cast by such Scheme Shareholders;
- the Resolution being duly passed by the requisite majority of the Industrials Shareholders at the General Meeting, or at any adjournment thereof;
- the Court Hearing being held by the 22nd day after the expected date of such hearing, which is expected to be held on Tuesday 20 June 2023 (or such later date as may be agreed by Industrials and Bidco and (if required) the Court may allow);
- the sanction of the Scheme by the Court (with or without modifications, on terms agreed by Industrials and Bidco);
- the Scheme becoming Effective by the Long Stop Date or such later date (if any) as Industrials and Bidco may agree and (if required) the Court may allow; and
- delivery of a copy of the Scheme Court Order within seven days of the date of the Scheme Court Order to the Guernsey Registry.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders irrespective of whether or not they attended or voted in favour of the Scheme at the Court Meeting or in favour of the Resolution at the General Meeting. If the Scheme does not become Effective by the Long Stop Date (or such later date (if any) as Industrials and Bidco may agree and the Court may allow), the Scheme will not be implemented and the Acquisition will not proceed.

15. Alternative means of implementing the Acquisition

Bidco reserves the right to elect, with the consent of the Panel (where necessary), and subject to the terms and conditions of the Co-Operation Agreement, to implement the Acquisition by way of a Takeover Offer (a "**Switch**"). In the event of a Switch:

- (i) the acceptance condition that will apply to the Takeover Offer shall be determined by Bidco and, in the event of a Switch agreed with Industrials, shall be set at 90 per cent. of the Industrials Shares or such lesser percentage as may be agreed between Bidco and Industrials in writing after (to the extent necessary) consultation with the Panel, in each case being more than 50 per cent. of the Industrials Shares, and Bidco shall ensure that the only conditions of the Takeover Offer shall be the conditions set out in Part A of Part 4 in this document (subject to replacing Condition 1 therein with the acceptance condition referred to above). In all other respects, in the event of a Switch, the Acquisition shall be implemented on substantially the same terms, so far as applicable, as those which would apply to a Scheme, subject to appropriate modifications or amendments which may be required by the Panel or which are necessary as a result of such Switch; and
- (ii) Bidco shall ensure that the Takeover Offer remains open for acceptances for at least 21 days following the Takeover Offer becoming or being declared unconditional.

If the Acquisition is effected by way of a Takeover Offer and such Takeover Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to apply the provisions of Part XVIII of the Companies Law to compulsorily acquire any outstanding Industrials Shares to which such Takeover Offer relates, and for the listings of Industrials Shares on the London Stock Exchange and Johannesburg Stock Exchange to be cancelled.

16. Return of documents of title

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

17. Action to be taken

Industrials Shareholders on the Guernsey Register

All Industrials Shareholders on the Guernsey Register (other than those who have elected (or who are deemed to have agreed) to receive electronic communications) should have received the following with this document:

- a pink Form of Proxy for use in respect of the Court Meeting;
- a blue Form of Proxy for use in respect of the General Meeting; and
- a prepaid envelope for use in the United Kingdom and Guernsey.

If you have not received all of these documents, please contact the Guernsey Registrar on the relevant telephone number set out in the paragraph under the section heading "Helpline" above.

All Industrials Shareholders on the Guernsey Register who have elected (or who are deemed to have agreed) to receive communications from Industrials in electronic form will find both the pink Form of Proxy for use in connection with the Court Meeting and the blue Form of Proxy for use in connection with the General Meeting on the Company's website at www.industrialsreit.com.

Industrials Shareholders on the South African Register

All Industrials Shareholders on the South African Register (other than those who have elected (or who are deemed to have agreed) to receive electronic communications) should have received the following with this document:

- a yellow Form of Proxy for use in respect of the Court Meeting; and
- a green Form of Proxy for use in respect of the General Meeting.

If you have not received all of these documents, please contact the South African Registrar on the relevant telephone number set out in the paragraph under the section heading "Helpline" below.

All Industrials Shareholders on the South African Register who have elected (or who are deemed to have agreed) to receive communications from Industrials in electronic form will find both the yellow Form of Proxy for use in connection with the Court Meeting and the green Form of Proxy for use in connection with the General Meeting on the Company's website at www.industrialsreit.com.

All Industrials Shareholders on the South African Register who hold their Industrial Shares through STRATE and not in their own names should make contact with their CSDP or broker and furnish their CSDP or broker with their voting instructions in the manner and by the cut-off time stipulated by their CSDP or broker.

IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST (WHETHER IN PERSON OR BY PROXY) SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF THE OPINION OF SCHEME SHAREHOLDERS. YOU ARE THEREFORE STRONGLY URGED TO EITHER SIGN AND RETURN YOUR FORMS OF PROXY (IF PROVIDED), APPOINT AN ELECTRONIC OR CREST PROXY OR (IF YOU HOLD YOUR SCHEME SHARES ON THE SOUTH AFRICAN REGISTER THROUGH STRATE AND NOT IN YOUR OWN NAME) MAKE CONTACT WITH YOUR CSDP OR BROKER AS SOON AS POSSIBLE.

An Industrials Shareholder may appoint more than one proxy in respect of the General Meeting and/or the Court Meeting provided that in respect of each Meeting each proxy is appointed to exercise the rights attached to different Industrials Shares held by that Industrials Shareholder.

Industrials Shareholders' attention is drawn to the fact that where they return Forms of Proxy without denoting their voting preference, the proxy will vote or abstain from voting in their discretion.

(a) ***Sending Forms of Proxy by post, by hand or by email for Industrials Shareholders on the Guernsey Register***

Whether or not you plan to attend either or both of the Meetings, please complete and sign each of the accompanying Forms of Proxy (if provided) and return them in accordance with the instructions printed thereon to Computershare Investor Services (Guernsey) Limited at c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY or email them to #UKCSBRS.ExternalProxyQueries@computershare.co.uk as soon as possible, but in any event, so as to be received (during normal business hours) by 10.00 am London time (11.00 am SAST) on Friday 26 May 2023 in the case of the Court Meeting and by 10.15 am London time (11.15 am SAST) on Friday 26 May 2023 in the case of the General Meeting (or, in the case of adjournment, no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned Meeting).

If the pink Form of Proxy for use at the Court Meeting is not lodged by 10.00 am London time (11.00 am SAST) on Friday 26 May 2023, it may be handed to the chairman of the Court Meeting or emailed to and received by #UKCSBRS.ExternalProxyQueries@computershare.co.uk before the start of at the Court Meeting and will still be valid. However, in the case of the General Meeting, unless the blue Form of Proxy is lodged so as to be received by 10.15 am London time (11.00 am SAST) on Friday 26 May 2023, it will be invalid.

The completion and return of a Form of Proxy will not prevent you from attending, speaking and voting at either the Court Meeting or the General Meeting, or any adjournment thereof, in person should you wish to do so and are so entitled.

(b) ***Electronic appointment of proxies through www.investorcentre.co.uk/eproxy***

If you hold your shares on the Guernsey register, you can submit your proxy vote via the internet through the share portal service at www.investorcentre.co.uk/eproxy. To do so, you will need to log on to your share portal account or register for the share portal if you have not already done so. Once registered, you will immediately be able to vote. Proxies submitted via the share portal service must be received by the Guernsey Registrar no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the appointed time for the relevant Meeting or, in the case of an adjournment, no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned meeting.

The completion and return of a Form of Proxy or proxy appointment via the share portal service will not prevent you from attending, speaking and voting in person at the Meetings or any adjournment thereof if you wish to do so and are so entitled.

(c) ***Electronic appointment of proxies through CREST for Industrials Shareholders on the Guernsey Register***

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

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer’s agent ID 3RA50 by no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the meeting or the adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

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

Industrials may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34(1) of the CREST Regulations.

The completion and return of a CREST Proxy Instruction will not prevent you from attending, speaking and voting in person at the Meetings or any adjournment thereof if you wish to do so and are so entitled.

(d) ***Industrials Shareholders on the South African Register who hold their Industrials Shares through STRATE and not in their own names***

If you hold your Industrials Shares on the South African Register in dematerialised form and not in your own name, you should not complete the Forms of Proxy. In order to vote at or attend the Court Meeting and the General Meeting you should be in contact with your CSDP or broker. If you have not been contacted by your CSDP or broker, it is advisable for you to contact your CSDP or broker immediately and furnish your CSDP or broker with your voting instructions in the manner and by the cut-off time stipulated by your CSDP or broker in terms of the custody agreement between you and your CSDP or broker.

If your CSDP or broker does not obtain voting instructions from you, your CSDP or broker will be obliged to act in accordance with the instructions contained in the custody agreement between you and your CSDP or broker.

Should you wish to attend, speak and vote, or to send a proxy to represent you at the Court Meeting or the General Meeting, you must, in accordance with the custody agreement between you and your CSDP or broker, advise your CSDP or broker. Your CSDP or broker should then issue the necessary letter of representation to you for you or your proxy to attend, speak and vote at the Court Meeting or General Meeting.

(e) ***Sending Forms of Proxy by post, by hand or by email for Industrials Shareholders on the South African Register who hold their Industrials Shares (i) in certificated form or (ii) through STRATE and in their own names***

Whether or not you plan to attend either or both of the Meetings, please complete and sign each of the accompanying Forms of Proxy (if provided) and return them in accordance with the instructions printed thereon to Computershare Investor Services Proprietary Limited, at Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, South Africa or at Private Bag X9000, Saxonwold, 2132, South Africa or email them to proxy@computershare.co.za as soon as possible, but in any event, so as to be received (during normal business hours) by 10.00 am London time (11.00 am SAST) on Friday 26 May 2023 in the case of the Court Meeting and by 10.15 am London time (11.15 am SAST) on Friday 26 May 2023 in the case of the General Meeting (or, in the case of adjournment, no later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned Meeting).

If the yellow Form of Proxy for use at the Court Meeting is not lodged by 10.00 am London time (11.00 am SAST) on Friday 26 May 2023, it may be handed to the chairman of the Court Meeting or emailed to and received by proxy@computershare.co.za before the start of at the Court Meeting and will still be valid. However, in the case of the General Meeting, unless the green Form of Proxy is lodged so as to be received by 10.15 am London time (11.00 am SAST) on Friday 26 May 2023, it will be invalid.

The completion and return of a Form of Proxy will not prevent you from attending, speaking and voting at either the Court Meeting or the General Meeting, or any adjournment thereof, in person should you wish to do so and are so entitled.

18. Further information

The terms of the Scheme are set out in full in Part 3 of this document. Your attention is also drawn to the letter from your Chairman set out in Part 1 of this document, and the further information contained in this document, all of which forms part of this Explanatory Statement, and in particular, to the Conditions and further terms set out in Parts A and B of Part 4 of this document, and the Additional Information set out in Part 7 of this document.

Yours faithfully,

Hugh Jonathan
Managing Director

**Duly authorised, for and on behalf of
Numis Securities Limited**

Max von Hurter
Managing Director

**Duly authorised, for and on behalf of
Eastdil Secured International Limited**

PART 3

THE SCHEME OF ARRANGEMENT

**IN THE ROYAL COURT OF GUERNSEY
(ORDINARY DIVISION)**

IN THE MATTER OF INDUSTRIALS REIT LIMITED

– and –

IN THE MATTER OF THE COMPANIES (GUERNSEY) LAW, 2008 (AS AMENDED)

SCHEME OF ARRANGEMENT

(under Part VIII of the Companies (Guernsey) Law, 2008 (as amended))

between

INDUSTRIALS REIT LIMITED

and

THE SCHEME SHAREHOLDERS

(as hereinafter defined)

PRELIMINARY

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

"Acquisition"	the proposed acquisition by Bidco of the entire issued and to be issued ordinary share capital of Industrials, to be effected by means of the Scheme, and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
"Announcement"	the announcement made under Rule 2.7 of the Takeover Code on 14 April 2023 regarding the Acquisition;
"Bidco"	Sussex Bidco LP, a limited partnership established in Jersey with limited partnership number 4158 acting by Sussex GP Ltd as its general partner;
"Business Day"	any day (other than a Saturday or Sunday) on which the London Stock Exchange and banks in the City of London and South Africa are open for business;
"Cash Consideration"	the cash amount of 168 pence per Scheme Share payable to Scheme Shareholders by Bidco under the Acquisition in respect of each Industrials Share, as may be adjusted in accordance with the terms pursuant to this Scheme;
"certificated" or "in certificated form"	a share or other security which is not in uncertificated or dematerialised form (that is, not in CREST or the STRATE system, as the case may be);
"Companies Law"	the Companies (Guernsey) Law, 2008 (as amended);
"Court"	the Royal Court of Guernsey;
"Court Hearing"	the Court hearing at which Industrials will seek an order sanctioning the Scheme for the purposes of section 110 of the Companies Law;

"Court Meeting"	the meeting of the Scheme Shareholders convened pursuant to an order of the Court pursuant to section 107 of the Companies Law, for the purpose of considering and, if thought fit, approving the Scheme, including any adjournment or reconvening thereof;
"CREST"	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear, in accordance with the CREST Regulations;
"CREST Regulations"	the Uncertificated Securities (Guernsey) Regulations, 2009, including (i) any enactment or subordinate legislation which amends or supersedes those regulations and (ii) any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force;
"dematerialised" or "in dematerialised form"	a share or other security which has been incorporated into the STRATE system, title to which is no longer represented by a physical document of title;
"Effective"	the Scheme having become effective in accordance with its terms, upon the delivery of a copy of the order of the Court sanctioning the Scheme to the Guernsey Registry;
"Effective Date"	the date on which the Scheme becomes Effective;
"Encumbrances"	all liens, equities, charges, securities interests, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever;
"Euroclear"	Euroclear UK & International Limited;
"Excluded Shares"	(i) any Industrials Shares beneficially owned by Bidco, any member of the Wider Bidco Group or any other person holding shares in Bidco; or (ii) any Industrials Shares held as treasury shares by Industrials, in each case at any relevant time;
"FCA" or "Financial Conduct Authority"	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the UK Financial Services and Markets Act 2000;
"GBP/Rand Exchange Rate"	the average GBP:South African Rand exchange rate obtained by or on behalf of Bidco through one or more market transactions occurring on or prior to the date of publication of the finalisation announcement for the purposes of settling the Cash Consideration due to Scheme Shareholders registered on the South African Register in Rand, such rate is currently expected to be published in an announcement to be published on or shortly after 20 June 2023;
"Guernsey"	the Island of Guernsey;
"Guernsey Register"	the register of members of the Company kept and maintained on behalf of the Company by the Guernsey Registrar, in Guernsey;

"Guernsey Registrar"	Computershare Investor Services (Guernsey) Limited, 1st Floor, Tudor House, Le Bordage, St Peter Port, GY1 1DB, Guernsey;
"Guernsey Registry"	the body authorised by the States of Guernsey to maintain various registers as required under Guernsey legislation and operating under the name Guernsey Registry;
"holder"	a registered holder, including any person entitled by transmission;
"Industrials" or the "Company"	Industrials REIT Limited, a non-cellular company limited by shares registered in Guernsey with the registration number: 64865;
"Industrials LTIP"	the Industrials Long Term Incentive Plan, adopted in 2018;
"Industrials SAYE Plan"	the Industrials SAYE Share Option Plan, adopted in 2022;
"Industrials Share Plans"	the Industrials LTIP, the Industrials STIP and the Industrials SAYE Plan;
"Industrials Shareholders" or "Shareholders"	holders of Industrials Shares;
"Industrials Shares"	the existing issued and fully paid ordinary shares with a nominal value of EUR 0.000001258 each in the share capital of Industrials and any further such ordinary shares which are issued before the Scheme becomes Effective but in both cases excluding any such shares held or which become held as treasury shares;
"Industrials STIP"	the Industrials Deferred Share Bonus Plan, adopted in 2018;
"Latest Practicable Date"	3 May 2023 (being the latest practicable date prior to the publication of the Scheme Document);
"Long Stop Date"	31 December 2023 or such later date as may be agreed in writing by Bidco and Industrials (with the Panel's consent and as the Court may approve (if such approval(s) are required));
"Panel"	the Panel on Takeovers and Mergers;
"Register"	the register of members of the Company comprising the South African Register and the Guernsey Register;
"Registrars"	the South African Registrar and the Guernsey Registrar;
"Scheme"	this scheme of arrangement under Part VIII of the Companies Law between Industrials and the Scheme Shareholders in connection with the Acquisition, in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Industrials and Bidco;
"Scheme Document"	the document dated 9 May 2023 sent by Industrials to Industrials Shareholders and others containing, among other things, this Scheme, an explanatory statement in compliance with section 108 of the Companies Law, and the notice of the Court Meeting;

"Scheme Record Time"	6.00 pm London time on the day of the Court Hearing or such later time as Bidco and Industrials may agree;
"Scheme Shareholders"	holders of Scheme Shares at any relevant date or time and a "Scheme Shareholder" shall mean any one of the Scheme Shareholders;
"Scheme Shares"	all Industrials Shares: <ul style="list-style-type: none"> (a) in issue as at the date of the Scheme Document and which remain in issue at the Scheme Record Time; (b) (if any) issued after the date of the Scheme Document and prior to the Scheme Voting Record Time and which remain in issue at the Scheme Record Time; and (c) (if any) issued on or after the Scheme Voting Record Time but at or before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by this Scheme or in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be bound by the Scheme and which remain in issue at the Scheme Record Time, but in each case other than any Excluded Shares at the Scheme Record Time;
"Scheme Voting Record Time"	6.00 pm London time on the day two Business Days before the date of the Court Meeting or any adjournment of it (as the case may be);
"South African Register"	the branch register of members of the Company kept and maintained on behalf of the Company by the South African Registrar, in South Africa;
"South African Registrar"	Computershare Investor Services Proprietary Limited, a limited liability company duly incorporated and registered under the laws of South Africa under registration number: 2004/003647/07, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, Johannesburg, South Africa;
"STRATE"	the settlement and clearing system used by the Johannesburg Stock Exchange, managed by Strate Proprietary Limited, a limited liability company duly incorporated and registered under the laws of South Africa under registration number: 1998/022242/07, and licensed as a central securities depository under the South African Financial Markets Act, 19 of 2012 (as amended);
"Takeover Code"	the City Code on Takeovers and Mergers;
"uncertificated" or "in uncertificated form"	a share or other security recorded on the Guernsey 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;

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

- (B) As at the Latest Practicable Date, the issued ordinary share capital of Industrials was EUR 375.85917015 divided into 298,775,175 Industrials Shares of EUR 0.000001258 each, of which 1,914,727 Industrials Shares were held by Industrials as treasury shares.
- (C) As at the Latest Practicable Date, 7,423,166 Industrials Shares may be issued on or after the date of the Scheme Document to satisfy the exercise of options pursuant to the Industrials Share Plans.
- (D) Bidco has, subject to the satisfaction or, where applicable, waiver of the Conditions, agreed to appear by counsel on the hearing to sanction this Scheme and to undertake to the Court to be bound thereby and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to this Scheme (including, without limitation, settling the Cash Consideration payable to the Scheme Shareholders pursuant to this Scheme).

THE SCHEME

1. Transfer of Scheme Shares

- (a) On the Effective Date, Bidco (and/or its nominee(s)) shall acquire all of the Scheme Shares fully paid up and free from all Encumbrances and together with all rights attaching to them at the date of this Scheme or thereafter, including voting rights and entitlement to receive and retain, in full, all dividends and other distributions (if any) and any return of capital declared, paid or payable by Industrials with a record date on or after the Effective Date in accordance with its terms.
- (b) For the purposes of such acquisition, the Scheme Shares shall be transferred from the Scheme Shareholders to Bidco (and/or its nominee(s)) and to give effect to such transfers any person may be appointed by Bidco as attorney and/or agent and/or otherwise and shall be authorised as such attorney and/or agent and/or otherwise on behalf of the relevant Scheme Shareholder to execute and deliver as transferor a share transfer form in respect of such Scheme Shares and that share transfer form so executed shall be effective as if it had been executed by the holder or holders of the Scheme Shares thereby transferred. Scheme Shares held within CREST shall be removed from CREST such that they shall be held in certificated form, and such shares will then be transferred from the relevant Scheme Shareholders to Bidco by means of the share transfer form referred to in this Clause 1(b).
- (c) From the Effective Date and pending the registration of the transfer of the Scheme Shares pursuant to this Scheme, each Scheme Shareholder irrevocably:
 - (i) appoints Bidco (and/or its nominee(s)) as their attorney and/or agent and/or otherwise to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to the Scheme Shares and any or all rights and privileges (including the right to requisition the convening of a general meeting of Industrials) attaching to the Scheme Shares;
 - (ii) appoints Bidco (and/or its nominee(s)) and any one or more of its directors or agents and/or otherwise to sign on behalf of such Scheme Shareholder any such documents, and do all such things, as may in the opinion of Bidco and/or any one or more of its directors or agents or otherwise be necessary or desirable in connection with the exercise of any votes or any other rights or privileges attaching to its Scheme Shares (including, without limitation, an authority to sign any consent to short notice of any general meeting of Industrials as attorney or agent for, and on behalf of, such Scheme Shareholder and/or to attend and/or to execute a form of proxy in respect of its Scheme Shares appointing any person nominated by Bidco and/or any one or more of its directors or agents to attend any general meetings of Industrials (or any adjournment thereof) and to exercise or refrain from exercising the votes attaching to the Scheme Shares on such Scheme Shareholder's behalf); and
 - (iii) authorises Industrials to send to Bidco (and/or its nominee(s)) any notice, circular, warrant or other document or communication which may be required to be sent to them as a member of Industrials in respect of such Scheme Shares, such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares.

2. Consideration for the transfer of the Scheme Shares

- (a) In consideration for the transfer of the Scheme Shares as provided in Clause 1 above, Bidco shall (subject to the remaining provisions of this Scheme) pay to, or shall procure that there shall be paid to or for the account of, the Scheme Shareholders (as appearing in the Register at the Scheme Record Time) 168 pence in cash for each Scheme Share held at the Scheme Record Time (subject to the currency conversion described in Clause 3 below in respect of Scheme Shareholders on the South African Register), provided that, if the Company declares, makes or pays a dividend and/or other distribution and/or return of capital after the Latest Practicable Date and on or before the Effective Date, the price per Scheme Share shall automatically be reduced by such amount payable by way of dividend and/or distribution and/or return of capital per Scheme Share (other than in circumstances where Bidco is permitted to increase the offer price per Scheme Share, in which case Bidco shall be entitled (but not obliged) to reduce the price per

Scheme Share by such amount payable by way of dividend and/or distribution and/or return of capital per Scheme Share). Any such reduction of the Cash Consideration shall not be regarded as constituting any revision or variation of the terms of the Scheme.

- (b) If the price per Scheme Share payable by Bidco is automatically reduced (or Bidco exercises its rights such that it is reduced) in accordance with Clause 2(a) 1 above by the amount of any dividend (or other distribution or return of capital):
 - (i) the Scheme Shareholders (appearing on the Register at the Scheme Record Time as determined by the directors of the Company) shall be entitled to receive and retain that dividend (or other distribution or return of capital) in respect of the Scheme Shares they hold;
 - (ii) any reference in this Scheme to the consideration payable under the Scheme shall be deemed a reference to the price per Scheme Share as so reduced; and
 - (iii) such reduction shall not require Bidco to provide notice to the Scheme Shareholders or the Company and shall not be regarded as constituting any revision or variation of the terms of this Scheme.
- (c) To the extent that any such dividend and/or other distribution and/or other return of capital is declared, made or paid in respect of Industrials Shares and is (i) transferred pursuant to the Acquisition on a basis which entitles Bidco to receive and retain the dividend and/or other distribution and/or other return of capital or (ii) cancelled, the Cash Consideration will not be subject to change in accordance with Clause 2(a).

3. Currency conversion

Each Scheme Shareholder registered on the South African Register will, as required, receive the Cash Consideration payable to them in Rand at the GBP/Rand Exchange Rate. The Cash Consideration in Rand and the GBP/Rand Exchange Rate will be communicated to Industrials Shareholders by an announcement on a Regulatory Information Service and on SENS on or shortly after Tuesday, 20 June 2023.

4. Settlement

- (a) As soon as practicable after the Effective Date, and save as otherwise set out in this Clause 4, in any event not more than 14 calendar days after the Effective Date (or such other period as may be approved by the Panel), Bidco shall:
 - (i) in the case of Scheme Shares which at the Scheme Record Time are held in certificated form and registered on the Guernsey Register, subject to Clause 4(g) below, despatch or procure the despatch of, to the persons entitled thereto or as they may direct, in accordance with the provisions of this Clause 4, cheques or electronic payment for the Cash Consideration payable to them respectively pursuant to Clause 2 of this Scheme;
 - (ii) in the case of Scheme Shares which at the Scheme Record Time are held in uncertificated form and registered on the Guernsey Register, subject to Clause 4(g) below, instruct Euroclear to create a CREST assured payment obligation in respect of the Cash Consideration payable to the persons entitled thereto in accordance with the CREST payment arrangements, provided that Bidco reserves the right to make payment of the Cash Consideration by cheque or electronic payment as described in Clause 4(a)(i) above if, for any reason, it wishes to do so;
 - (iii) in the case of Scheme Shares which at the Scheme Record Time are in dematerialised form and registered on the South African Register, subject to Clause 4(g) below, instruct (or procure the instruction of) STRATE and the South African Registrar (as applicable) to create a STRATE system assured payment obligation in respect of the Cash Consideration payable to the persons entitled thereto in accordance with the STRATE system assured payment arrangements; or

- (iv) in the case of Scheme Shares which at the Scheme Record Time are in certificated form and registered on the South African Register, subject to Clause 4(g) below, despatch or procure the despatch of, to the persons entitled thereto or as they may direct, in accordance with the provisions of this Clause 4, electronic payment for the Cash Consideration payable to them respectively pursuant to Clause 2 of this Scheme.
- (b) As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST or STRATE shall be disabled and all Scheme Shares shall be removed from CREST in due course.
- (c) All deliveries of notices and cheques required to be made pursuant to this Scheme shall be effected by posting the same by first class post (or by such other method as may be approved by the Panel) addressed to the persons entitled thereto at their respective addresses as appearing in the Register at the Scheme Record Time (or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in the said register in respect of such joint holding at such time).
- (d) None of Industrials, Bidco or their respective agents or the Registrars shall be responsible for any loss or delay in the transmission of any notice, certificate, cheque or payment sent in accordance with this Clause 4 which shall be sent at the risk of the person entitled to it.
- (e) All Cash Consideration due to Scheme Shareholders registered on the Guernsey Register shall be paid in pounds sterling and, in the case of a cheque, drawn on a UK clearing bank, or by electronic payment to their mandated bank or building society account as recorded by the Guernsey Registrar.
- (f) In respect of Scheme Shareholders registered on the Guernsey Register, subject to Clause 4(g) below, all cheques shall be made payable to the holder (except that, in the case of joint holders, Bidco reserves the right to make cheques payable to the joint holder whose name stands first in the Register in respect of such joint holding at the Scheme Record Time) and the encashment of any such cheque shall be a complete discharge to Bidco for the obligation to pay the monies represented thereby. In respect of payments made through CREST or the STRATE system, Bidco shall instruct (or procure the instruction of) Euroclear or STRATE (as applicable) such that an assured payment obligation is credited in accordance with the CREST or the STRATE system (as the case may be) assured payment arrangements. The instruction of Euroclear or STRATE (as applicable) shall be a complete discharge of Bidco's obligations under this Scheme with reference to payments made through CREST or the STRATE system.
- (g) No cheques will be issued or paid to (i) Scheme Shareholders who hold their shares in certificated form and have a registered address on the Guernsey Register in South Africa, (ii) Scheme Shareholders who hold their Scheme Shares in certificated form on the South African Register or (iii) any other Scheme Shareholder who holds their shares in certificated form where the Company and/or either of the Registrars has identified a verification issue with the information provided for that Scheme Shareholder or any underlying beneficial holders, where the information is required for the purpose of payment of the Cash Consideration to the Scheme Shareholder, which needs to be addressed before payment of the Cash Consideration to such Scheme Shareholder can be made. In all of these circumstances, payment will be made by way of electronic payment, where the Company and/or the Registrars are satisfied as to the validity of the information provided. In addition and without prejudice to the foregoing, no electronic payment shall be made to any Scheme Shareholder where the Company and/or the Registrars have been unable to validate the electronic payment details to the satisfaction of the Company and/or the Registrars. The Registrars shall also have the power to withhold any Cash Consideration payable to any Scheme Shareholder where either the Company and/or either of the Registrars believe that there is a verification issue with the information provided for that Scheme Shareholder or any underlying beneficial holders, where the information is required for the purpose of payment of the Cash Consideration to the Scheme Shareholder.
- (h) The Cash Consideration withheld by the Registrars pursuant to Clause 4(g) above will be held in trust by the Registrars on behalf of such Scheme Shareholder for a period of twelve years from the Effective Date, after which time if it remains unclaimed for any reason the Cash Consideration will be forfeited and cease to remain owing by Bidco or Industrials (or the Registrars) and shall

thenceforth belong to Bidco absolutely (with any interest accruing for the benefit of Bidco). For the avoidance of doubt, no interest will accrue for the benefit of Scheme Shareholders on the Cash Consideration.

- (i) In the case of any Scheme Shares issued or transferred under the Industrials Share Plans after the Court Hearing and before the Scheme Record Time, Bidco may satisfy the consideration due to the relevant Scheme Shareholders under Clause 2 by the payment to the Company of the aggregate consideration no later than 14 days after the Effective Date and the Company will procure that any such sums paid to it are paid to the relevant Scheme Shareholders as soon as practicable and, save for as set out in Clause 4(g) above, in any event no later than 14 days after the Effective Date, such payment to be made after deduction of any amounts required to be paid by the Scheme Shareholders to the Company on exercise of options and the relevant Scheme Shareholders' employing company to any relevant tax authority in respect of applicable income tax and social security contributions for which the relevant Scheme Shareholders are liable arising on the receipt of such Scheme Shares by such Scheme Shareholders under the Industrials Share Plans.
- (j) Subject to the verification process as mentioned in Clause 4(g) above, all payments made by way of electronic transfer as authorised or permitted under the terms of this Scheme shall be paid to the Scheme Shareholder concerned using the account details indicated in the standing electronic payment mandate set up by such Scheme Shareholder with the Registrars and the transfer of such amount by way of electronic transfer shall be a complete discharge to Bidco for the monies represented thereby.
- (k) The provisions of this Clause 4 shall be subject to any prohibition or condition imposed by law.

5. Certificates and Cancellations

With effect from and including the Effective Date:

- (i) Scheme Shareholders shall, in accordance with this Scheme, cease to have any rights with respect to the Scheme Shares, except the right to receive the consideration determined as set out in Clause 2;
- (ii) all certificates representing Scheme Shares shall cease to be valid as documents of title to the shares represented thereby and every holder thereof shall be bound at the request of Industrials to deliver up the same to Industrials to receive such certificates, or, as it may direct to destroy the same;
- (iii) in respect of those Scheme Shareholders holding Scheme Shares in uncertificated or dematerialised form, Euroclear shall be instructed to cancel or transfer such holders' entitlements to such Scheme Shares and STRATE shall be instructed to cancel the entitlements of Scheme Shareholders to Scheme Shares held in dematerialised form;
- (iv) following the cancellation of entitlements to Scheme Shares held by Scheme Shareholders in uncertificated or dematerialised form, the Registrars shall be authorised to rematerialise entitlements to such Scheme Shares; and
- (v) as regards all certificated Scheme Shares, appropriate entries will be made in the Register to reflect their transfer of Scheme Shares to Bidco.

6. Mandates

Save as required in relation to the settlement of consideration pursuant to the terms of the Scheme, all mandates and other instructions given to Industrials by Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

7. The Effective Date

- (a) This Scheme shall become Effective at the time that a copy of the order of the Court sanctioning this Scheme pursuant to Part VIII of the Companies Law at the Court Hearing is delivered to the Guernsey Registry.

- (b) Unless this Scheme shall become Effective before midnight on the Long Stop Date or such later date if any as Industrials and Bidco may agree and the Court and the Panel may allow, this Scheme shall never become Effective.

8. Modification

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

9. Governing Law

This Scheme is governed by the Guernsey law and is subject to the exclusive jurisdiction of the Court. The rules of the Takeover Code will, so far as they are appropriate, apply to this Scheme.

Date: 9 May 2023

PART 4

CONDITIONS AND FURTHER TERMS OF THE SCHEME AND THE ACQUISITION

Part A: Conditions to the Scheme and the Acquisition

The Acquisition shall be conditional upon the Scheme becoming unconditional and effective in accordance with the terms, subject to the Takeover Code, by not later than 11.59 pm (London time) on the Long Stop Date or such later date as Bidco and Industrials may, with the consent of the Panel, agree and (if required) the Court may allow.

1. The Scheme shall be subject to the following conditions:

1.1.

- (i) its approval by a majority in number of the Scheme Shareholders who are on the register of members of Industrials at the Scheme Voting Record Time and in each case present, entitled to vote and voting, whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required (or any adjournment thereof) and who represent 75 per cent. or more of the votes cast by those Scheme Shareholders at each such meeting; and
- (ii) the Court Meeting (and any separate class meeting which may be required) being held on or before the 22nd day after the expected date of such meeting as set out in the Scheme Document (or such later date as may be agreed by Bidco and Industrials and (if required) the Court may allow);

1.2.

- (i) the resolutions required to implement the Scheme as set out in the notice of the General Meeting being duly passed by Industrials Shareholders representing 75 per cent. or more of votes cast at the General Meeting (or any adjournment thereof); and
- (ii) such General Meeting being held on or before the 22nd day after the expected date of such meeting as set out in the Scheme Document (or such later date as may be agreed by Bidco and Industrials); and

1.3.

- (i) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Industrials and Bidco); and
- (ii) the Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing as set out in the Scheme Document (or such later date as may be agreed by Bidco and Industrials and (if required) the Court may allow).

2. In addition, subject as stated in Part B below and to the requirements of the Panel, the Acquisition shall be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme effective will not be taken unless such Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

Notifications, Waiting periods and Authorisations

(a) Excluding in relation to the matters referred to in Condition 2(b):

- (i) all material filings, applications and/or material notifications which are necessary under applicable legislation or regulation, in connection with the Acquisition, of any relevant jurisdiction having been made;

- (ii) all necessary waiting periods and other time periods (including any extensions thereof) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated; and
- (iii) all applicable statutory or regulatory obligations in any jurisdiction having been materially complied with in each case in respect of the Acquisition or other acquisition of any shares or other securities in, or control or management of, Industrials or any member of the Wider Industrials Group by any member of the Wider Bidco Group or (except as Disclosed) the carrying on by any member of the Wider Industrials Group of its business;

Antitrust

- (b) either:
 - (i) the CMA deciding, on terms reasonably satisfactory to Bidco, following a Phase 1 Investigation, that it does not intend to make a Phase 2 Reference; or
 - (ii) as at the date on which all other Conditions (with the exception of the sanction of the Scheme pursuant to paragraph 1.3(i) above) are satisfied or waived the CMA's position as most recently communicated to Bidco being that it has no further questions in respect of the CMA Briefing Paper;

General antitrust and regulatory

- (c) excluding in relation to the matters referred to in Condition 2(b), no antitrust regulator or Third Party having given notice of a decision to take, institute or implement any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed to enact or make any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to, in any case to an extent or in a manner which is or would be material in the context of the Wider Industrials Group taken as a whole:
 - (i) require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider Bidco Group or by any member of the Wider Industrials Group of all or any part of its businesses, assets or property or, other than in respect of any requirement imposed by the CMA, impose any material limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof);
 - (ii) require any member of the Wider Bidco Group or the Wider Industrials Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Industrials Group or any asset owned by any Third Party (other than in the implementation of the Acquisition);
 - (iii) other than in respect of any requirement imposed by the CMA, impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Bidco Group directly or indirectly to acquire, hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Industrials or on the ability of any member of the Wider Industrials Group or any member of the Wider Bidco Group directly or indirectly to hold or exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise voting or management control over, any member of the Wider Industrials Group;
 - (iv) other than in respect of any requirement imposed by the CMA, otherwise adversely affect any or all of the business, assets or profits of any member of the Wider Industrials Group or any member of the Wider Bidco Group;

- (v) other than in respect of any requirement imposed by the CMA, result in any member of the Wider Industrials Group or any member of the Wider Bidco Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (vi) make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Industrials by any member of the Wider Bidco Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or, other than in respect of any requirement imposed by the CMA, otherwise directly or indirectly materially prevent or prohibit, restrict, restrain, impede, challenge or delay or otherwise or otherwise interfere with the implementation of, or impose material additional conditions or obligations with respect to, or otherwise materially challenge, impede, interfere or require material amendment of the Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Industrials by any member of the Wider Bidco Group;
- (vii) other than in respect of any requirement imposed by the CMA, require, prevent or materially delay a divestiture by any member of the Wider Bidco Group of any shares or other securities (or the equivalent) in any member of the Wider Industrials Group or any member of the Wider Bidco Group; or
- (viii) other than in respect of any requirement imposed by the CMA, impose any limitation on the ability of any member of the Wider Bidco Group or any member of the Wider Industrials Group to conduct, integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the Wider Bidco Group and/or the Wider Industrials Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such antitrust regulator, other than the CMA, or Third Party could decide to take, institute, or implement any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Industrials or any other member of the Wider Industrials Group by any member of the Wider Bidco Group or otherwise intervene having expired, lapsed or been terminated;

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

- (d) except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider Industrials Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Acquisition or the acquisition or proposed acquisition by any member of the Wider Bidco Group of any shares or other securities (or the equivalent) in Industrials, could or might reasonably be expected to result in, in each case to an extent which is material in the context of the Wider Industrials Group taken as a whole:
 - (i) any monies borrowed by, or any other indebtedness, actual or contingent, of, or any grant available to, any member of the Wider Industrials Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
 - (ii) the creation, save in the ordinary and usual course of business, or enforcement of any mortgage, charge, encumbrance or other security interest over the whole or any material part of the business, property or assets of any member of the Wider Industrials Group or any such mortgage, encumbrance, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;

- (iii) any material arrangement, agreement, lease, licence, franchise, permit or other instrument being terminated or any material rights, liabilities, obligations or interests of any member of the Wider Industrials Group being adversely modified or adversely affected or any onerous obligation or liability arising or any adverse action being taken or arising thereunder;
- (iv) any liability of any member of the Wider Industrials Group to make any severance, termination, bonus or other payment to any of its directors or other officers other than in the ordinary course of business;
- (v) the interest or business of any such member of the Wider Industrials Group in or with any other person, firm or company (or any agreements or arrangements relating to such interest or business) being or becoming capable of being terminated or adversely modified or affected;
- (vi) any member of the Wider Industrials Group, which is material in the context of the Wider Industrials Group taken as a whole, ceasing to be able to carry on business under any name under which it presently carries on business;
- (vii) the value of, or the financial or trading position or prospects of, any member of the Wider Industrials Group being prejudiced or adversely affected;
- (viii) any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider Industrials Group being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider Industrials Group other than in the ordinary course of business; or
- (ix) the creation or acceleration of any material liability (actual or contingent) of any member of the Wider Industrials Group (including any material tax liability or any obligation to obtain or acquire any material Authorisation, notice, waiver, concession, agreement or exemption from any Third Party or any person) other than trade creditors or other liabilities incurred in the ordinary course of business or in connection with the Acquisition,

and no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Industrials Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in Conditions 2(d)(i) to (ix) above, in each case to the extent material in the context of the Wider Industrials Group taken as a whole;

Certain events occurring since 30 September 2022

- (e) except as Disclosed, no member of the Wider Industrials Group having since 30 September 2022:
 - (i) issued or agreed to issue, or authorised or proposed or announced its intention to authorise or propose the issue, of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold, or agreed to transfer or sell or authorised or proposed the transfer or sale of, Industrials Shares out of treasury (except, where relevant, as between Industrials and wholly owned subsidiaries of Industrials or between the wholly owned subsidiaries of Industrials and except for the issue or transfer out of treasury of Industrials Shares on the exercise of employee share options or vesting of employee share awards or appropriation or other transfer of Industrials Shares in the ordinary course under the Industrials Share Plans or in accordance with the terms of the Co-Operation Agreement);
 - (ii) recommended, declared, paid or made or proposed or agreed to recommend, declare, pay or make any bonus, dividend or other distribution (whether payable in

cash or otherwise) other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly owned subsidiary of Industrials to Industrials or any of its wholly owned subsidiaries;

- (iii) other than pursuant to the Acquisition and except for transactions between Industrials and its wholly owned subsidiaries or between the wholly owned subsidiaries of Industrials, and transactions in the ordinary course of business, implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment or acquisition or disposal of assets or shares or loan capital (or the equivalent thereof) in any undertaking or undertakings in any such case to an extent which is material in the context of the Wider Industrials Group taken as a whole;
- (iv) other than in the ordinary course of business and except for transactions between Industrials and its wholly owned subsidiaries, or between the wholly owned subsidiaries of Industrials, disposed of, or transferred, mortgaged, encumbered or created any security interest over, any material asset or any right, title or interest in any asset or authorised, proposed or announced any intention to do so; in each case to the extent which is material in the context of the Wider Industrials Group taken as a whole;
- (v) other than in the ordinary course of business and except for transactions between Industrials and its wholly owned subsidiaries or between the wholly owned subsidiaries of Industrials, issued, authorised or proposed or announced an intention to authorise or propose the issue of or made any change in or to the terms of any debentures or become subject to any contingent liability or incurred or increased any indebtedness, in each case which is material in the context of the Wider Industrials Group as a whole;
- (vi) entered into or varied or authorised, proposed or announced its intention to enter into or vary any material contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise), except in the ordinary course of business which: (i) is of a long term, unusual or onerous nature or magnitude; or (ii) is reasonably likely to be materially restrictive on the business of any member of the Wider Industrials Group which in any such case is material and adverse in the context of the Wider Industrials Group taken as a whole;
- (vii) entered into or varied to a material extent the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of any contract, service agreement, commitment or arrangement with any director or senior executive of any member of the Wider Industrials Group, except for (in each case) salary increases, bonuses or variations of terms in the ordinary course or as a result of a promotion;
- (viii) entered into any licence or other disposal of intellectual property rights of any member of the Wider Industrials Group which are material in the context of the Wider Industrials Group taken as a whole and outside the ordinary course of business;
- (ix) proposed, agreed to provide or modified in any material respect the terms of any of the Industrials Share Plans, incentive scheme or other benefit relating to the employment or termination of employment of any employee of the Wider Industrials Group;
- (x) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, except in respect of the matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital;
- (xi) except in the ordinary course of business, waived, compromised or settled any claim which is material in the context of the Wider Industrials Group taken as a whole;

- (xii) terminated or varied the terms of any agreement or arrangement between any member of the Wider Industrials Group and any other person in a manner which would or might reasonably be expected to be materially adverse to the Wider Industrials Group taken as a whole;
- (xiii) except in relation to changes made or agreed as a result of, or arising from, changes to legislation, made or agreed or consented to any significant change to:
 - (a) the terms of the trust deeds, rules, policy or other governing documents constituting the pension scheme(s) or other retirement or death benefit arrangement established by any member of the Wider Industrials Group for its directors, former directors, employees, former employees or their dependents;
 - (b) the contributions payable to any such scheme(s) or arrangement(s) or to the benefits which accrue, or to the pensions which are payable, thereunder;
 - (c) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - (d) the basis upon which the liabilities (including pensions) of such pension schemes or arrangements are funded, valued, made, agreed or consented to;
- (xiv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider Industrials Group taken as a whole;
- (xv) (other than in respect of a member of the Wider Industrials Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed in each case as would have a material adverse effect on the financial position of the Wider Industrials Group taken as a whole;
- (xvi) except for transactions between Industrials and its wholly owned subsidiaries or between the wholly owned subsidiaries of Industrials, made, authorised, proposed or announced an intention to propose any change in its loan capital which is material in the context of the Wider Industrials Group taken as a whole;
- (xvii) other than with the consent of Bidco, taken (agreed or proposed to take) any action that requires, or would require, the consent of the Panel or the approval of Industrials Shareholders in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code;
- (xviii) other than in the ordinary course of business, entered into, implemented or authorised the entry into any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement or merger of business or corporate entities which is material in the context of the Wider Industrials Group taken as a whole;

- (xix) entered into any contract, transaction or arrangement which would be materially restrictive on the business of any member of the Wider Industrials Group or the Wider Bidco Group other than of a nature and to an extent which is normal in the context of the business concerned and which in any case is not material in the context of the Wider Industrials Group taken as a whole;
- (xx) made any alterations to its memorandum or articles of incorporation or other incorporation documents (in each case, other than in connection with the Acquisition); or
- (xxi) entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or proposed to, effect any of the transactions, matters or events referred to in this Condition 2(e);

No adverse change, litigation or similar

- (f) except as Disclosed, since 30 September 2022 there having been:
 - (i) no adverse change and no circumstance having arisen which would reasonably be expected to result in any adverse change in the business, assets, financial or trading position or profits or operational performance of any member of the Wider Industrials Group which is material in the context of the Wider Industrials Group taken as a whole;
 - (ii) other than pursuant to the Acquisition, no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against (and in each case, not having been withdrawn and/or resolved) or in respect of any member of the Wider Industrials Group or to which any member of the Wider Industrials Group is or may become a party (whether as claimant, defendant or otherwise), in each case which is or might be expected to have a material adverse effect on the Wider Industrials Group taken as a whole;
 - (iii) no enquiry, review, investigation or enforcement proceedings by, or complaint or reference to, any Third Party or other investigative body, other than the CMA, having been threatened, announced, instituted or remaining outstanding by, against (and in each case, not having been withdrawn and/or resolved) or in respect of any member of the Wider Industrials Group, in each case which is or might be expected to have a material adverse effect on the Wider Industrials Group taken as a whole;
 - (iv) other than in the ordinary course of business, no contingent or other liability having arisen, materially increased or become apparent which is reasonably likely to affect adversely the business, assets, financial or trading position or profits or operational performance of any member of the Wider Industrials Group to an extent which is material in the context of the Wider Industrials Group taken as a whole;
 - (v) no member of the Wider Industrials Group having conducted its business in material breach of applicable laws and regulations and which is material in the context of the Wider Industrials Group as a whole; and
 - (vi) no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Industrials Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material and reasonably likely to have a material adverse effect on the Wider Industrials Group taken as a whole;

No discovery of certain matters regarding information, liabilities and environmental issues

- (g) except as Disclosed, Bidco not having discovered, in each case to an extent which is material in the context of the Wider Industrials Group taken as a whole, that:
 - (i) any financial, business or other information concerning the Wider Industrials Group publicly announced prior to the date of the Announcement is misleading, contains a misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading where the relevant information has not subsequently been corrected prior to the date of the Announcement by disclosure, either publicly or otherwise to any member of the Wider Bidco Group;
 - (ii) that since 30 September 2022, any member of the Wider Industrials Group (or partnership, company or other entity in which any member of the Wider Industrials Group has a Significant Interest and which is not a subsidiary undertaking of Industrials) is subject to any liability, contingent or otherwise;
 - (iii) any past or present member of the Wider Industrials Group has not complied in any material respect with all applicable legislation, regulations or other requirements of any jurisdiction or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including property) or harm human or animal health or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider Industrials Group;
 - (iv) there has been a material disposal, discharge, spillage, accumulation, release, leak, emission or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or any substance likely to impair the environment (including any property) or harm human or animal health which (whether or not giving rise to non-compliance with any law or regulation), would be likely to give rise to any material liability (whether actual or contingent) on the part of any member of the Wider Industrials Group;
 - (v) there is or is reasonably likely to be any obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, reinstate or clean up any property, asset or any controlled waters currently or previously owned, occupied, operated or made use of or controlled by any past or present member of the Wider Industrials Group (or on its behalf), or in which any such member may have or previously have had or be deemed to have had an interest, under any environmental legislation, common law, regulation, notice, circular, Authorisation or order of any Third Party in any jurisdiction or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto;
 - (vi) circumstances exist (whether as a result of making the Acquisition or otherwise) which would be reasonably likely to lead to any Third Party instituting (or whereby any member of the Wider Industrials Group would be likely to be required to institute) an environmental audit or take any steps which would in any such case be reasonably likely to result in any actual or contingent liability to improve or install new plant or equipment or to make good, repair, reinstate or clean up any property of any description or any asset now or previously owned, occupied or made use of by any past or present member of the Wider Industrials Group (or on its behalf) or by any person for which a member of the Wider Industrials Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest; or

- (vii) any circumstance has arisen or event has occurred in relation to any intellectual property owned or used by any member of the Wider Industrials Group, including (A) any member of the Wider Industrials Group losing its title to any intellectual property material to the Wider Industrials Group taken as a whole, or any intellectual property owned by the Wider Industrials Group and material to the Wider Industrials Group taken as a whole being revoked, cancelled or declared invalid; (B) any claim being asserted in writing or threatened in writing by any person challenging the ownership of any member of the Wider Industrials Group to, or the validity or effectiveness of, any intellectual property of the Wider Industrials Group that is material to the Wider Industrials Group taken as a whole; or (C) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Industrials Group, that is material to the Wider Industrials Group taken as a whole, being terminated or varied;

Anti-corruption

- (h) except as Disclosed, Bidco not having discovered, in each case to an extent which is material in the context of the Wider Industrials Group taken as a whole, that:
 - (i) any member of the Wider Industrials Group or any person that performs or has performed services for or on behalf of any such company is or has engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977, as amended, or any other applicable anti-corruption legislation applicable to the Wider Industrials Group;
 - (ii) any member of the Wider Industrials Group is ineligible to be awarded any contract or business under section 23 of the Public Contracts Regulations 2006 or section 26 of the Utilities Contracts Regulations (2006) (each as amended);
 - (iii) any past or present member, director, officer, employee, agent, consultant or designated representative of the Wider Industrials Group is or has engaged in any activity or business with, or made any investments in, or made any funds or assets available to or received any funds or assets from: (A) any government, entity or individual targeted by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective member states) or the United States; or (B) any government, entity or individual in respect of which US or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by the United States or European Union laws or regulations, including the economic sanctions administered by Her Majesty's Treasury; or
 - (iv) a member of the Industrials Group has engaged in any transaction which would cause any member of the Wider Bidco Group to be in breach of any applicable economic sanctions laws upon its acquisition of Industrials, including the economic sanctions of the United States Office of Foreign Assets Control or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the European Union or any of its member states; or
 - (v) any member, director, officer or employee of the Wider Industrials Group, or any other person for who any such person may be liable or responsible: (A) has engaged in conduct which would violate any relevant anti-terrorism laws, rules, or regulations, including but not limited to the U.S. Anti-Terrorism Act; (B) has engaged in conduct which would violate any relevant anti-boycott law, rule or regulation or any applicable export controls, including but not limited to the Export Administration Regulations administered and enforced by the U.S. Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the U.S. Department of State; (C) has engaged in conduct which would violate any relevant laws rules, or regulations concerning human rights, including but not limited to any law, rule, or regulation concerning false imprisonment, torture or other cruel and unusual punishment, or child labour; or (D) is debarred or otherwise rendered

ineligible to bid for or to perform contracts for or with any government, governmental instrumentality, or international organisation or found to have violated any applicable law, rule, or regulation concerning government contracting or public procurement; or

No criminal property

- (i) except as Disclosed, Bidco not having discovered that any asset of any member of the Wider Industrials Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition) or proceeds of crime under any applicable law, rule or regulation concerning money laundering or proceeds of crime or any member of the Wider Industrials Group is found to have engaged in activities constituting money laundering under any applicable law, rule or regulation concerning money laundering.

Part B: Certain further terms of the Acquisition

1. Subject to the requirements of the Panel in accordance with the Takeover Code, Bidco reserves the right in its sole discretion to waive:
 - (i) the deadlines set out in any of the Conditions set out in Condition 1 of Part A above for the timing of the Court Meeting, General Meeting and the Court Hearing. If any such deadline is not met, Bidco shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked or waived the relevant Condition or agreed with Industrials to extend the deadline in relation to the relevant Condition; and
 - (ii) in whole or in part, all or any of Conditions listed in Part A above, except for Conditions 1.1(i), 1.2(i) and 1.3(i) which cannot be waived.
2. Conditions 2(a) to (g) (inclusive) must each be fulfilled, determined by Bidco to be or to remain satisfied or (if capable of waiver) be waived by Bidco by no later than 11.59 pm on the date immediately preceding the date of the Court Hearing (or any adjournment thereof), failing which the Acquisition will lapse. Bidco shall be under no obligation to waive or treat as satisfied any of the Conditions that it is entitled (with the consent of the Panel) to invoke, by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
3. Under Rule 13.5(a) of the Takeover Code, Bidco may only invoke a Condition to the Acquisition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise. The Conditions contained in paragraph 1 of Part A of this Part and, if applicable, any acceptance condition if the Acquisition is implemented by means of a Takeover Offer, are not subject to this provision of the Takeover Code. Any Condition that is subject to Rule 13.5(a) of the Takeover Code may be waived by Bidco.
4. Under Rule 13.6 of the Takeover Code, Industrials may not invoke, or cause or permit Bidco to invoke, a Condition unless the circumstances which give rise to the right to invoke the Condition are of material significance to Industrials Shareholders in the context of the Acquisition.
5. If Bidco is required by the Panel to make an offer for Industrials Shares under the provisions of Rule 9 of the Takeover Code, Bidco may make such alterations to any of the above Conditions and terms of the Acquisition as are necessary to comply with the provisions of that Rule.
6. Bidco shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of Conditions 2(a) to (g) (inclusive) of Part A above by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
7. The Industrials Shares to be acquired under the Acquisition shall be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights attaching or accruing to them after the Scheme becomes effective in accordance with its terms, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, on or after the Effective Date.
8. If, on or after the date of the Announcement, any dividend and/or other distribution and/or other return of capital is declared, paid or made or becomes payable by Industrials in respect of the Industrials Shares (in each case with a record date prior to the Effective Date), (without prejudice to any right of Bidco, with the consent of the Panel, to invoke Condition 2(e)(ii) in Part A above) the Cash Consideration will automatically be reduced by the amount equal to such dividend

and/or distribution and/or other return of capital and accordingly reduce the consideration payable under the terms of the Acquisition (other than in circumstances where Bidco is permitted to increase the Final Offer Price, in which case the Cash Consideration shall not automatically be reduced, but Bidco reserves the right to elect to reduce the Cash Consideration by such amount). Where the Cash Consideration is so reduced, the relevant eligible Industrials Shareholders will be entitled to receive and retain such dividend and/or distribution and/or other return of capital declared, paid or made and any reference in the Announcement to the consideration payable under the terms of the Acquisition shall be deemed to be a reference to the consideration as so reduced.

To the extent that such a dividend and/or other distribution and/or other return of capital has been declared, paid, made or is payable, and is or shall be: (i) transferred pursuant to the Acquisition on a basis which entitles Bidco to receive the dividend or distribution and to retain it; or (ii) cancelled, the consideration payable under the terms of the Acquisition shall not be subject to change in accordance with this paragraph.

Furthermore, Bidco reserves the right to reduce the consideration payable under the Acquisition in respect of the Industrials Shares in such circumstances as are, and by such amount as is, permitted by the Panel.

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

9. Bidco reserves the right to elect to implement the Acquisition by way of a Takeover Offer (a "**Switch**") as an alternative to the Scheme (subject to the Panel's consent and the terms of the Co-Operation Agreement). In the event of a Switch, the acceptance condition that will apply to the Takeover Offer shall be determined by Bidco and, in the event of a Switch agreed with Industrials, shall be set at 90 per cent. of the Industrials Shares or such lesser percentage as may be agreed between Bidco and Industrials in writing after (to the extent necessary) consultation with the Panel, in each case being more than 50 per cent. of the Industrials Shares, and Bidco shall ensure that the only conditions of the Takeover Offer shall be the conditions set out in Part A of Part 4 in this document (subject to replacing Condition 1 therein with the acceptance condition referred to above). In all other respects, in the event of a Switch, the Acquisition shall be implemented on substantially the same terms, so far as applicable, as those which would apply to a Scheme, subject to appropriate modifications or amendments which may be required by the Panel or which are necessary as a result of such Switch.
10. The availability of the Acquisition to persons not resident in the United Kingdom, South Africa or Guernsey may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom, South Africa or Guernsey should inform themselves about and observe any applicable requirements.
11. The Acquisition is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any jurisdiction where to do so would violate the laws of that jurisdiction.
12. The Scheme will be governed by the laws of Guernsey and be subject to the jurisdiction of the Court and to the conditions and further terms set out in this document. The Acquisition will also be subject to the applicable requirements of the Companies Law, the Court, the Financial Conduct Authority, the London Stock Exchange, the Johannesburg Stock Exchange, the Panel, the Takeover Code, the Listing Rules and the JSE Listings Requirements.

Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

PART 5

INFORMATION ON THE INDUSTRIALS GROUP

1. General Information

Industrials was incorporated as a company limited by shares with the name GoGlobal Properties Limited and registered in Bermuda on 26 October 2012 with registration number 47031. On 2 October 2014, it changed its name to Stenprop Limited. On 23 March 2018, Industrials migrated to Guernsey and was registered in Guernsey as a non-cellular company limited by shares with registered number 64865. Industrials converted to a UK REIT on 1 May 2018. On 21 September 2021, Industrials changed its name to Industrials REIT Limited.

Industrials' registered office is Kingsway House, Havilland Street, St Peter Port, Guernsey, GY1 2QE, its telephone number is +44 (0) 20 3918 6600, its LEI number is 5493004JYL71EMLTB211 and its website is www.industrialsreit.com. Except as referred to in paragraph 2 of this Part 5, the contents of Industrials' website do not form part of this document. The principal legislation under which Industrials operates is the Companies Law.

2. Financial Information

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

- the audited accounts of Industrials for the financial year ended 31 March 2022 are set out on pages 122 to 177 (both inclusive) of Industrials' Annual Report and Accounts 2022 available from Industrials' website at www.industrialsreit.com;
- the audited accounts of Industrials for the financial year ended 31 March 2021 are set out on pages 113 to 169 (both inclusive) of Industrials' Annual Report and Accounts 2021 available from Industrials' website at www.industrialsreit.com; and
- the unaudited interim condensed consolidated financial statements of Industrials for the six months ended 30 September 2022 are set out on pages 9 to 32 (both inclusive) of Industrials' Interim Report 2022 available from Industrials' website at www.industrialsreit.com.

The Company will provide, without charge to each person to whom a copy of this document has been delivered, upon the oral or written request of such person pursuant to the instructions as set out on page 10 in section Right to Receive Copies in Hard Form, a hard copy of any or all of the documents which are incorporated by reference herein as soon as possible and in any event within two business days of the receipt of such request. Hard copies of any documents or information incorporated by reference into this document will not be provided unless such a request is made.

3. Ratings

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

PART 6

INFORMATION ON BIDCO

1. General Information

Bidco was established on 24 March 2023 in Jersey with limited partnership number 4158. Bidco's principal place of business and registered office is 22 Grenville Street, St. Helier, JE4 8PX, Jersey. The principal legislation under which Bidco operates is the Limited Partnerships (Jersey) Law 1994.

2. Financial Information

Bidco is newly established for the purposes of the Acquisition and as such there is no financial information available or published in respect of Bidco.

Bidco has no material assets or liabilities, in each case other than those described in this document in connection with the Acquisition. Following the Scheme becoming Effective, the earnings, assets and liabilities of Bidco will include the consolidated earnings, assets and liabilities of the Industrials Group on the Effective Date.

3. Ratings

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

4. Capital

Pursuant to the limited partnership agreement in respect of Bidco:

- the general partner of Bidco is not required to contribute capital cash, its contributions to the partnership being its services pursuant to the limited partnership agreement; and
- Sussex Holdco LP, as the sole limited partner of Bidco, must when called for in writing by the general partner, contribute by way of initial capital contribution the sum of £10.00 in cash.

PART 7

ADDITIONAL INFORMATION

1. Responsibility

- (a) The Industrials Directors, whose names are set out in paragraph 2 of this Part 7, accept responsibility for all the information contained in this document (including any expressions of opinion and all information in respect of the Industrials Group which has been incorporated by reference into this document), except for that information for which the Bidco Directors and/or the Blackstone Responsible Persons accept responsibility in accordance with paragraph 1(b) and/or 1(d) below. To the best of the knowledge and belief of the Industrials Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (b) The Bidco Directors, whose names are set out in paragraph 2 of this Part 7, accept responsibility for:
- (i) the information contained in this document relating to Bidco, the Bidco Directors, their close relatives, related trusts and other connected persons and persons acting in concert with Bidco (as such term is used in the Takeover Code) (including all information in respect of those parties which has been incorporated by reference into this document);
 - (ii) the statements of intention of Bidco; and
 - (iii) the opinions of the Bidco Directors.
- (c) To the best of the knowledge and belief of the Bidco Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of that information.
- (d) The Blackstone Responsible Persons, whose names are set out in paragraph 2(f) of this Part 7, accept responsibility for the information contained in this document relating to them, and their close relatives, related trusts and other connected persons)), Bidco, Blackstone, and the Blackstone Funds (including all information in respect of those parties which has been incorporated by reference into this document). To the best of the knowledge and belief of the Blackstone Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of that information.

2. Directors

- (a) The Industrials Directors and their respective functions are:

Paul Arenson	Executive Director
James Beaumont	Executive Director
Julian Carey	Executive Director
Richard Grant	Independent Non-Executive Chairman
Paul Miller	Senior Independent Non-Executive Director
Philip Holland	Independent Non-Executive Director
Patsy Watson	Non-Executive Director
Richard Smith	Independent Non-Executive Director
Louisa Bell	Independent Non-Executive Director

- (b) The registered office of Industrials, which is also the business address of each of the Industrials Directors, is Kingsway House, Havilland Street, St Peter Port, GY1 2QE, Guernsey.
- (c) The Bidco Directors and their respective functions are:
- | | |
|--------------|----------|
| Samir Amichi | Director |
| Peter Krause | Director |
- (d) The registered office of Bidco, which is also the business address of each of the Bidco's Directors, is 22 Grenville Street, St Helier, JE4 8PX, Jersey.
- (e) The registered office of Blackstone, which is also the business address of each of the Blackstone Responsible Persons, is 345 Park Avenue, NY, 10154, New York, United States.
- (f) The Blackstone Responsible Persons and their respective functions are:
- | | |
|-------------------|---|
| Kenneth Caplan | Global Co-Head of Blackstone Real Estate |
| Kathleen McCarthy | Global Co-Head of Blackstone Real Estate |
| Anthony Myers | Chairman of Blackstone Real Estate Europe |
| James Seppala | Head of Blackstone Real Estate Europe |
| Samir Amichi | Head of Blackstone Real Estate Acquisitions Europe |
| Farhad Karim | Global General Counsel of Blackstone Real Estate and Chief Operating Officer of Blackstone Real Estate Europe |

3. Disclosure of interests and dealings

For the purposes of this paragraph 3:

"**acting in concert**" has the meaning given to it in the Takeover Code;

"**arrangement**" has the meaning given to it in Note 11 to the definition of "acting in concert" set out in the Takeover Code;

"**close relatives**" has the meaning given to it in the Takeover Code;

"**dealing**" has the meaning given to it in the Takeover Code;

"**derivative**" has the meaning given to it in the Takeover Code;

"**Disclosure Date**" means the close of business on 3 May 2023, being the latest practicable date prior to the publication of this document;

"**Disclosure Period**" means the period commencing on 3 April 2022, being the date 12 months before the commencement of the Offer Period, and ending on the Disclosure Date; and

"**Interested Persons**" means, in relation to a director, other persons (including, without limitation, bodies corporate) whose interests that director is taken as having by virtue of the application of Part 22 of the Companies Act 2006;

"**relevant securities**" means (i) the Industrials Shares, (ii) the Bidco Partnership Interests and (iii) securities convertible into, rights to subscribe for, options (including traded options) in respect of and derivatives referenced to the Industrials Shares and the Bidco Partnership Interests (as appropriate); and "**relevant Industrials securities**" and "**relevant Bidco securities**" shall be construed accordingly; and

"**short positions**" means short positions, whether conditional or absolute and whether in the money or otherwise, including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

Interests in relevant Industrials securities

- (a) At the close of business on the Disclosure Date, the directors of Industrials (together with their Interested Persons) were interested in, or had a right to subscribe for, the following relevant Industrials securities:

Interests other than options

Registered holder	Owner or controller of interest	Nature of interest or right	Number of relevant Industrials Shares	Percentage of total issued share capital (excluding shares under option and treasury shares)
Paul Arenson	Paul Arenson	Industrials Shares	501,201	0.169
Saruga Investments Limited*	Saruga Investments Limited*	Industrials Shares	1,061,383	0.358
Hargreaves Lansdown Nominees Limited	James Beaumont	Industrials Shares	57,616	0.019
Julian Carey	Julian Carey	Industrials Shares	3,344,697	1.127
Rebecca Carey**	Rebecca Carey	Industrials Shares	33,705	0.011
Pershing Nominees Limited	Paul Miller	Industrials Shares	21,898	0.007
Brewin Nominees Limited	Philip Holland	Industrials Shares	24,999	0.008
Nedbank Private Wealth	Patsy Watson	Industrials Shares	455,375	0.153
Richard Smith	Richard Smith	Industrials Shares	15,000	0.005
Louisa Bell	Louisa Bell	Industrials Shares	20,000	0.007
Lucinda Grant***	Lucinda Grant	Industrials Shares	100,000	0.034

* Paul Arenson is a director of Saruga Investments Limited.

** Rebecca Carey is the spouse of Julian Carey.

*** Lucinda Grant is the spouse of Richard Grant.

- (b) At the close of business on the Disclosure Date, the following awards over Industrials Shares had been granted to the Industrials Directors under the Industrials Share Plans:

Name of holder	Share Plan	Date of grant	Exercise price (pence)	Vesting Date	Number of relevant Industrials Shares
Paul Arenson	LTIP	23 February 2018	Nil-cost	8 June 2020	132,746
Paul Arenson	LTIP	7 June 2018	Nil-cost	7 June 2021	340,981
Paul Arenson	LTIP	6 June 2019	Nil-cost	6 June 2022	244,181
Paul Arenson	LTIP	12 June 2020	Nil-cost	12 June 2023	610,218*
Paul Arenson	LTIP	11 June 2021	Nil-cost	11 June 2024	397,051*
Paul Arenson	LTIP	10 June 2022	Nil-cost	10 June 2025	381,847*
Paul Arenson	STIP	3 June 2015	Nil-cost	31 March 2017**	262,273
Paul Arenson	STIP	8 June 2016	Nil-cost	31 March 2018**	162,200
Paul Arenson	STIP	7 June 2018	Nil-cost	31 March 2020**	143,540
Paul Arenson	STIP	6 June 2019	Nil-cost	31 March 2021**	170,111
Paul Arenson	STIP	12 June 2020	Nil-cost	31 March 2022**	33,788
Paul Arenson	STIP	11 June 2021	Nil-cost	31 March 2023**	175,985
Paul Arenson	STIP	10 June 2022	Nil-cost	31 March 2024**	86,489
Paul Arenson	Stenham Award	3 June 2015	Nil-cost	30 September 2016	213,284
Paul Arenson	SAYE	1 September 2022	145.47	28 February 2026	12,373

Name of holder	Share Plan	Date of grant	Exercise price (pence)	Vesting Date	Number of relevant Industrials Shares
James Beaumont	LTIP	6 June 2019	111.71	31 March 2022***	130,884
James Beaumont	LTIP	12 June 2020	104.92	31 March 2023***	117,053
James Beaumont	LTIP	11 June 2021	Nil-cost	11 June 2024	126,493*
James Beaumont	LTIP	10 June 2022	Nil-cost	10 June 2025	111,073*
James Beaumont	STIP	12 June 2020	Nil-cost	31 March 2022**	3,703
James Beaumont	STIP	11 June 2021	Nil-cost	31 March 2023**	18,694
James Beaumont	STIP	10 June 2022	Nil-cost	31 March 2024**	25,102
James Beaumont	SAYE	1 September 2022	145.47	28 February 2026	2,474
Julian Carey	LTIP	23 February 2018	Nil-cost	8 June 2020	127,591
Julian Carey	LTIP	7 June 2018	Nil-cost	7 June 2021	327,743
Julian Carey	LTIP	6 June 2019	Nil-cost	6 June 2022	234,700
Julian Carey	LTIP	12 June 2020	Nil-cost	12 June 2023	586,372*
Julian Carey	LTIP	11 June 2021	Nil-cost	11 June 2024	381,492*
Julian Carey	LTIP	10 June 2022	Nil-cost	10 June 2025	366,883*
Julian Carey	STIP	7 June 2018	Nil-cost	31 March 2020**	34,492
Julian Carey	STIP	6 June 2019	Nil-cost	31 March 2021**	109,004
Julian Carey	STIP	12 June 2020	Nil-cost	31 March 2022**	32,476
Julian Carey	STIP	11 June 2021	Nil-cost	31 March 2023**	169,109
Julian Carey	STIP	10 June 2022	Nil-cost	31 March 2024**	83,099
Julian Carey	SAYE	1 September 2022	145.47	28 February 2026	4,949

* Subject to the assessment of the satisfaction of the relevant performance conditions.

** One third of the award vests on the date of the award, one third vests on the first anniversary of the end of the financial year-end in respect of which the award arises and one third of the award vests on the third anniversary of the end of the financial year-end in respect of which the award arises.

*** For market-value options: One third of the award vests on the first anniversary of the financial year-end immediately preceding the date of award, one third of the award vests on the second anniversary of the financial year end immediately preceding the date of award and one third of the award vests on the third anniversary of the financial year-end immediately preceding the date of award.

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

Registered holder	Owner or controller of interest	Nature of interest or right	Number of relevant Industrials Shares
Lonat Limited*	Lonat Limited	Industrials Shares	10,216,791
Wetherby Holdings Limited**	Wetherby Holdings Limited	Industrials Shares	2,121,584
The Swallow Trust***	The Swallow Trust	Industrials Shares	733,562

* Lonat Limited is a company controlled by a trust of which Paul Arenson is a discretionary beneficiary.

** Wetherby Holdings Limited is a company controlled by a trust of which Paul Arenson is a discretionary beneficiary.

*** Patsy Watson is a discretionary beneficiary of The Swallow Trust.

Dealings in relevant Industrials securities

- (d) During the Disclosure Period persons acting in concert with Industrials dealt in the following relevant Industrials securities:

Name	Transaction type	Number of relevant Industrials securities	Dealing date	Price per relevant Industrials security(p)
Lonat Limited	Issue of Industrial Shares pursuant to Scrip Dividend	222,449	27 January 2023	125.8
Lonat Limited	Sale of Industrials Shares	3,000,000	18 August 2022	175
Lonat Limited	Issue of Industrial Shares pursuant to Scrip Dividend	239,940	29 July 2022	147.8
Paul Arenson	Issue of Industrial Shares pursuant to Scrip Dividend	10,912	27 January 2023	125.8
Paul Arenson	Issue of Industrial Shares pursuant to Scrip Dividend	9,053	29 July 2022	147.8
Paul Arenson	Cancellation of share options under the SAYE	11,578	06 July 2022	N/A
Paul Arenson	Grant of options under the SAYE	12,373	06 July 2022	145.4
Paul Arenson	Grant of options under the LTIP	364,601	10 June 2022	Nil-cost
Paul Arenson	Grant of options under the STIP	82,583	10 June 2022	Nil-cost
Saruga Investments Limited	Issue of Industrial Shares pursuant to Scrip Dividend	23,109	27 January 2023	125.8
Saruga Investments Limited	Issue of Industrial Shares pursuant to Scrip Dividend	19,171	29 July 2022	147.8
Wetherby Holdings Limited	Issue of Industrial Shares pursuant to Scrip Dividend	46,193	27 January 2023	125.8
Wetherby Holdings Limited	Issue of Industrial Shares pursuant to Scrip Dividend	38,322	29 July 2022	147.8
James Beaumont	Cancellation of share options under the SAYE	2,315	6 July 2022	N/A
James Beaumont	Grant of options under the SAYE	2,474	6 July 2022	145.4
James Beaumont	Exercise of options under the LTIP	121,021	22 June 2022	110
James Beaumont	Sale of Industrials Shares	121,021	22 June 2022	171.5
James Beaumont	Grant of options under the LTIP	106,057	10 June 2022	Nil-cost
Julian Carey	Cancellation of share options under the SAYE	5,785	6 July 2022	N/A
Julian Carey	Grant of options under the SAYE	4,949	6 July 2022	145.4
Julian Carey	Grant of options under the LTIP	350,313	10 June 2022	Nil-cost
Julian Carey	Grant of options under the STIP	79,346	10 June 2022	Nil-cost
The Swallow Trust	Issue of Industrials Shares pursuant to scrip dividend	15,971	27 January 2023	125.8
The Swallow Trust	Issue of Industrials Shares pursuant to scrip dividend	13,250	29 July 2022	147.7
Patsy Watson	Exercise of nil-cost options under the Deferred Share Bonus Plan	52,346	21 June 2022	Nil-cost
Patsy Watson	Sale of Industrials Shares	22,073	21 June 2022	172.5
Louisa Bell	Purchase of Industrials Shares	20,000	20 June 2022	174.3

General

- (e) Neither Bidco, the Bidco Directors, any persons acting in concert with Bidco, nor any of the close relatives or related trusts or other Interested Persons of the Bidco Directors are interested in, or have a right to subscribe for, or holds a short position in relation to, any relevant Industrials securities, nor has any such person dealt in any relevant Industrials securities during the Disclosure Period.
- (f) No person with whom Bidco or any person acting in concert with Bidco has any arrangement (including any indemnity or option arrangement), agreement or understanding, formal or informal, of whatever nature, relating to relevant Industrials securities which may be an inducement to deal or refrain from dealing, is interested in, or has a right to subscribe for, or

holds a short position in relation to, any relevant Industrials securities, nor has any such person dealt in any relevant Industrials securities during the Disclosure Period.

- (g) Neither Bidco nor any person acting in concert with Bidco has borrowed or lent any relevant Industrials securities (save for any borrowed shares which have been either on-lent or sold).
- (h) Neither Industrials nor the Industrials Directors nor their Interested Persons are interested in, or have a right to subscribe for, or holds a short position in relation to, any relevant Bidco securities, nor has any such person dealt in any relevant Bidco securities or any relevant Bidco securities during the Disclosure Period.
- (i) Save as disclosed above, neither the Industrials Directors nor their Interested Persons are interested in, or have a right to subscribe for, or holds a short position in relation to, any relevant Industrials securities, nor has any such person dealt in any relevant Industrials securities during the Disclosure Period.
- (j) Save as disclosed above, no person acting in concert with Industrials is interested in, or has a right to subscribe for, or holds a short position in relation to, relevant Industrials securities, nor has any such person dealt in any relevant Industrials securities during the Disclosure Period.
- (k) No person with whom Industrials or any person acting in concert with Industrials, has any arrangement (including any indemnity or option arrangement), agreement or understanding, formal or informal, of whatever nature, relating to relevant Industrials securities which may be an inducement to deal or refrain from dealing, dealt in any relevant Industrials securities during the Disclosure Period.
- (l) Neither Industrials nor any person acting in concert with Industrials has borrowed or lent any relevant Industrials securities (save for any borrowed shares which have either been on-lent or sold).

4. Irrevocable undertakings and letters of intent

- (a) Bidco or persons acting in concert with it have procured irrevocable undertakings from the Industrials Directors and their connected persons to vote (or procure the voting, as applicable) in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting. Such irrevocable commitments are in respect of the following relevant Industrials securities:

Name of Industrials Director	Number of Industrials Shares in respect of which undertaking is given	Percentage of Industrials issued share capital (excluding treasury shares) in respect of which undertaking is given
Paul Arenson	501,201	0.169
Paul Miller	21,898	0.007
James Beaumont	57,616	0.019
Julian Carey	3,344,697	1.127
Philip Holland	24,999	0.008
Patsy Watson	455,375	0.153
Richard Smith	15,000	0.005
Louisa Bell	20,000	0.007

Name of Industrials Director connected persons	Number of Industrials Shares in respect of which undertaking is given	Percentage of Industrials issued share capital (excluding treasury shares) in respect of which undertaking is given
Saruga Investments Limited	1,061,383	0.358
Lonat Limited	10,216,791	3.442
Wetherby Holdings Limited	2,121,584	0.715
Lucinda Grant	100,000	0.034
Rebecca Carey	33,705	0.011
The Swallow Trust	733,562	0.247

(b) These irrevocable undertakings concern 18,707,811 Industrials Shares, representing approximately 6.3 per cent. of Industrials' issued ordinary share capital at close of business on 3 May 2023 (being the Latest Practicable Date), excluding shares held as treasury shares.

(c) These irrevocable undertakings remain binding in the event a higher competing offer is made for Industrials and will only cease to be binding:

- if the Scheme lapses or is withdrawn in accordance with its terms unless Bidco announces to make or proceed with the Acquisition by way of a new, revised or replacement Scheme or Takeover Offer;
- if the Scheme has not become effective by 11.59 pm (London time) on the Long Stop Date (or such later time/date as is agreed between Bidco and Industrials, with the approval of the Court and/or Panel (if required));
- on the date which a competing offer for the entire issued and to be issued share capital of Industrials is declared unconditional, or, if proceeding by way of scheme of arrangement, becomes effective.

(d) The following Industrials Shareholders have given letters of intent to vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting:

Name of Industrials Shareholder giving letter of intent	Number of Industrials Shares in respect of which letter of intent is given	% of Industrials Shares in issue (excluding treasury shares)
TR Property Investment Trust PLC	23,998,257	8.084
Earl Fiduciary AG	15,115,674	5.092
Stenham Asset Management Limited	7,354,345	2.477
Waverton Investment Management Limited	6,616,950	2.229
Global One Ltd	6,182,628	2.083
John Keogan	1,002,431	0.338
Roger Carey	538,732	0.181
Ian Charles Melia	505,466	0.170
Total	<u>61,314,483</u>	<u>20.7</u>

5. Market quotations

The following table sets out the middle market quotations for Industrials Shares derived from the Daily Official List, for (i) the first Business Day in each month from 1 December 2022 to 2 May 2023, (ii) 31 March 2023 (the last Business Day before the commencement of the Offer Period) and (iii) the Disclosure Date (the latest practicable date prior to the publication of this document):

Relevant date	Industrials Share price (p)
3 May 2023	167.0
2 May 2023	166.5
3 April 2023	163.0
31 March 2023	118.0
1 March 2023	123.5
1 February 2023	129.5
3 January 2023	130.0
1 December 2022	138.5

6. Service Contracts and Letters of Appointment of Industrials Directors

- (a) Each of the executive directors of Industrials has entered into service contract with Industrials or a member of the Industrials Group. The principal terms of these service agreements are as follows:

Name	Date of current contract	Mutual notice period	Current basic salary (per annum)
Paul Arenson	1 June 2018	Six months	£377,971
James Beaumont	10 June 2020	Six months	£210,331
Julian Carey	22 May 2018	Six months	£363,159

Each executive director of Industrials has a rolling contract of employment with no fixed term, which entitles them to the length of notice indicated in the table above, other than for cause. These contracts allow for termination with contractual notice from Industrials or payment in lieu of notice.

Each executive director of Industrials is eligible to participate in Industrials' annual bonus scheme, which has a maximum bonus opportunity of 150% of salary for each of Paul Arenson and Julian Carey, and 100% of salary for James Beaumont. The entitlement to participate in the Industrials Share Plans for each executive Director is as set out in paragraph 3(b). Other benefits comprise pension contributions, private medical insurance, and life assurance. There is no provision in the contracts for loss of office payments.

- (b) Each of the non-executive directors of Industrials has entered into a letter of appointment with Industrials or a member of the Industrials Group. The principal terms of these letters of appointment are as follows:

Name	Date of letters of appointment	Unexpired term	Current fees (per annum)
Richard Grant	24 April 2018 (effective from 1 May 2018)	Rolling (subject to re-election)	£65,000
Paul Miller	24 April 2018	Rolling (subject to re-election)	£48,000
Philip Holland	24 April 2018 (effective 1 May 2018)	Rolling (subject to re-election)	£50,000
Patsy Watson	10 June 2019 (effective 6 June 2019)	Rolling (subject to re-election)	£45,000
Richard Smith	2 November 2020 (effective 4 November 2020)	Rolling (subject to re-election)	£45,000
Louisa Bell	2 November 2020 (effective 4 November 2020)	Rolling (subject to re-election)	£45,000

Each non-executive director of Industrials has a rolling contract of employment with no fixed term subject to re-election in Industrials' annual general meeting.

Save as set out in this paragraph 6:

- (i) no Industrials Director is entitled to commission or profit sharing arrangements;
- (ii) other than statutory compensation (if applicable) and payment in lieu of notice and as set out in this paragraph 6, no compensation is payable by Industrials to any Industrials Director upon early termination of their appointment; and
- (iii) there are no service contracts or letters of appointment between any member of the Wider Industrials Group and any Industrials Director and no such agreement has been entered into or amended within six months preceding the date of this document.

7. Material contracts

(a) Industrials

Save as disclosed below, neither Industrials nor any of its subsidiaries has, during the period beginning on 3 April 2021 (being two years before the commencement of the Offer Period) and ending on the Disclosure Date, entered into any material contract otherwise than in the ordinary course of business.

(i) Confidentiality Agreement

See paragraph 11(a) below for details of the Confidentiality Agreement.

(ii) Co-Operation Agreement

See paragraph 11(b) below for details of the Co-Operation Agreement.

(iii) Stenprop Facility Agreement – amended pursuant to a Deed of Amendment and Restatement dated 21 May 2021

A facility agreement originally dated 13 December 2017 has been entered into between Stenprop Limited, Stenprop (UK) Limited and Stenprop Industrials Holdings Limited as borrowers (the "**Stenprop Borrowers**"), each of Stenprop (UK) Limited, Stenprop Limited, Stenprop (Germany) Limited, Stenprop (Swiss) Limited and Stenprop Industrials Holdings Limited in their capacity as guarantors (the "**Stenprop Guarantors**") and Investec Bank plc in various capacities (including as arranger, agent, security agent and lender) (as amended and restated pursuant to a deed of amendment and restatement dated 7 December 2018 and an amendment agreement dated 10 September 2019) (the "**Original Stenprop Facility Agreement**").

Pursuant to a deed of amendment and restatement dated 21 May 2021 and made between the Stenprop Borrower, each Stenprop Guarantors and Investec Bank plc in various capacities (including as arranger, agent, security agent and lender) (the "**Stenprop 2021 Deed of Amendment and Restatement**"), the Original Stenprop Facility Agreement has been amended and restated. The Original Stenprop Facility Agreement as amended by the Stenprop 2021 Deed of Amendment and Restatement being the "**Stenprop Facility Agreement**".

Pursuant to the Stenprop 2021 Deed of Amendment and Restatement, the parties have agreed that the terms of the Original Stenprop Facility Agreement shall be amended and restated. The below sets out the terms of the Stenprop Facility Agreement following the Stenprop 2021 Deed of Amendment and Restatement.

Under the terms of the Stenprop Facility Agreement a sterling facility in an aggregate amount not exceeding £30,000,000 has been made available to the Stenprop Borrowers. The facility is split into two tranches, (i) a sterling revolving facility in an aggregate amount not exceeding £30,000,000 ("**Stenprop Tranche A Facility**") and (ii) a sterling term facility ("**Stenprop Tranche B Facility**"). The original commitment made available under

the Stenprop Tranche B Facility was £20,000,000 but it is our understanding that the Stenprop Tranche B Facility was repaid prior to the Stenprop 2021 Deed of Amendment and Restatement and the commitment made available under the Stenprop Tranche B Facility has been reduced to £0. Stenprop Tranche A Facility and Stenprop Tranche B Facility, together being the "**Stenprop Facilities**".

The purpose of the facility made available under Stenprop Tranche A Facility was to (i) refinance a EUR 31,000,000 bridging facility agreement dated 1 June 2017 and made available to the Stenprop Borrowers by Bellerive SPV5 Limited; (ii) repay part of existing shareholders loans made available by Stenprop Limited to Stenprop (UK) Limited; (iii) the making of loans to each of the Stenprop Borrower's Subsidiaries (as such terms is defined in the Stenprop Facility Agreement); (iv) for capital expenditure in relation to multi-let industrial assets within the group; (v) payment of fees, costs and expenses in connection with the Stenprop Facility Agreement and (vi) the making of a loan to Stenprop Industrials 6 Limited for the purpose of acquiring a portfolio of properties known as the "Pegasus Portfolio of Properties" being 23 multi-let industrial properties to be acquired by Stenprop Industrials 6 Limited.

The purpose of the facility made available under the Stenprop Tranche B Facility was to allow for the making of a loan to Stenprop Industrials 6 Limited for the purpose of acquiring the "Pegasus Portfolio Properties", which are more particularly described in the paragraph above.

Both Stenprop Facilities are repayable in full on the "Repayment Date", defined as the earlier to occur of (i) the date falling three business days after the date on which a Prepayment Notice is delivered and (ii) the relevant Termination Date. The Stenprop Tranche A Facility Termination Date is the date falling 12 months after the second amendment and restatement date, therefore 21 May 2022 and the Stenprop Tranche B Facility Termination Date was 31 March 2019. All Stenprop Facilities have now been repaid in full.

Notwithstanding the above, under the terms of the Stenprop Facility Agreement, Investec Bank plc in its capacity as lender had the absolute discretion to provide written notice to the Stenprop Borrowers demanding prepayment of all outstanding loans (being the Prepayment Notice) and following the service of such notice the Stenprop Facilities and all outstanding loans will become due and payable.

The interest rate payable for each of the Stenprop Facilities for any day during an interest period is the percentage rate per annum, which is the aggregate of 6.25 per cent. and the compounded reference rate for that day (SONIA).

The following fees were payable in relation to the Stenprop Facilities: (i) an arrangement fee payable in connection with the Stenprop Tranche B Facility in the amount of £50,000 payable on or before the 7 December 2018; (ii) a utilisation fee in the amount of £50,000 payable on the first utilisation date of the Stenprop Tranche B Facility; (iii) a late repayment fee of £100,000 if the Stenprop Borrowers failed to repay the Stenprop Tranche B Facility in full on the termination date for the Stenprop Tranche B Facility (being 31 March 2019) and (iv) an extension fee of £100,000 payable on the second amendment and restatement date (being 21 May 2021).

The Stenprop Facility Agreement includes mandatory prepayment provisions in relation to illegality, whereby the loans will be become due and payable if it becomes unlawful for a lender (or any of its affiliates) to perform any of its obligations as contemplated by the Stenprop Facility Agreement. The Stenprop Facility Agreement also includes a number of mandatory prepayment provisions were the Stenprop Borrowers has received specific funds for example (i) the sale of all of substantially all of the assets of the group and (ii) the proceeds of any disposal permitted by the terms of the Stenprop Facility Agreement.

The Stenprop Facility Agreement allows for voluntary prepayment of any loans made available under the Stenprop Facility Agreement provided that the Stenprop Borrowers

gives Investec Bank plc (in its capacity as agent) not less than five business days' notice (or such lesser period as may be agreed by the majority lenders) and provided that such prepayment reduces the loan by a minimum amount of £100,000. The Stenprop Borrowers may also cancel all or any part (if in part, in a minimum amount of £100,000) of the available facility provided that at least two business days' notice (or such lesser period as agreed by the majority lenders) is provided to Investec Bank plc in its capacity as agent.

The Stenprop Facility Agreement contains customary events of default, representations, covenants and undertakings for a loan agreement of this nature and type including a restriction on the ability to enter into a transaction to sell, transfer or otherwise dispose of any asset. This restriction does not apply to certain "Permitted Disposals" which includes the disposal of a property provided that any such proceeds are, to the extent permitted by any third party agreements, used in prepayment of the outstanding loans under the Stenprop Facility Agreement.

The Stenprop Facility Agreement also contains customary restrictions on the power of the obligors to assign or transfer their rights and obligations under the finance documents and restrictions on change of control of the Stenprop Borrowers.

Under the terms of the Stenprop Facility Agreement, each Stenprop Guarantor irrevocably and unconditionally (jointly and severally) guarantees to each finance party the punctual performance by each other obligor of that obligors obligations under the Stenprop Facility Agreement and any other finance document entered into under or in connection with the Stenprop Facility Agreement and also undertakes that whenever an obligor does not pay any amount when due under or in connection with the finance documents that Stenprop Guarantor shall immediately on demand pay that amount as if it was the principal obligor.

The Stenprop Facility Agreement was secured by the Stenprop Borrowers and Stenprop Guarantors pursuant to various security documents including but not limited to: (i) share security interest agreements; (ii) assignments of subordinated debt; and (iii) security over intra group debts. All security was released following the repayment of the Stenprop Facilities.

The Stenprop Facility Agreement and the Stenprop 2021 Deed of Amendment and Restatement are governed by English law.

(iv) **Industrial 6 – Extension Letter dated 16 December 2021**

An extension letter dated 16 December 2021 (the "**Industrial 6 2021 Extension Letter**") relating to a facility agreement originally dated 1 February 2019 (as amended by an amendment agreement dated 3 June 2020 and amended and restated on 22 December 2020), and as further amended by an amendment agreement dated 13 July 2022 (the "**Industrial 6 Facility Agreement**") has been entered into by Stenprop Industrial 6 Limited (the "**Industrial 6 Borrower**") and Lloyds Bank plc in its capacity as agent.

Pursuant to the Industrial 6 2021 Extension Letter, the "Termination Date" of the existing Industrial 6 Facility Agreement was extended by one year to 1 February 2025.

The Industrial 6 2021 Extension Letter is governed by English law.

(v) **Industrial 4 Facility Agreement – as amended pursuant to a Deed of Amendment and Restatement dated 13 May 2022**

A facility agreement originally dated 1 June 2018 has been entered into between Stenprop Industrials UK 4 Limited as borrower (the "**Industrial 4 Borrower**"), National Westminster Bank Plc in various capacities (including as arranger, agent, security agent and lender), NatWest Markets Plc as hedge counterparty and The Royal Bank of Scotland plc as account bank (as amended and restated pursuant to a deeds of amendment and restatement dated 24 January 2019, 14 November 2019 and 27 September 2021 (the "**Original Industrial 4 Facility Agreement**").

Pursuant to a deed of amendment and restatement dated 13 May 2022 and made between the Industrial 4 Borrower as borrower, National Westminster Bank Plc (in various capacities including as arranger, lender, agent and security agent), NatWest Markets Plc as hedge counterparty and The Royal Bank of Scotland as account bank (the "**Industrial 4 2022 Deed of Amendment and Restatement**"), the Original Industrial 4 Facility has been amended and restated (the Original Industrial 4 Facility Agreement as amended by the Industrial 4 2022 Deed of Amendment and Restatement being the "**Industrial 4 Facility Agreement**").

Pursuant to the Industrial 4 2022 Deed of Amendment and Restatement, the parties have agreed that the terms of the Original Industrial 4 Facility Agreement shall be amended and restated.

The below sets out the terms of the Industrial 4 Facility Agreement following the Industrial 4 2022 Deed of Amendment and Restatement. Please note that we have not included details of the deed of amendment and restatement dated 27 September 2021 on the basis that the terms of this document have been replaced by the Industrial 4 2022 Deed of Amendment and Restatement.

Under the terms of the Industrial 4 Facility Agreement a sterling facility in an aggregate amount, not exceeding £116,000,000 has been made available to the Industrial 4 Borrower. The facility is split into four tranches, (i) a sterling term loan facility in an aggregate amount not exceeding £34,878,825 ("**Industrial 4 Tranche A Facility**"); (ii) a sterling term facility in the aggregate amount not exceeding £29,121,175 ("**Industrial 4 Tranche B Facility**"); (iii) a sterling term loan facility in an aggregate amount not exceeding £27,000,000 (the "**Industrial 4 Tranche C Facility**") and (iv) a sterling revolving credit loan facility in the aggregate amount not exceeding £25,000,000 (the "**Industrial 4 Revolving Facility**"). In addition, the lenders under the Industrial 4 Facility Agreement may (i) in their absolute discretion, make available additional accordion sterling term loans up to an overall cap (across all facilities made available under the Industrial 4 Facility Agreement) of £150,000,000 (subject to certain conditions being required to be met by the Industrial 4 Borrower as contained in the Industrial 4 Facility Agreement) (the "**Industrial 4 Accordion Facility**"); and (ii) make available property protection loans from time to time (the "**Industrial 4 PP Loans**"). The Industrial 4 Tranche A Facility, Industrial 4 Tranche B Facility, the Industrial 4 Tranche C Facility, the Industrial 4 Revolving Facility, the Industrial 4 Accordion Facility and the Industrial 4 PP Loans together being the "**Industrial 4 Facilities**".

The purpose of the facility made available under Industrial 4 Tranche A Facility is to refinance existing indebtedness of the Industrial 4 Borrower with National Westminster Bank Plc. The purpose of the facility made available under the Industrial 4 Tranche B Facility is to refinance the cost of the acquisition of the properties known as the "Tranche B Loan Properties" being a number of properties owned by the Industrial 4 Borrower in the United Kingdom and payment of any fees, costs and expenses (including taxes) incurred by the Industrial 4 Borrower in connection with those acquisitions. The purpose of the facility made available under the Industrial 4 Tranche C Facility is to refinance the cost of the acquisition of the properties known as the "Tranche C Loan Properties" being a number of properties owned by the Industrial 4 Borrower in the United Kingdom and payment of any fees, costs and expenses (including taxes) incurred by the Industrial 4 Borrower in connection with those acquisitions and general corporate and working capital purposes. The purpose of the facility made available under the Industrial 4 Revolving Facility is for general corporate and working capital purposes. The purpose of the Industrial 4 Accordion Facility is to refinance the cost of any additional property that may be identified in an accordion notice and payment of any fees, costs and expenses (including taxes) incurred by the Industrial 4 Borrower in connection with any such acquisition.

The Industrial 4 Facilities are repayable in full on the "Termination Date", the Termination Date is defined as 14 November 2025. The Industrial 4 Borrower may by written request to the agent request that the Termination Date be extended by an additional 12 months. The lenders have complete discretion as to whether to accept such extension request.

The interest rate payable for any day during an interest period is the percentage rate per annum which is the aggregate of: (a) in relation to an Industrial 4 Tranche A Facility and an Industrial 4 Tranche B Facility, 1.92 per cent. and the compounded reference rate for that day (SONIA); (b) in relation to the Industrial Tranche C Facility, 1.75 per cent. and the compounded reference rate for that day (SONIA); (c) in relation to any Industrial 4 Revolving Facility, 2.25 per cent. and the compounded reference rate for that day (SONIA) and (d) in relation to any Industrial 4 Accordion Facility such percentage rate per annum that is agreed in the applicable accordion notice and the compounded reference rate for that day (SONIA).

The terms of the Industrial 4 Facility Agreement suggests that a hedging strategy has been agreed between the lender and the Industrial 4 Borrower and that hedging has been entered into. The hedging arrangements are documented pursuant to a ISDA Agreement dated 18 November 2019 and made between NatWest Markets Plc and the Industrial 4 Borrower (the "**ISDA Agreement**"). Pursuant to the most recently available term sheets, in accordance with the ISDA Agreement, the Industrial 4 Borrower and NatWest Markets Plc have entered into swap transactions on the following terms:

SWAP 1:

- Notional Amount: GBP 24,000,000;
- Effective date: 29 September 2021;
- Termination Date: 14 November 2024; and
- Fixed Rate: 0.8127 per cent.

SWAP 2:

- Notional Amount: GBP 27,000,000;
- Effective date: 19 May 2022;
- Termination Date: 14 November 2025; and
- Fixed Rate: 2.206 per cent.

Default interest is payable if the Industrial 4 Borrower fails to pay any amount payable by it under the Industrial 4 Facility Agreement or any other finance document entered into under or in connection with the Industrial 4 Facility Agreement. Interest shall accrue on the overdue amount from the due date to the date of actual payment at a rate which is 2 per cent. higher than the rate which would have otherwise been payable.

The following fees are or were payable in relation to the Industrial 4 Facilities: (i) an arrangement fee payable in connection with the Industrial 4 Tranche B Facility in the amount of £247,530 payable on or around 27 September 2021; (ii) an arrangement fee payable in connection with the Industrial 4 Tranche C Facility in the amount of £189,000 payable on or around 13 May 2022; (iii) an arrangement fee payable in connection with the Industrial 4 Revolving Facility in the amount of £200,000 payable on or around 13 May 2022; (iv) an arrangement fee in the amount to be agreed between the agent and the Industrial 4 Borrower if the extension option is exercised; (v) an arrangement fee payable in connection with the Industrial 4 Accordion Facility in an amount to be agreed in any applicable accordion notice; (vi) following any syndication of the Industrial 4 Facility Agreement an agency and security agent fee that may be agreed at that time; and (vii) in relation to any Industrial 4 Accordion Facility, a commitment fee (subject to any alternative agreement in the accordion notice acceptance) computed at 50 per cent. of the margin per annum on the lender's available commitment relating to any Industrial 4 Accordion Facility during the availability of such facility and (viii) a commitment fee payable in connection with the Industrial 4 Revolving Facility in an amount of 50 per cent. of the margin per annum of the lenders available commitment relating to the Industrial 4 Revolving Facility during the availability period of the Industrial 4 Revolving Facility) payable quarterly in arrears.

In addition to the above, subject to the exceptions listed below, the Industrial 4 Borrower must pay to the agent (for each lender) a prepayment and cancellation fee on the date of prepayment and/or cancellation (of all or any part of a loan) in the following circumstances (i) voluntary prepayment of all or any part of the loan (other than a voluntary prepayment of the Industrial 4 Revolving Facility); (ii) voluntary cancellation of all or any part of the commitment made available under the Industrial 4 Facility Agreement; (iii) prepayment of all or any part of a loan due to a change of control or (iv) following a requirement for a mandatory prepayment of the loan. The fee payable shall be (i) if the prepayment/cancellation occurs on or before the first anniversary of the date the relevant commitment was made available, 0.75 per cent. of the amount prepaid or cancelled; (ii) if the prepayment/cancellation occurs after the first anniversary but before the second anniversary of the date on which the relevant commitment was made available, 0.50 per cent. of the amount prepaid or cancelled; (iii) if the prepayment/cancellation occurs after the second anniversary but on or before the third anniversary of the date on which the relevant commitment was made available, 0.25 per cent. of the amount prepaid or cancelled and (iv) after the third anniversary, no fee is payable.

Notwithstanding the paragraph above, no prepayment or cancellation fee shall payable under the Industrial 4 Facility Agreement in various circumstances, including, but not limited to, if (i) the prepayment or cancellation is in respect of the Industrial 4 Tranche A Facility; (ii) if the prepayment or cancellation, when combined with any previous voluntary prepayment and/or cancellation equates to 12.5 per cent. or less of the total commitments (excluding the Industrial 4 Tranche A Facility); (iii) the Loan to Value (as such term is defined in the Industrial 4 Facility Agreement) exceeds 40 per cent.; (iv) in the event that all or any part of the Industrial 4 Tranche B Facility is cancelled within the availability period for that facility and (v) if the prepayment and/or cancellation is part of a refinancing by the Industrial 4 Borrower of any commitment and any such refinance is with the then current lenders and is for an amount not materially less than amount made available by the lenders immediately prior to the refinancing.

The Industrial 4 Facility Agreement includes mandatory prepayment provisions in relation to illegality and change of control, whereby the loans will be become due and payable if it becomes unlawful for a lender (or any of its affiliates) to perform any of its obligations as contemplated by the Industrial 4 Facility Agreement or Stenprop Industrials Holdings Limited ceases to be the legal and beneficial owner of at least 50.1 per cent. of the entire issued share capital of the Industrial 4 Borrower. The Industrial 4 Facility Agreement also includes a number of mandatory prepayment provisions where the Industrial 4 Borrower has received specific funds for example (i) the proceeds of any disposal permitted by the terms of the Industrial 4 Facility Agreement; (ii) any proceeds from any hedging and (iii) any proceeds of all compensation and damages for the compulsory purchase of, or any blight or disturbance affecting, any property.

The Industrial 4 Facility Agreement allows for voluntary prepayment of any loans made available under the Industrial 4 Facility Agreement provided that the Industrial 4 Borrower gives the agent not less than five business days' notice (or such lesser period as may be agreed by the majority lenders) and provided that such prepayment reduces the loan by a minimum amount of £250,000. The Industrial 4 Borrower may also cancel all or any part (if in part, in a minimum amount of £250,000) of the available facility provided that at least five business days' notice (or such lesser period as agreed by the majority lenders) is provided to the agent.

As is customary in the market of the United Kingdom for real estate finance investment facilities of a similar nature to the Industrial 4 Facility Agreement, all net rental income received by the Industrial 4 Borrower together with any amounts payable to the Industrial 4 Borrower under any hedging agreement is required to be paid into a rent account that is charged to the lenders. The Industrial 4 Borrower retains control of the rent account, but required to transfer amounts standing to the credit of the rent account, on or prior to each interest payment date, to an account designated as the debt service account to ensure that such debt service account has a credit balance equal to 110 per cent. of the interest that has accrued under the Industrial 4 Facility Agreement and is payable on that

interest payment date. Any surplus amounts standing to the credit of the rent account that are not required to be transferred to the debt service account can be transferred to the general account for use for general purposes as permitted by the Industrial 4 Facility Agreement. If at any time a default or cash trap event has arisen and is continuing, the security agent may take control and operate the rent account in replacement and to the exclusion of the Industrial 4 Borrower.

The Industrial 4 Facility Agreement contains customary events of default, representations, covenants and undertakings for a loan agreement of this nature and type including a restriction on the ability to enter into a transaction to sell, transfer or otherwise dispose of any property. This restriction does not apply to certain permitted disposals which includes the disposal of a property provided that (i) no default is continuing or would result from that disposal and (ii) any such proceeds are in the amount as required by the Industrial 4 Facility Agreement and are used in prepayment of the outstanding loans under the Industrial 4 Facility Agreement.

If the Industrial 4 Borrower is in breach of any its obligations to comply with the financial covenants contained within the Industrial 4 Facility Agreement, for example the loan to value exceeds 60 per cent., the Industrial 4 Borrower may 'cure' that breach by (i) prepaying the loans in an amount to ensure compliance with the covenants, or (ii) depositing an amount into such accounts as permitted by the Industrial 4 Facility Agreement as would ensure compliance with such financial covenants.

The Industrial 4 Facility Agreement also contains customary restrictions on the power of the obligors to assign or transfer their rights and obligations under the finance documents and restrictions on change of control of the Industrial 4 Borrower.

The Industrial 4 Facility Agreement is secured by the Industrial 4 Borrower and Stenprop Industrial Holdings Limited pursuant to various security documents including but not limited to: (i) a security agreement which includes a fixed charge over the properties owned by the Industrial 4 Borrower in the England and Wales; (ii) standard securities over any property owned by the Industrial 4 Borrower in Scotland; (iii) an assignment of rental income in relation to any property in Scotland that is the subject of a standard security; (iv) a shareholders security agreement in relation to the shares in the Industrial 4 Borrower and (v) subordinated creditors security agreement in relation to any intra group/shareholder debt made available to the Industrial 4 Borrower.

The Industrial 4 Facility Agreement and the Industrial 4 2022 Deed of Amendment and Restatement are governed by English law.

(vi) **Industrial 4 Facility Agreement – Amendment Deed dated 13 July 2022**

The terms of the Industrial 4 Facility Agreement referred to at paragraph (v) above have subsequently been amended pursuant to an amendment deed dated 13 July 2022 and made between the Industrial 4 Borrower as borrower, National Westminster Bank Plc (in various capacities including as arranger, lender, agent and security agent), Natwest Markets Plc as hedge counterparty and The Royal Bank of Scotland as account bank (the "**Industrial 4 July 2022 Amendment Deed**").

Pursuant to the Industrial 4 July 2022 Amendment Deed, the Industrial 4 Borrower informed National Westminster Bank Plc (in its capacity as agent and security agent) that it intended to terminate the appointment of Workman LLP as managing agent and that the duties currently undertaken by Workman LLP will from the date of the Industrial 4 July 2022 Amendment Deed be undertaken by Industrials REIT Limited.

The terms of the Industrial 4 Facility Agreement remain the same as that detailed in paragraph (v) above and the amendments made to the Industrial 4 Facility Agreement pursuant to the Industrial 4 July 2022 Amendment Deed were to facilitate the termination of the appointment of Workman LLP and the appointment of Industrials REIT Limited as the replacement managing agent.

Under the terms of the Industrial 4 July 2022 Amendment Deed, the Industrial 4 Borrower is required to confirm that all representations as contained in the Industrial 4 Facility Agreement remain true in all material respects and otherwise than as amended pursuant to the Industrial 4 July 2022 Amendment Deed, the terms of the Industrial 4 Facility Agreement and any other finance documents entered into under or in connection with the Industrial 4 Facility Agreement remain in full force and effect unaffected by the Industrial 4 July 2022 Amendment Deed.

The Industrial 4 July 2022 Amendment Deed is governed by English law.

(vii) **Industrial 4 Facility Agreement – Amendment Deed dated 11 November 2022**

The terms of the Industrial 4 Facility Agreement referred to at paragraph (v) above have further been amended pursuant to an amendment deed dated 11 November 2022 and made between the Industrial 4 Borrower (as borrower), National Westminster Bank Plc (in various capacities including as arranger, lender, agent and security agent), NatWest Markets Plc as hedge counterparty and The Royal Bank of Scotland Plc as account bank (the “**Industrial 4 Nov 2022 Amendment Deed**”).

Pursuant to the Industrial 4 Nov 2022 Amendment Deed, the parties agreed to further amend the Industrial 4 Facility Agreement to (i) cancel the availability of the Industrial 4 Tranche C Facility and (ii) to add an additional extension option to be able to extend the “Termination Date” by an additional 12 months (a total of 24 months).

The key terms of the Industrial 4 Facility Agreement remain the same as that detailed in paragraph (v) other than the following:

- (a) with effect from the date of the Industrial 4 Nov 2022 Amendment Deed, the parties acknowledge that the Industrial 4 Tranche C Facility is automatically cancelled at the end of its availability period and any commitment fee payable pursuant to the Industrial 4 Facility Agreement is to be paid by the Industrial 4 Borrower;
- (b) with effect from the date of the Industrial 4 Nov 2022 Amendment Deed, the “Initial Termination Date” will remain as 14 November 2025 but the Industrial 4 Borrower may by written request to the agent request that the “Termination Date” be extended by (i) an initial 12 months (the “**First Extension Request**”) and (ii) provided the Termination Date has been extended by the First Extension Request, an additional 12 months to a total of 24 months. Any extension request remains at the complete discretion of the lenders; and
- (c) with effect from the date of the Industrial 4 Nov 2022 Amendment Deed, any additional arrangement fee payable following the exercise of an extension option will no longer be in an amount as to be agreed between the agent and the Industrial 4 Borrower at that time and instead will be in an amount equal to 0.2 per cent. of the loans outstanding on the date of that extension.

Under the terms of the Industrial 4 Nov 2022 Amendment Deed, the Industrial 4 Borrower is required to confirm that all representations as contained in the Industrial 4 Facility Agreement remain true in all material respects and otherwise than as amended pursuant to the Industrial 4 Nov 2022 Amendment Deed, the terms of the Industrial 4 Facility Agreement and any other finance documents entered into under or in connection with the Industrial 4 Facility Agreement remain in full force and effect unaffected by the Industrial 4 Nov 2022 Amendment Deed.

The Industrial 4 Nov 2022 Amendment Deed is governed by English law.

(viii) **Industrial 6 Amendment Agreement dated 13 July 2022**

An amendment agreement dated 13 July 2022 (the "**Industrial 6 July 2022 Amendment Agreement**") relating to the Industrial 6 Facility Agreement has been entered into by the Industrial 6 Borrower as borrower, Stenprop Industrial Holdings Limited as shareholder, Lloyds Bank plc (in various capacities, including as arranger, lender, agent and security agent) and Lloyds Bank Corporate Markets Plc as hedge counterparty.

Pursuant to the Industrial 6 July 2022 Amendment Agreement, the Industrial 6 Borrower has informed Lloyds Bank plc (in its capacity as agent and security agent) of its intention to terminate the appointment of Workman LLP as managing agent and that the duties currently undertaken by Workman LLP will from the date of the Industrial 6 July 2022 Amendment Agreement be undertaken by Industrials REIT Limited.

The parties to the Industrial 6 July 2022 Amendment Agreement have agreed to amend the terms of the Industrial 6 Facility Agreement to facilitate the termination of the appointment of Workman LLP and the appointment of Industrials REIT Limited as the replacement managing agent.

Under the terms of the Industrial 6 July 2022 Amendment Agreement, the Industrial 6 Borrower is required to confirm that all representations as contained in the Industrial 6 Facility Agreement remain true in all material respects and otherwise than as amended pursuant to the Industrial 6 July 2022 Amendment Agreement, the terms of the Industrial 6 Facility Agreement and any other finance documents entered into under or in connection with the Industrial 6 Facility Agreement remain in full force and effect unaffected by the Industrial 6 July 2022 Amendment Agreement.

The Industrial 6 July 2022 Amendment Agreement is governed by English law.

(ix) **Industrial UK LP amendment letter dated 13 July 2022 and release letter dated 13 July 2022**

An amendment letter dated 13 July 2022 (the "**Industrial UK Amendment Letter**") relating to a facility agreement originally dated 4 December 2020 (the "**Industrial UK LP Facility Agreement**") has been entered into by Industrials UK LP ("**Industrial UK Borrower**") as borrower (acting through its general partner Industrials UK GP LLC), Stenprop Industrials 1 Limited and Stenprop Industrials Holdings Limited as obligors and Solutus Advisors Limited as agent and security agent.

By entry into the Industrial UK Amendment Letter, Solutus Advisors Limited have agreed to consent to the replacement of Workman LLP as managing agent under the terms of the Industrial UK LP Facility Agreement and the appointment of Industrials REIT Limited as the replacement managing agent.

Under the terms of the Industrial UK Amendment Letter, the Industrial UK Borrower is required to confirm, as at (i) the date of the Industrial UK Amendment Letter, (ii) the effective date (as defined therein) and (iii) the second effective date (as defined therein), that all representations as contained in the Industrial UK LP Facility Agreement remain true in all material respects and otherwise than as amended pursuant to the Industrial UK Amendment Letter, the terms of the Industrial UK LP Facility Agreement and any other finance documents entered into under or in connection with the Industrial UK LP Facility Agreement remain in full force and effect unaffected by the Industrial UK Amendment Letter.

In connection with the Industrial UK Amendment Letter, a release letter was issued on 13 July 2022 by Solutus Advisors Limited to the Industrial UK Borrower and Workman LLP confirming the release of Workman LLP from its obligations under any duty of care agreement provided by Workman LLP in connection with the Industrial UK LP Facility Agreement (the "**Industrial UK Release Letter**").

The Industrial UK Amendment Letter and Industrial UK Release Letter are governed by English law.

(x) **Industrial 6 Swap transaction dated 22 August 2022**

Pursuant to a swap agreement dated 22 August 2022, the Industrial 6 Borrower and Lloyds Bank Corporate Markets plc have entered into a swap transaction in accordance with the terms of the Industrial 6 Facility Agreement on the following terms:

- Notional Amount: GBP42,413,300;
- Trade date: 22 August 2022;
- Effective date: 1 February 2024;
- Termination Date: 31 January 2025; and
- Fixed Rate: 3.445 per cent.

(xi) **Industrial 6 Amendment Agreement dated 16 December 2022**

An amendment agreement dated 16 December 2022 (the "**Industrial 6 Dec 2022 Amendment Agreement**") relating to the Industrial 6 Facility Agreement has been entered into by the Industrial 6 Borrower as borrower, Stenprop Industrial Holdings Limited as shareholder, Lloyds Bank plc (in various capacities, including as arranger, lender, agent and security agent) and Lloyds Bank Corporate Markets Plc as hedge counterparty.

Pursuant to the Industrial 6 Dec 2022 Amendment Agreement, the parties have acknowledged that the "Termination Date" of the Industrial 6 Facility Agreement has been extended pursuant to the Industrial 6 2021 Extension Letter and as at the date of the Industrial 6 Dec 2022 Amendment Agreement, the Termination Date is 1 February 2025.

Pursuant to the Industrial 6 Dec 2022 Amendment Agreement, the parties have agreed to amend the Industrial 6 Facility Agreement to allow additional extension options to be able to further extend the "Termination Date" by up to two years on the following terms:

- (a) the Industrial 6 Borrower may by written request to the agent at any time between (and including) 1 June 2023 and 31 July 2023 request that the "Termination Date" be extended by one year (the "**First Extension Request**");
- (b) the Industrial 6 Borrower may by written request to the agent at any time between (and including) 1 February 2024 and 31 March 2024 request that (i) if the First Extension Request has not been requested and/or agreed, extend the "Termination Date" by one year or (ii) if the First Extension Request has been agreed, extend the "Termination Date" as extended by the First Extension Request by an additional one year.

Any such extension request remains at the complete discretion of the lenders.

The following fees were or are payable by the Industrial 6 Borrower in connection with the Industrial 6 Dec 2022 Amendment Agreement: (i) an arrangement fee payable on the date of the Industrial 6 Dec 2022 Amendment Agreement in an amount equal to 0.05 per cent. of the total commitments as at the date of the Industrial 6 Dec 2022 Amendment Agreement and (ii) an extension fee, payable on or around the date of the Industrial 6 Dec 2022 Amendment Agreement in an amount equal to 0.2 per cent. of the total commitments.

Under the terms of the Industrial 6 Dec 2022 Amendment Agreement, the Industrial 6 Borrower is required to confirm that all representations as contained in the Industrial 6 Facility Agreement remain true in all material respects and otherwise than as amended pursuant to the Industrial 6 Dec 2022 Amendment Agreement, the terms of the Industrial 6 Facility Agreement and any other finance documents entered into under or in connection with the Industrial 6 Facility Agreement remain in full force and effect unaffected by the Industrial 6 Dec 2022 Amendment Agreement.

The Industrial 6 Dec 2022 Amendment Agreement is governed by English law.

(xii) **Trafalgar Court Share Purchase Agreement**

On 2 September 2021, the Company (formally known as Stenprop Limited) (as Guarantor) and Stenprop Trafalgar Limited ("**Trafalgar**") (as Seller) entered into a share purchase agreement with Arc Global (Guernsey) Holdings Limited ("**Arc**") under which Arc purchased the entire issued share capital of LPE Limited from Trafalgar in exchange for the cash consideration of £1 and Arc agreeing to repay an inter-company loan of £26.3 million to Trafalgar on behalf of LPE Limited (the "**Trafalgar SPA**"). The Trafalgar SPA was novated on 21 March 2023 due to Trafalgar's impending liquidation, and as a result, all present and future obligations that Trafalgar had under the Trafalgar SPA have now been novated to the Company. LPE Limited. LPE Limited is the sole legal and beneficial owner of Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 2HN.

(xiii) **ElySION Share Purchase Agreement**

On 24 March 2023, Bernina Property Holdings Limited ("**Bernina**"), a subsidiary of Industrials, entered into a share purchase agreement for the sale of 50% of the issued share capital of ElySION S.A. ("**ElySION**") to KapHag Beteiligungen GmbH and Caetra Investment GmbH in exchange for cash consideration of €1. As part of the wider transaction, ElySION agreed to repay a mezzanine loan owed to Bernina of approximately €18 million. ElySION is an entity established to hold certain German care home assets.

(xiv) **Lugano Sale and Purchase Agreement**

On 10 November 2021, Kantone Holdings Limited ("**Kantone**"), a subsidiary of Industrials, entered into a sale and purchase agreement for the sale of a land plot in Lugano, Switzerland ("**Lugano Property**") to Meroga SA in exchange for cash consideration of CHF 13,270,000, part of which was used in the repayment of mortgage debt secured over the Lugano Property. As part of the wider transaction, a lease entered into between Kantone and Plant Health Center SA in February 2020 concerning the Lugano Property was transferred to the purchaser.

(b) **Bidco**

Save as disclosed below, Bidco has not, during the period beginning on 3 April 2021 (being two years before the commencement of the Offer Period) and ending on the Disclosure Date, entered into any material contract otherwise than in the ordinary course of business.

The following contracts, not being contracts entered into in the ordinary course of business, and which are or may be material, have been entered into by Bidco in the period beginning on 3 April 2021 and ending on the Disclosure Date.

(i) **Co-Operation Agreement**

See paragraph 11(b) below for details of the Co-Operation Agreement.

(ii) **Equity Commitment Letter**

In connection with their equity financing of Bidco, each of the Blackstone Funds have, on a several basis, entered into the Equity Commitment Letter, which sets out the basis on which Blackstone Funds will invest, directly or indirectly, in immediately available funds in Bidco for the purposes of financing the consideration payable for the Scheme Shares. Pursuant to the terms of the Equity Commitment Letter, each of the Blackstone Funds will procure that such funds have been paid to Bidco by no later than the date by which Bidco must pay the cash consideration in connection with and pursuant to the Acquisition.

8. Concert parties

- (a) In addition to the Bidco Directors and members of the Wider Bidco Group, the persons who, for the purposes of the Takeover Code, are acting in concert with Bidco, Blackstone and Blackstone Funds include:

Name	Registered office	Relationship
N.M. Rothschild & Sons Limited	New Court, St Swithin's Lane, London, EC4N 8AL, United Kingdom	Connected adviser to Bidco and Blackstone
RBC Capital Markets	100 Bishopsgate, London, EC2N 4AA, United Kingdom	Connected adviser to Bidco and Blackstone

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

Name	Registered office	Relationship
Numis Securities Limited	45 Gresham Street, London, England, EC2V 7BF, United Kingdom	Financial adviser and Rule 3 adviser to Industrials
Eastdil Secured International Limited	One Berkeley Street, London, W1J 8DJ, United Kingdom	Financial adviser to Industrials
Java Capital Trustees and Sponsors Proprietary Limited	6th Floor, 1 Park Lane, Wierda Valley, Sandton 2196, Johannesburg, South Africa	JSE sponsor

9. Governing law

The Scheme shall be governed by and construed in accordance with Guernsey law. The Court shall have exclusive jurisdiction for determining any matter which may arise under or in connection with the Scheme.

10. Post-offer undertakings or post-offer intention statements

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

11. Offer-related arrangements

(a) Confidentiality Agreement

Blackstone Real Estate Services LLC and Industrials entered into a confidentiality agreement on 29 March 2023 (the "**Confidentiality Agreement**") pursuant to which Blackstone Real Estate Services LLC has undertaken to keep confidential certain information related to the Acquisition and to Industrials and not to disclose it to third parties (other than to authorised recipients) unless required by law or regulation. These confidentiality obligations shall remain in force until the first to occur of (a) the Acquisition becoming unconditional in all respects or (b) two years from the date of the Confidentiality Agreement.

Under the terms of the Confidentiality Agreement, Blackstone Real Estate Services LLC has also agreed to customary standstill provisions pursuant to which it has agreed that it will not (other than in limited circumstances) acquire any Industrials Shares. This restriction ceases immediately following the making of the Announcement.

(b) Co-Operation Agreement

Bidco and Industrials have entered into the Co-Operation Agreement whereby Bidco has agreed with Industrials (i) to obtain, and co-operate in relation to obtaining, any necessary approvals, consents, clearances, permissions, confirmations and make all filings that are necessary and/or expedient to satisfy the Conditions in paragraph 2(b) and 2(c) of Part 4 of this document; and (ii) that certain matters in relation to annual bonuses, severance arrangements, the operation of

the Industrials Share Plans and in relation to any Switch will be implemented or, as appropriate, operated. The Co-Operation Agreement will terminate in certain circumstances, including if agreed between Industrials and Bidco.

12. Sources and bases

- (a) All closing prices for Industrials Shares have been derived from Bloomberg unless stated otherwise.
- (b) As at close of business on the Disclosure Date, there were 298,775,175 Industrials Shares in issue, all of which are credited as fully paid and 1,914,727 of which were held as treasury shares.
- (c) As at the close of business on 3 May 2023 (being the Latest Practicable Date), there were 7,423,166 Industrials Shares that may be issued pursuant to Industrials Share Plans.
- (d) Any references to the issued and to be issued ordinary share capital of Industrials or fully diluted share capital will be 306,198,341 in total, this is based on:
 - (i) Industrials Shares in issue as referred to in paragraph (b) above; and
 - (ii) Industrials Shares that may be issued pursuant to Industrials Share Plans referred to in paragraph (c) above.
- (e) Property portfolio and valuation information relating to Industrials is from the valuation report produced by Jones Lang LaSalle as set out in Schedule 1 of this document.
- (f) For the purposes of Rule 29.1(d) of the Takeover Code, an updated valuation of Industrials' property portfolio has been obtained. This has been used to calculate Industrials' rolled-forward unaudited EPRA Net Tangible Assets per Industrials Share as at 31 March 2023:

	EPRA NTA as at 30 September 2022	Adjustment for JV disposal⁽²⁾	Adjustment for 31 March 2023 valuation⁽³⁾	Rolled-forward unaudited EPRA NTA as at 31 March 2023
£'000 unless stated				
Investment property ⁽¹⁾	623,431		(29,316)	594,115
Investment in joint venture bond	15,829	(15,829)		–
Cash	33,877	15,530	(6,150)	43,257
Bank Loans	(177,558)			(177,558)
Other net liabilities	(575)			(575)
Net assets	495,004	(299)	(35,466)	459,239
EPRA adjustments	(10,373)			(10,373)
EPRA NTA⁽⁵⁾	484,631	(299)	(35,466)	448,866
Total diluted shares ⁽⁴⁾	298,295,650			298,295,650
EPRA NTA per share (pence)	162			150

(1) Investment property represents the market value as per the Jones Lang LaSalle's valuation.

(2) Represents proceeds from the disposal of the interest in the Care Homes joint venture, Elysion S.A.

(3) Represents the revaluation adjustment for the market valuation of investment properties as 31 March 2023, adjusted for approximately £6.15 million capital expenditure spent. No additions or disposals since 30 September 2022.

(4) Total diluted shares as at 30 September 2022.

(5) Directors confirm that the aggregate of other NAV adjustments between 30 September 2022 and 31 March 2023 is not material.

13. General

- (a) Save as disclosed elsewhere in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Bidco or any party acting in concert with Bidco and any of the directors, recent directors, shareholders or recent shareholders of Industrials or any person interested or recently interested in shares of Industrials, having any connection with or dependence on the Acquisition.
- (b) Save as disclosed in this document, no proposal exists in connection with the Acquisition that any payment or other benefit will be made or given to any of the Industrials Directors as compensation for loss of office or as consideration for, or in connection with, their retirement from office.
- (c) Rothschild & Co is satisfied that sufficient financial resources are available to Bidco to satisfy the maximum aggregate Cash Consideration that would be payable on the Scheme becoming Effective.
- (d) There is no agreement, arrangement or understanding under which any securities acquired pursuant to the Acquisition will be transferred to any other person, save that Bidco reserves the right to transfer any such securities to any other member of the Wider Bidco Group.
- (e) Save for the irrevocable commitments and letters of intent described in paragraph 4 of Part 7 of this document neither:
- (i) Bidco, nor any person acting in concert with Bidco; nor
 - (ii) Industrials, nor any person acting in concert with Industrials,
- has any arrangement (including any indemnity or option arrangement), agreement or understanding, formal or informal, of whatever nature relating to relevant Industrials securities, which may be an inducement to deal or refrain from dealing, with any other person.
- (f) There is no agreement to which Bidco is a party which relates to the circumstances in which it may, or may not, invoke a Condition to the Acquisition.
- (g) The financial information on Bidco and Industrials contained in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.
- (h) The aggregate fees and expenses expected to be incurred by Bidco in connection with the Acquisition are estimated to amount to £21.6 million plus applicable VAT and other taxes. The following are estimates expected to comprise the aggregate figure (in each case exclusive of VAT):
- | | | |
|-------|--|--------------|
| (i) | Financial and corporate broking advice | £9.0 million |
| (ii) | Legal advice ⁽¹⁾ | £3.8 million |
| (iii) | Accounting advice | £0.0 million |
| (iv) | Public relations advice ⁽¹⁾ | £0.3 million |
| (v) | Other professional services ⁽¹⁾ | £7.5 million |
| (vi) | Other costs and expenses | £1.0 million |
- (1) These services include services charged by reference to hourly or daily rates. The amounts included here reflect the services incurred up to the Latest Practicable Date and an estimate of the residual amount of time required until the Effective Date.
- (i) The aggregate fees and expenses expected to be incurred by Industrials in connection with the Acquisition are estimated to amount to £9.5 million plus applicable VAT and other taxes. The following are estimates expected to comprise the aggregate figure (in each case exclusive of VAT):
- | | | |
|------|--|--------------|
| (i) | Financial and corporate broking advice | £7.2 million |
| (ii) | Legal advice ⁽¹⁾ | £1.5 million |

(iii)	Accounting advice ⁽¹⁾	£0.1 million
(iv)	Public relations advice	£0.1 million
(v)	Other professional services	£0.5 million
(vi)	Other costs and expenses	£0.1 million

(1) Certain of these services are provided by reference to hourly or daily rates. Amounts included in the table above reflect the time incurred up to the latest practicable date prior to the publication of this document and an estimate of the further time required.

14. Taxation

The following paragraphs provide summary information on taxation as a guide only and are not a substitute for detailed tax advice. Any Industrials Shareholders who are in any doubt about their tax position, or who are resident for tax purposes outside the UK, Guernsey or South Africa, should contact an appropriate tax adviser.

(a) *UK taxation*

The summary comments set out below are based on current United Kingdom tax law as applied in England and Wales and what is understood to be HM Revenue & Customs ("HMRC") practice (which may not be binding on HMRC) as at the date of this document, both of which are subject to change, possibly with retrospective effect.

The comments only deal with certain limited aspects of the UK tax treatment of Industrials Shareholders who hold their Industrials Shares as an investment (otherwise than through an individual savings account) and are the absolute beneficial owners of those Industrials Shares. Except where the comments refer specifically to non-UK resident Industrial Shareholders, the comments only apply to Industrial Shareholders who are resident in the UK for tax purposes (and, in the case of individuals, ordinarily resident and domiciled in the UK).

The comments do not apply to certain categories of Industrials Shareholders who may be subject to special tax rules, including (but not limited to) dealers in securities, those subject to UK tax on the remittance basis, those carrying on certain financial or insurance activities, those that are, or hold for the benefit of, collective investment schemes, those subject to specific tax regimes or benefiting from certain reliefs and exemptions, those connected with Industrials and those for whom the shares are employment-related securities (including any participants in the Industrials Share Plans).

UK tax on chargeable gains

A Scheme Shareholder's liability to UK tax on chargeable gains will depend on their particular circumstances.

Scheme Shareholders who transfer their Scheme Shares to Bidco in exchange for Cash Consideration under the Scheme will dispose of their Scheme Shares for the purposes of UK taxation of chargeable gains. Depending on a Scheme Shareholder's specific circumstances (including the Scheme Shareholder's base cost and the availability of any exemptions, reliefs and/or allowable losses), the disposal of the Scheme Shares may give rise to a liability to UK taxation on chargeable gains or an allowable capital loss.

- (i) Subject to any available exemption or relief, gains made by a Scheme Shareholder who is an individual are currently charged to capital gains tax at a rate of either 10 per cent. or 20 per cent. depending on the total amount of the individual's taxable income and capital gains for the tax year. The capital gains annual exemption (which is £6,000 for the tax year running from 6 April 2023 to 5 April 2024) will also be available to offset any chargeable gain (to the extent it is not otherwise utilised).
- (ii) Subject to any available exemption or relief, a Scheme Shareholder who is a company will be charged corporation tax on any gain at the corporation tax rate that applies to the company for the relevant accounting period. The current corporation tax rate is 25 per cent. Indexation allowance will be available in respect of the period of ownership of the

Scheme Shares up to 31 December 2017 to reduce any chargeable gain arising on the disposal of a Scheme Shares by a Scheme Shareholder that is a company (but not to create or increase any allowable loss).

The Finance Act 2019 extended the territorial scope of UK taxation on chargeable gains to certain gains made by a person who is not resident in the UK for tax purposes. Subject to any relief provided by an applicable double tax treaty and depending on their particular circumstances, such a Scheme Shareholder could potentially be liable to UK tax on chargeable gains in the manner outlined above. This is because:

- (i) Industrials status as a UK REIT means that it meets the definition of a "collective investment vehicle" in the UK's non-resident chargeable gains rules; and
- (ii) Industrial Shares derive more than 75 per cent. of their value from UK land.

Any such Scheme Shareholder who is not resident in the UK for tax purposes should therefore consult their own tax advisers to determine whether they will have a UK tax liability when disposing of Industrial Shares.

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

No UK stamp duty or SDRT will generally be payable by any Scheme Shareholder on the transfer of the Scheme Shares to Bidco.

(b) Guernsey taxation

The following paragraphs, which are intended as a general guide only, and do not constitute tax advice, are based on current Guernsey tax legislation and the published practice of the Director of the Revenue Service in Guernsey, which is subject to change (possibly with retroactive effect). They summarise certain limited aspects of the anticipated Guernsey tax treatment of the Acquisition and they relate only to the position of Scheme Shareholders who are the absolute beneficial owners of their Scheme Shares, who hold their Scheme Shares as an investment and who are resident in Guernsey for taxation purposes. They do not apply to certain classes of Scheme Shareholders, such as dealers in securities, insurance companies, collective investment schemes and Scheme Shareholders who have, or are deemed to have, acquired their Scheme Shares by reason of, or in connection with, an office or employment. If you are in any doubt as to your taxation position or if you are subject to tax in any jurisdiction other than Guernsey, you should consult an appropriate professional adviser immediately.

Guernsey currently does not levy taxes upon capital inheritances, capital gains, gifts, capital transfers, wealth, sales or turnover (unless the varying of investments and turning of such investments to account is a business or part of a business), nor are there any estate duties, save for registration fees and an ad valorem duty for a Guernsey grant of representation where the deceased dies leaving assets in Guernsey which require presentation of such a grant.

Guernsey Resident Shareholders

Cash received under the Scheme by Scheme Shareholders will be considered as part of the disposal of Scheme Shares and will not be taxable in Guernsey. Shareholders who are resident in Guernsey may be subject to Guernsey income tax on any dividends paid by Industrials, depending on their own circumstances. No stamp duty or similar duty or tax will be payable in Guernsey by Scheme Shareholders resident in Guernsey as a result of approving the Scheme.

Non-Guernsey Resident Shareholders

Scheme Shareholders resident outside Guernsey will not be subject to any tax in Guernsey in respect of or in connection with the implementation of the Scheme, except where and to the extent that they have a permanent establishment in Guernsey to which the holding of Scheme Shares is attributable.

Anti-Avoidance

Guernsey has a wide-ranging anti-avoidance provision. This provision targets transactions where the effect of the transaction or series of transactions is the avoidance, reduction or deferral of a

tax liability. On a discretionary basis, the Director of the Revenue Service in Guernsey will make such adjustments to the tax liability to counteract the effects of the avoidance, reduction or deferral of the tax liability.

US Foreign Account Tax Compliance Act ("FATCA")

Guernsey has implemented FATCA following the entering into of an intergovernmental agreement with the United States regarding the implementation of FATCA (the "**US-Guernsey IGA**"). Under FATCA and legislation enacted in Guernsey to implement the US-Guernsey IGA, certain disclosure requirements are imposed in respect of certain Scheme Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents or citizens of the United States, unless a relevant exemption applies. Certain due diligence obligations are also imposed. Where applicable, information that needs to be disclosed includes certain information about Scheme Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and returns from Industrials, including resulting from any disposal of Scheme Shares pursuant to the Scheme. FATCA is implemented through Guernsey's domestic legislation in accordance with local guidance that is published in draft form.

Under the US-Guernsey IGA, securities that are "regularly traded" on an established securities market, such as the Main Market of the London Stock Exchange, are not considered financial accounts and are not subject to reporting. For these purposes, Scheme Shares are considered "regularly traded" if there is a meaningful volume of trading with respect to the Scheme Shares on an ongoing basis. Notwithstanding the foregoing, a Scheme Share is not considered to be "regularly traded" and is considered to be a financial account if the Scheme Shareholder is not a financial institution acting as an intermediary. However, it is expected that whilst a Scheme Share is held in uncertificated or dematerialised form within CREST or the STRATE system, the holder of that Scheme Share will likely be a financial institution acting as an intermediary. Scheme Shareholders that own their Scheme Shares through financial intermediaries may be required to provide information to such financial intermediaries in order to allow the financial intermediaries to satisfy their obligations under FATCA.

Organisation For Economic Cooperation and Development's Common Reporting Standard

Under the Common Reporting Standard ("**CRS**") and legislation enacted in Guernsey to implement the CRS, certain disclosure requirements are imposed in respect of certain Scheme Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents of any of the jurisdictions that have also adopted the CRS, unless a relevant exemption applies. Certain due diligence obligations are also imposed. Where applicable, information that needs to be disclosed includes certain information about Scheme Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and returns from Industrials, including resulting from any disposal of Scheme Shares pursuant to the Scheme. The CRS is implemented through Guernsey's domestic legislation in accordance with local guidance that is supplemented by guidance issued by the Organisation for Economic Cooperation and Development.

Under the CRS, there is currently no reporting exemption for securities that are "regularly traded" on an established securities market, although it is expected that whilst a Scheme Share is held in uncertified form within CREST or the STRATE system, the holder of that Scheme Share will likely be a financial institution acting as an intermediary. Scheme Shareholders that own their Scheme Shares through financial intermediaries may be required to provide information to such financial intermediaries in order to allow the financial intermediaries to satisfy their obligations under the CRS.

Request for Information

Industrials reserves the right to request from any Scheme Shareholder such information as Industrials deems necessary to comply with obligations arising under legislation implementing FATCA or the CRS.

(c) **South African taxation**

The following is a summary of the South African tax considerations which are relevant for Industrials Shareholders who are to dispose of Scheme Shares. This summary is based on the applicable laws, regulations and the interpretation thereof, in effect in South Africa on the date of this document, all of which are subject to change, including changes that could have a retrospective effect. This summary does not purport to address all tax consequences associated with the Acquisition and is for general information only. In particular, it does not cover the tax position of participants in the Industrials Share Plans. All Industrials Shareholders should consult their tax advisers regarding the particular tax consequences applicable to them in relation to the disposal of their Scheme Shares, including the applicability and effect of other tax laws and possible changes in tax law.

The summary below only applies to Industrials Shareholders who are resident for tax purposes in South Africa, who hold their Scheme Shares as a capital asset and who are the absolute beneficial owner of both the Scheme Shares and any dividends paid on them. The tax position of certain categories of Scheme Shareholders who are subject to special rules is not considered and it should be noted that they may incur liabilities to South African tax on a different basis to that described below. This includes persons who acquired their Scheme Shares in connection with employment, dealers in securities, insurance companies, collective investment schemes, public benefit organisations and pension/provident funds.

No South African securities transfer tax (STT) will generally be payable by any Scheme Shareholder in respect of their transfer of the Scheme Shares to Bidco, on the basis that STT is not due by (or recoverable from) the transferor of shares.

Receipt of Cash Consideration: Capital gains tax

Implementation of the Acquisition will result in a disposal of the Scheme Shares by the Scheme Shareholders. This disposal will give rise to a capital receipt or accrual in the hands of the participating shareholder. When shares are held otherwise than as trading stock, that is, as capital assets, any gain will be of a capital nature and is subject to capital gains tax. Capital losses may usually be set off against other capital gains only and not against ordinary income. For capital gains tax purposes a capital gain or loss is determined as the proceeds received on disposal less the base cost (qualifying expenditure incurred to acquire the share). The proceeds will be the Cash Consideration received by the Industrials Shareholders.

Individual Industrials Shareholders

Capital gains tax is based on an individual's marginal income tax rate. 40 per cent. of all capital gains is included in the taxable income of an individual and taxed in accordance with his or her marginal income tax rate. The highest effective rate of capital gains tax, based on a marginal income tax rate of 45 per cent., is 18 per cent. The basic annual capital gain exclusion of ZAR 40,000 may be utilised to reduce the capital gain included in the individual's taxable income.

Corporate Industrials Shareholders

Companies pay capital gains tax at a higher rate than natural persons. They do not qualify for the annual exclusion, and must include 80 per cent. of any net capital gain in taxable income. Capital gains tax is based on the corporate income tax rate (which is currently 28 per cent., but which has been decreased to 27 per cent. for years of assessment ending on or after 31 March 2023). The current effective capital gains tax rate for companies is 22.4 per cent., but this has been decreased to 21.6 per cent. for years of assessment ending on or after 31 March 2023.

15. Financing and cash confirmation

The Cash Consideration payable by Bidco under the terms of the Acquisition will be funded from equity to be invested by the Blackstone Funds. In connection with the financing of Bidco, the Blackstone Funds have entered into the Equity Commitment Letter. Bidco may look to put in place debt financing on, or following, the Effective Date.

Rothschild & Co, in its capacity as financial adviser to Blackstone and Bidco, is satisfied that sufficient cash resources are available to Bidco to satisfy in full the Cash Consideration payable to Industrials Shareholders under the terms of the Acquisition.

16. Valuation

- (a) For the purposes of Rule 29.5 of the Takeover Code, the Industrials Directors confirm that Jones Lang LaSalle has confirmed that the value of properties within the scope of its valuation report as at the date of this document would not be materially different from the valuation given by Jones Lang LaSalle as at 31 March 2023 and contained in Jones Lang LaSalle's valuation report set out in Schedule 1 of this document.
- (b) In the event that the assets within Industrials property portfolios were to be sold at the valuations contained in the valuation report set out in Schedule 1 of this document, any gains realised on such disposal may be subject to taxation in the UK. Generally, disposals by a UK REIT of assets located in the UK held for the purpose of a property rental business should be exempt from UK corporation tax, however there are specific rules which can result in assets held as part of the property rental business being subject to tax on disposal, for example when a property is materially developed and sold within three years of completion of that development. In connection with the Acquisition it is not expected that the aforementioned liability to taxation will crystallise.

17. No significant change

The Industrials Directors are not aware of any significant change in the financial or trading position of Industrials since 31 March 2022, being the date to which the Industrials Group's latest audited consolidated accounts were prepared.

18. Consent

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

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

Rothschild & Co has given and not withdrawn its written consent to the issue of this document with the inclusion of its name and the references to them in the form and context in which they are included.

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

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

Jones Lang LaSalle has given and not withdrawn its written consent to the issue of this document with the inclusion of its name and the references to them in the form and context in which they are included.

19. Documents available on website

Copies of the following documents will be made available on the Company's website at www.industrialsreit.com during the period from the date on which this document is published up to and including the Effective Date (or the date on which the Scheme lapses):

- (i) this Scheme Document and the Forms of Proxy;
- (ii) any announcements issued by the Company in connection with the Scheme;
- (iii) the memorandum and Articles of Industrials;
- (iv) the limited partnership agreement of Bidco;
- (v) a draft of the Articles of Industrials as proposed to be amended by the Resolution;

- (vi) the published audited consolidated accounts of Industrials for the two financial years ended 31 March 2022 and 31 March 2021, and the unaudited interim condensed consolidated financial statements of Industrials for the six months ended 30 September 2022. These accounts have been incorporated into this document by reference to the above website in accordance with Rule 24.15 of the Takeover Code;
- (vii) the letters of consent referred to in Part 7, paragraph 18 of this document;
- (viii) the Confidentiality Agreement;
- (ix) the Co-Operation Agreement;
- (x) the Equity Commitment Letter;
- (xi) the irrevocable undertakings and letters of intent referred to in Part 7, paragraph 4 of this document; and
- (xii) the Jones Lang LaSalle valuation report in Schedule 1 of this document.

PART 8

DEFINITIONS

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

Acquisition	the proposed acquisition by Bidco of the entire issued and to be issued ordinary share capital of Industrials, to be effected by means of the Scheme (or by way of the Takeover Offer under certain circumstances described in this document), and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
Announcement	the announcement made under Rule 2.7 of the Takeover Code on 14 April 2023 regarding the Acquisition;
Articles	the articles of incorporation of Industrials from time to time;
Authorisations	regulatory authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, registrations, permissions or approvals;
Bidco	Sussex Bidco LP, a limited partnership established in Jersey with limited partnership number 4158 acting by Sussex GP Ltd as its general partner;
Bidco Directors	the directors of Sussex GP Ltd, as at the date of this document, acting as general partner of Sussex Bidco LP;
Bidco Partnership Interests	the limited partnership interests in Sussex Bidco LP;
Blackstone	Blackstone Inc.;
Blackstone Funds	(i) Blackstone Real Estate Partners X (Offshore) (CAN) L.P.; and (ii) Blackstone Real Estate Partners Europe VI SCSp;
Blackstone Responsible Persons	the individuals as set out in paragraph 2(f) of Part 7 of this document;
Business Day	any day (other than a Saturday or Sunday) on which the London Stock Exchange and banks in the City of London and South Africa are open for business;
Cash Consideration	the cash amount of 168 pence per Scheme Share payable to Scheme Shareholders by Bidco under the Acquisition in respect of each Industrials Share, as may be adjusted in accordance with the terms of the Acquisition as set out in this document;
certificated or in certificated form	in relation to a share or other security, a share or other security which is not in uncertificated or dematerialised form (that is not in CREST or the STRATE system, as the case may be);
closing price	the closing middle market price of an Industrials Share on a particular dealing day as derived from the Daily Official List;
CMA	the United Kingdom Competition and Markets Authority;
CMA Briefing Paper	the briefing paper submitted to the CMA in relation to the Acquisition by Bidco;

Companies Act	the Companies Act 2006, as amended;
Companies Law	the Companies (Guernsey) Law, 2008 (as amended);
Conditions	the conditions to the implementation of the Acquisition, as set out in Part 4 of this document;
Confidentiality Agreement	the confidentiality agreement entered into between Blackstone Real Estate Services LLC and Industrials dated 29 March 2023, as described in paragraph (a) of Part 7 of this document;
Co-Operation Agreement	the co-operation agreement entered into between Bidco and Industrials dated 14 April 2023, as described in paragraph 11(b) of Part 7 of this document;
Court	the Royal Court of Guernsey;
Court Hearing	the Court hearing at which Industrials will seek an order sanctioning the Scheme for the purposes of section 110 of the Companies Law;
Court Meeting	the meeting or meetings of the Scheme Shareholders to be convened pursuant to an order of the Court pursuant to section 107 of the Companies Law, notice of which is set out in Part 9 of this document, for the purpose of considering and, if thought fit, approving the Scheme, including any adjournment or reconvening thereof;
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear, in accordance with the CREST Regulations;
CREST Manual	the CREST Manual published by Euroclear, as amended from time to time;
CREST Regulations	the Uncertificated Securities (Guernsey) Regulations, 2009, including (i) any enactment or subordinate legislation which amends or supersedes those regulations and (ii) any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force;
CSDP	a Central Securities Depository Participant, being a participant as defined in the South African Financial Markets Act 19 of 2012 (as amended), appointed by an Industrials Shareholder in South Africa for the purposes of, and in regard to, dematerialisation and to hold and administer securities or an interest in securities on behalf of such Industrials Shareholder;
Daily Official List	the Daily Official List published by the London Stock Exchange;
Dealing Disclosure	has the same meaning as in Rule 8 of the Takeover Code;
dematerialised or in dematerialised form	a share or other security which has been incorporated into the STRATE system, title to which is no longer represented by a physical document of title;
Disclosed	the information disclosed by or on behalf of Industrials: (i) in the interim report of the Industrials Group for the half year to 30 September 2022; (ii) in the Announcement; (iii) in any other announcement to a Regulatory Information Service or SENS (as the case may be) by or on behalf of Industrials prior to the publication of the Announcement; or (iv) as otherwise fairly disclosed to Bidco (or its respective officers, employees, agents

	or advisers) prior to the date of the Announcement (including but not limited to all matters fairly disclosed in the written replies, correspondence, documentation and information provided in an electronic data room created by or on behalf of Industrials or sent to Bidco or any of its respective advisers during the due diligence process and whether or not in response to any specific request for information made by any such person);
Eastdil Secured	Eastdil Secured International Limited, joint financial adviser to Industrials;
Effective	the Scheme having become effective in accordance with its terms, upon the delivery of a copy of the Scheme Court Order to the Guernsey Registry;
Effective Date	the date on which the Scheme becomes Effective;
EPRA	European Public Real Estate Association;
EPRA Guidance	the EPRA Best Practices Recommendations Guidelines October 2019;
EPRA NTA	a measure of net asset value designed by EPRA to present the fair value of a company on a long term basis and for these purposes, Industrials uses EPRA Net Tangible Assets as defined in the EPRA Guidance;
Equity Commitment Letter	the equity commitment letter entered into between Bidco and the Blackstone Funds, dated 14 April 2023;
Euroclear	Euroclear UK & International Limited;
Excluded Shares	(i) any Industrials Shares beneficially owned by Bidco, any member of the Wider Bidco Group or any other person holding shares in Bidco; or (ii) any Industrials Shares held as treasury shares by Industrials, in each case at any relevant time;
Explanatory Statement	the explanatory statement relating to the Scheme, as set out in Part 2 of this document, which together with the documents incorporated therein constitute the explanatory statement relating to the Scheme as required by section 108 of the Companies Law;
FAIS Act	South African Financial Advisory and Intermediary Services Act 37 of 2002 (as amended);
FCA or Financial Conduct Authority	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the UK Financial Services and Markets Act 2000;
Final Offer Price	168 pence per Industrials Share;
Finsurv	the Financial Surveillance Department of the South African Reserve Bank;
Forms of Proxy	the forms of proxy in connection with each of the Court Meeting and the General Meeting, which accompany this document;
GBP/Rand Exchange Rate	the average GBP:South African Rand exchange rate obtained by or on behalf of Bidco through one or more market transactions occurring on or prior to the date of publication of the finalisation announcement for the purposes of settling the Cash Consideration due to Scheme Shareholders registered on the

	South African Register in Rand, such rate is currently expected to be published in an announcement to be published on or shortly after 20 June 2023;
General Meeting	the general meeting of Industrials Shareholders (including any adjournment thereof) to be convened in connection with the Scheme, by the notice which is set out in Part 10 of this document;
Guernsey	the Island of Guernsey;
Guernsey Register	the register of members of the Company kept and maintained on behalf of the Company by the Guernsey Registrar, in Guernsey;
Guernsey Registrar	Computershare Investor Services (Guernsey) Limited, 1st Floor, Tudor House, Le Bordage, St Peter Port, GY1 1DB, Guernsey;
Guernsey Registry	the body authorised by the State of Guernsey to maintain various registers as required under Guernsey legislation and operating under the name Guernsey Registry;
holder	a registered holder, including any person entitled by transmission;
IFRS	International Financial Reporting Standards;
Industrials or the Company	Industrials REIT Limited, a non-cellular company limited by shares and registered in Guernsey with the registration number: 64865;
Industrials Board	the board of directors of Industrials;
Industrials Directors	the directors of Industrials;
Industrials Group	Industrials and its subsidiary undertakings and, where the context permits, each of them, from time to time;
Industrials LTIP	the Industrials Long Term Incentive Plan, adopted in 2018;
Industrials SAYE Plan	the Industrials SAYE Share Option Plan, adopted in 2022;
Industrials Share Plans	the Industrials LTIP, the Industrials STIP and the Industrials SAYE Plan;
Industrials Shareholders or Shareholders	the registered holders of Industrials Shares from time to time;
Industrials Shares	the existing issued and fully paid ordinary shares with a nominal value of EUR 0.000001258 each in the share capital of Industrials and any further such ordinary shares which are issued before the Scheme becomes Effective but in both cases excluding any such shares held or which become held as treasury shares;
Industrials STIP	the Industrials Deferred Share Bonus Plan, adopted in 2018;
Java Capital	Java Capital Trustees and Sponsors Proprietary Limited;
Johannesburg Stock Exchange or JSE	the JSE Limited, a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the South African Financial Markets Act, 19 of 2012 (as amended), or the securities exchange operated by JSE Limited, as the context indicates;

JSE Listings Requirements	the Listings Requirements of the Johannesburg Stock Exchange, as amended from time to time;
Jones Lang LaSalle	Jones Lang LaSalle Limited;
Latest Practicable Date	3 May 2023 (being the latest practicable date prior to the publication of this document);
Listing Rules	the rules and regulations published by the FCA and contained in the Listing Rules sourcebook which is part of the FCA Handbook;
London Stock Exchange	London Stock Exchange Group plc;
Long Stop Date	31 December 2023 or such later date as may be agreed in writing by Bidco and Industrials (with the Panel's consent and as the Court may approve (if such approval(s) are required));
Main Market	the main market for listed securities of the London Stock Exchange;
Meetings	the Court Meeting and the General Meeting, and Meeting means either of them;
MLI	multi-let industrial;
Numis	Numis Securities Limited, Rule 3 adviser and joint financial adviser to Industrials;
Offer Period	the offer period (as defined by the Takeover Code) relating to Industrials, which commenced on 3 April 2023;
Official List	the Official List maintained by the FCA;
Opening Position Disclosure	has the same meaning as in Rule 8 of the Takeover Code;
Overseas Shareholders	Industrials Shareholders (or nominees of, or custodians or trustees for Industrials Shareholders) not resident in, or nationals or citizens of, the United Kingdom or Guernsey;
PRA	the Prudential Regulation Authority or its successor from time to time;
Panel	the Panel on Takeovers and Mergers;
Phase 1 Investigation	an investigation by the CMA to enable it to determine whether to make a reference under Section 33 of the Enterprise Act 2002;
Phase 2 Reference	a reference pursuant to Section 22 or 33 of the Enterprise Act 2002 to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013;
RBC Capital Markets	RBC Europe Limited;
Register	the register of members of the Company comprising the South African Register and the Guernsey Register;
Registrars	the South African Registrar and the Guernsey Registrar;
Regulation	Council Regulation (EC) 139/2004 of 20 January 2004 on the control of concentrations between undertakings (as amended);
Regulatory Information Service	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements;

relevant securities	means (i) the Industrials Shares, (ii) the Bidco Partnership Interests and (iii) securities convertible into, rights to subscribe for, options (including traded options) in respect of and derivatives referenced to the Industrials Shares and the Bidco Partnership Interests (as appropriate);
Resolution	the resolution proposed to be passed at the General Meeting in connection with the alteration of the Articles and such other matters as may be necessary to implement the Scheme;
Restricted Jurisdiction	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if the Acquisition is extended or made available in that jurisdiction or if information concerning the Acquisition is made available in that jurisdiction or where to do so would result in a requirement to comply with any governmental or other consent or any registration, filing or other formality which Bidco or Industrials regards as unduly onerous;
Restricted Persons	Industrials Shareholders resident in, or nationals or citizens of, a Restricted Jurisdiction or who are nominees or custodians, trustees or guardians for, citizens, residents or nationals of a Restricted Jurisdiction;
Rolled-forward 31 March 2023 Unaudited EPRA NTA	Industrials' rolled-forward net asset value based on Industrials' reported EPRA NTA as at 30 September 2022 of £484,631k adjusted on a pro-forma basis for (i) the updated valuation as at 31 March 2023 set out in Schedule 1 and (ii) the disposal of Industrials' interest in a German care home joint venture after 30 September 2022, as more specifically shown in Part 7, para 12(f);
Rothschild & Co	N.M. Rothschild & Sons Limited;
SAST	South African standard time;
Scheme	the proposed scheme of arrangement under Part VIII of the Companies Law between Industrials and the Scheme Shareholders in connection with the Acquisition, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Industrials and Bidco;
Scheme Court Order	the order of the Court sanctioning the Scheme;
Scheme Document	this document;
Scheme Record Time	6.00 pm London time on the day of the Court Hearing or such later time as Bidco and Industrials may agree;
Scheme Shareholders	holders of Scheme Shares at any relevant date or time and a "Scheme Shareholder" shall mean any one of the Scheme Shareholders;
Scheme Shares	all Industrials Shares: <ul style="list-style-type: none"> (i) in issue as at the date of this document and which remain in issue at the Scheme Record Time; (ii) (if any) issued after the date of this document and prior to the Scheme Voting Record Time and which remain in issue at the Scheme Record Time; and (iii) (if any) issued on or after the Scheme Voting Record Time but at or before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by this Scheme or in respect of which the original or any subsequent holders thereof are, or shall

	<p>have agreed in writing to be bound by the Scheme and which remain in issue at the Scheme Record Time,</p> <p>but in each case other than any Excluded Shares at the Scheme Record Time;</p>
Scheme Voting Record Time	6.00 pm London time on the day two Business Days before the date of the Court Meeting or any adjournment of it (as the case may be);
SENS	the Stock Exchange News Service of the Johannesburg Stock Exchange;
Significant Interest	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking;
South Africa	the Republic of South Africa;
South African Register	the branch register of members of the Company kept and maintained on behalf of the Company by the South African Registrar, in South Africa;
South African Registrar	Computershare Investor Services Proprietary Limited, a limited liability company duly incorporated and registered under the laws of South Africa under registration number: 2004/003647/07, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, Johannesburg, South Africa;
STRATE	the settlement and clearing system used by the Johannesburg Stock Exchange, managed by Strate Proprietary Limited, a limited liability company duly incorporated and registered under the laws of South Africa under registration number: 1998/022242/07, and licensed as a central securities depository under the South African Financial Markets Act, 19 of 2012 (as amended);
Takeover Code	the City Code on Takeovers and Mergers;
Takeover Offer	if the Acquisition is implemented by way of a takeover offer (which shall be an offer for the purposes of Part XVIII of the Companies Law), the offer to be made by or on behalf of Bidco, or an associated undertaking thereof, to acquire the entire issued and to be issued ordinary share capital of Industrials including, where the context admits, any subsequent revision, variation, extension or renewal of such offer;
Third Party	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other similar body or person whatsoever in any jurisdiction;
Topco	Sussex Super Topco Ltd, a limited liability company incorporated in Jersey with registration number 148021;
uncertificated or in uncertificated form	in relation to a share or other security, a share or other security the title to which is recorded as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;

United Kingdom or UK	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, the District of Columbia and all other areas subject to its jurisdiction and any political sub-division thereof;
US Exchange Act	the US Securities Exchange Act of 1934, as amended;
Wider Bidco Group	Bidco and its subsidiaries, subsidiary undertakings and associated undertakings, and any other body corporate, person or undertaking (including a joint venture, partnership, firm or company) in which Bidco and/or such undertakings (aggregating their interests) have a Significant Interest; and
Wider Industrials Group	Industrials and associated undertakings and any other body corporate, partnership, joint venture or person in which Industrials and such undertakings (aggregating their interests) have a Significant Interest.

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

PART 9

NOTICE OF COURT MEETING

IN THE ROYAL COURT OF GUERNSEY

IN THE MATTER OF INDUSTRIALS REIT LIMITED

(a non-cellular company limited by shares incorporated in Guernsey with registration number 64865)

– and –

IN THE MATTER OF PART VIII OF THE COMPANIES (GUERNSEY) LAW, 2008 (AS AMENDED)

NOTICE IS HEREBY GIVEN that by an order dated 5 May 2023 made under section 107 of the Companies (Guernsey) Law, 2008 (as amended) (the "**Companies Law**") in the above matters (the "**Order**"), the Royal Court of Guernsey (the "**Court**") has directed a meeting (the "**Court Meeting**") to be convened of the Scheme Shareholders (as defined in the scheme of arrangement referred to below) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the "**Scheme of Arrangement**") pursuant to Part VIII of the Companies Law proposed to be made between Industrials REIT Limited (the "**Company**" or "**Industrials**") and the Scheme Shareholders and that such meeting will be held at Bryan Cave Leighton Paisner LLP, Governors House, 5 Laurence Pountney Hill, London, EC4R 0BR on Wednesday 31 May 2023 at 10.00 am London time (11.00 am SAST) at which place and time all Scheme Shareholders are requested to attend.

A copy of the Scheme of Arrangement and a copy of the explanatory statement required to be furnished pursuant to Part VIII of the Companies Law are incorporated in the Scheme Document of which this Notice forms part. Capitalised terms used but not defined in this Notice shall have the meaning given to them in the Scheme Document (unless otherwise stated).

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

"That the Scheme of Arrangement between the Company and the Scheme Shareholders, a print of which has been produced to this meeting and, for the purposes of identification signed by the chairman hereof, in its original form or with or subject to any modification, addition or condition approved or imposed by the Court, and agreed by the Company and Sussex Bidco LP, be approved."

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

Instructions for all Industrials Shareholders

Scheme Shareholders entitled to attend and vote at the Court Meeting may vote in person at the Court Meeting or they may appoint another person, whether a member of the Company or not, as their proxy to attend, speak and vote in their place. A pink Form of Proxy (for Industrials Shareholders on the Guernsey Register) and a yellow Form of Proxy (for Industrials Shareholders on the South African Register who hold certificated shares or through STRATE and in their own names) for use at the Court Meeting is enclosed with this Notice or available. Scheme Shareholders who hold their shares in CREST are requested to complete CREST proxy instructions in accordance with the procedures described in the CREST Manual, which can be viewed at www.EuroClear.com/CREST. Scheme Shareholders who hold their shares in STRATE and not in their own names who wish to vote or attend the Court Meeting must contact their CSDP or broker and should not complete the Forms of Proxy.

If you hold your shares on the Guernsey Register, your Forms of Proxy may alternatively be submitted electronically by logging on to www.investorcentre.co.uk/eproxy and following the instructions there. For an electronic proxy appointment to be valid, the appointment must be received not later than 10.00 am London time (11.00 am SAST) on Friday 26 May 2023 (or, in the case of an adjournment, not later than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time fixed for the holding of the adjourned Meeting).

Completion and return of the pink or yellow Form of Proxy or the appointment of a proxy through CREST or electronically, will not prevent a Scheme Shareholder from attending, speaking and voting at the Court Meeting, or any adjournment thereof, if that Scheme Shareholder so wishes and is entitled to do so.

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

For Industrials Shareholders on the Guernsey Register, it is requested that pink Forms of Proxy (and any power of attorney or other authority under which the same are signed) and CREST proxy instructions be lodged with the Guernsey Registrar at c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY or emailed to and received by #UKCSBRS.ExternalProxyQueries@computershare.co.uk, and CREST proxy instructions be submitted in each case no less than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time appointed for the Court Meeting or any adjournment thereof. Pink forms of Proxy not so lodged may be handed to the chairman of the Court Meeting or emailed to and received by #UKCSBRS.ExternalProxyQueries@computershare.co.uk before the start of the Court Meeting and will still be valid.

For Industrials Shareholders on the South African Register who hold their Industrials Shares (i) in certificated form or (ii) through STRATE and in their own name, it is requested that yellow Forms of Proxy (and any power of attorney or other authority under which the same are signed) be lodged with the South African Registrar at Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, South Africa or at Private Bag X9000, Saxonwold, 2132, South Africa or emailed to and received by proxy@computershare.co.za in each case no less than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time appointed for the Court Meeting or any adjournment thereof. Yellow forms of Proxy not so lodged may be handed to the chairman of the Court Meeting or emailed to and received by proxy@computershare.co.za before the start of the Court Meeting and will still be valid.

Scheme Shareholders holding Industrials Shares on the South African Register in dematerialised form and not in their own names who wish to attend this meeting should instruct their CSDP or broker to issue them with the necessary letter of representation to attend the Court Meeting, in the manner stipulated in the custody agreement governing the relationship between such shareholders and their CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature. Industrials Shareholders holding Industrials Shares in dematerialised form and not in their own names on the South African Register who cannot attend but who wish to vote at the Court Meeting should provide their CSDP or broker with their voting instructions, in the manner stipulated in the custody agreement governing the relationship between such shareholders and their CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.

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

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

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

Voting at the Court Meeting will be conducted on a poll rather than a show of hands.

By the said Order, the Court has appointed Richard Grant or, failing him, Paul Arenson or, failing him, any other director of the Company to act as chairman of the Court Meeting and has directed the chairman to report the result of the Court Meeting to the Court.

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

By Order of the Industrials Board

Sarah Bellilchi
Company Secretary

Registered Office:

Kingsway House
Havilland Street
St Peter Port
GY1 2QE
Guernsey

Dated 9 May 2023

NOTES TO THE NOTICE OF COURT MEETING

- 1 The resolution in this notice of the Court Meeting will be taken on a poll.
- 2 A member entitled to attend and vote at the above meeting is entitled to appoint a proxy or proxies to attend and vote, on a poll instead of him/her, in respect of some or all of his/her shares. If a member appoints more than one proxy, each proxy must be entitled to exercise the rights attached to different shares. A proxy need not be a member of the Company. The appointment of a proxy will not preclude a member from attending and voting at the Meeting should he/she subsequently decide to do so. Any power of attorney or any other authority under which your proxy form is signed (or a duly certified copy of such power or authority) must be included with your proxy form. A space has been included on the form of proxy to allow the member to specify the number of shares in respect of which that proxy is appointed. The principles applied to multiple proxy voting instructions are detailed in paragraph 4 below.
- 3 A pink or yellow (as applicable) Form of Proxy is enclosed with this notice or has been made available on the Company's website at www.industrialsreit.com. Instructions for use are shown on the form.
- 4 If you wish to appoint more than one proxy in respect of your shareholding, please photocopy the pink or yellow (as applicable) Form of Proxy indicating on each copy the name of the proxy you wish to appoint and the number of shares in respect of which the proxy is appointed and follow the instructions set out in the pink or yellow (as applicable) Form of Proxy. You may appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to a different Scheme Share or Scheme Shares held by you. The following principles will apply in relation to the appointment of multiple proxies (assuming each such appointment is valid):
 - (a) Industrials will give effect to the intention of members and include votes wherever and to the fullest extent possible.
 - (b) Where a proxy does not state the number of Scheme Shares to which it applies (a "**blank proxy**") then, subject to the following principles where more than one proxy is appointed, that proxy is deemed to have been appointed in relation to the total number of Scheme Shares registered in the name of the appointing member (the "**member's entire holding**"). In the event of a conflict between a blank proxy and a proxy which does state the number of Scheme Shares to which it applies (a "**specific proxy**"), the specific proxy shall be counted first, regardless of the time it was delivered or received (on the basis that, as far as possible, the conflicting Forms of Proxy should be judged to be in respect of different Scheme Shares) and the remaining Scheme Shares will be apportioned to the blank proxy (*pro rata* if there is more than one).
 - (c) Where there is more than one proxy appointed and the total number of Scheme Shares in respect of which proxies are appointed is no greater than the member's entire holding, it is assumed that proxies are appointed in relation to different Scheme Shares, rather than that conflicting appointments have been made in relation to the same Scheme Shares. That is, there is only assumed to be a conflict where the aggregate number of Scheme Shares in respect of which proxies have been appointed exceeds the member's entire holding.
 - (d) When considering conflicting proxies, later proxies will prevail over earlier proxies and a later proxy will be determined on the basis of which proxy is last delivered or received.
 - (e) If conflicting proxies are delivered or received at the same time in respect of (or deemed to be in respect of) an entire holding and if Industrials is unable to determine which was delivered or received last, none of them will be treated as valid.
 - (f) Where the aggregate number of Scheme Shares in respect of which proxies are appointed exceeds a member's entire holding, all appointments will be rendered invalid.
 - (g) If a member appoints a proxy or proxies and then decides to attend the Court Meeting in person and votes using their poll card (as applicable), then the vote in person will override the proxy vote(s). If the vote in person is in respect of the member's entire holding then all proxy votes will be disregarded. If, however, the member votes at the Court Meeting in respect of less than the member's entire holding then, if the member indicates on their poll card that all proxies are to be disregarded, that shall be the case; but if the member does not specifically revoke proxies, then the vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding the member's entire holding.
 - (h) In relation to the preceding paragraph, in the event that a member does not specifically revoke proxies, it will not be possible for Industrials to determine the intentions of the member in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.
 - (i) If you wish to revoke your proxy after you have delivered it, you may do this by: (a) attending the Court Meeting and voting in person if you were a Scheme Shareholder at the Scheme Voting Record Time; (b) signing a pink or yellow (as applicable) Form of Proxy bearing a later date which is received no later than the applicable deadline for delivery of the Forms of Proxy as noted above; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to Industrials' registered

office at Kingsway House, Havilland Street, St Peter Port, Guernsey GY1 2QE, as soon as possible such that your written statement is received no later than the applicable deadline for delivery of the Forms of Proxy as noted above.

- 5 If you are a shareholder who holds your Scheme Shares on the Guernsey Register, to be valid, the pink Form of Proxy, together with any power of attorney or other authority under which it is signed, or a duly certified copy thereof, must be received at the offices of the Guernsey Registrar at c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY or emailed to and received by #UKCSBRS.ExternalProxyQueries@computershare.co.uk not less than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time of holding the Meeting or, as the case may be, the adjourned Meeting. If the pink Form of Proxy for use at the Court Meeting is not lodged by 10.00 am London time (11.00 am SAST) on Friday 26 May 2023, it may be handed to the chairman of the Meeting or emailed to and received by #UKCSBRS.ExternalProxyQueries@computershare.co.uk before the start of the Court Meeting and will still be valid. Completion and return of a pink Form of Proxy will not prevent a member from attending and voting at the Meeting, or any adjournment thereof, in person if he or she wishes to do so and is so entitled.
- 6 If you are a Shareholder who holds your Scheme Shares on the South African Register (i) in certificated form or (ii) through STRATE and in your own name, to be valid, the yellow Form of Proxy, together with any power of attorney or other authority under which it is signed, or a duly certified copy thereof, must be received at the offices of the South African Registrar at Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, South Africa or at Private Bag X9000, Saxonwold, 2132, South Africa or emailed to and received by proxy@computershare.co.za not less than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time of holding the Meeting or, as the case may be, the adjourned Meeting. If the yellow Form of Proxy for use at the Court Meeting is not lodged by 10.00 am London time (11.00 am SAST) on Friday 26 May 2023, it may be handed to the chairman of the Meeting or emailed to and received by proxy@computershare.co.za before the start of the Court Meeting and will still be valid. Completion and return of a yellow Form of Proxy will not prevent a member from attending and voting at the Meeting, or any adjournment thereof, in person if he or she wishes to do so and is so entitled.
- 7 Shareholders holding Scheme Shares on the South African Register in dematerialised form and not in their own names who wish to attend the Meeting should instruct their CSDP or broker to issue them with the necessary letter of representation to attend the Meeting in person, in the manner stipulated in the custody agreement governing the relationship between such shareholders and their CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.
- 8 Shareholders holding Scheme Shares on the South African Register in dematerialised form and not in their own names who cannot attend but who wish to vote at the Meeting should provide their CSDP or broker with their voting instructions, in the manner stipulated in the custody agreement governing the relationship between such shareholders and their CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.
- 9 Pursuant to Regulation 41 of the Uncertificated Securities (Guernsey) Regulations, 2009, the Company specifies that only those shareholders of the Company on the Register at 6.00 pm (London time) on the day which is two Business Days before the Meeting shall be entitled to attend or vote at the Meeting in respect of the number of shares registered in their name at that time. Changes to the Register after that time will be disregarded in determining the rights of any person to attend or vote at the Meeting.
- 10 Shareholders who hold Scheme Shares on the Guernsey Register and who wish to vote online should visit www.investorcentre.co.uk/eproxy and follow the instructions. Further information is also included on the pink Form of Proxy. To be valid, an electronic proxy appointment must be made not less than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time of holding the Meeting or, as the case may be, the adjourned Meeting.
- 11 CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take appropriate action on their behalf.
- 12 In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message must be transmitted so as to be received by the Guernsey Registrar (whose CREST ID is 3RA50) by the specified latest time(s) for receipt of proxy appointments. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company agent is able to retrieve the message by enquiry to CREST in the manner prescribed.
- 13 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of the Uncertificated Securities (Guernsey) Regulations, 2009.
- 14 In the case of joint holders of ordinary shares, the vote of the senior shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the Register of the Company in respect of the joint holding.

- 15 Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares. In the case of a member which is a company, your proxy form must be executed under its common seal or signed on its behalf by a duly authorised officer of the company or an attorney or other person duly authorised for the company.
- 16 As at 3 May 2023 (being the latest practicable day prior to the date of this notice of the Court Meeting), the Company's issued share capital (including 1,914,727 treasury shares) consisted of 298,775,175 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 3 May 2023 were 296,860,448.
- 17 Any member attending the Meeting has the right to ask questions. The Company has to answer any questions raised by members at the meeting which relate to the business being dealt with at the Meeting unless:
- (A) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information;
 - (B) the answer has already been given on a website in the form of an answer to a question; or
 - (C) it is undesirable in the interests of the Company or the good order of the Meeting to answer the question.

A copy of this notice can be found at www.industrialsreit.com.

PART 10

NOTICE OF GENERAL MEETING

INDUSTRIALS REIT LIMITED

(registered in Guernsey with registered number 64865)

Notice is hereby given that a general meeting (the "**General Meeting**") of Industrials REIT Limited (the "**Company**") will be held at Bryan Cave Leighton Paisner LLP, Governors House, 5 Laurence Pountney Hill, London, EC4R 0BR on Wednesday 31 May 2023 at 10.15 am London time (11.15 am SAST) (or as soon thereafter as the Court Meeting (as defined in the Scheme Document referred to below) shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolution as a special resolution. Capitalised terms in this Notice shall, unless defined herein, have the same meanings as defined in the Scheme Document of which this Notice forms part.

SPECIAL RESOLUTION

THAT for the purpose of giving effect to the scheme of arrangement dated 9 May 2023 (the "**Scheme**") proposed to be made between the Company and the Scheme Shareholders (as defined in the Scheme), a print of which has been produced to the General Meeting and (for the purpose of identification only) signed by the chairman of the General Meeting, in its original form or with or subject to any modification, addition, or condition agreed by the Company and Sussex Bidco LP acting by Sussex GP Ltd as its general partner ("**Bidco**") and approved or imposed by the Royal Court of Guernsey:

- (a) the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect;
- (b) with effect from the passing of this resolution, the articles of incorporation of the Company be and are hereby amended by including the following new article as Article 52:

"52 Scheme of Arrangement

52.1 In this Article 52, references to:

- the "**Scheme**" are to the scheme of arrangement dated 9 May 2023 under Part VIII of the Companies Law, between the Company and the Scheme Shareholders (as defined in the Scheme) (in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by the Company and Bidco), as it may be modified or amended in accordance with its terms; and
- "**Bidco**" means Sussex Bidco LP, a limited partnership formed in Jersey with limited partnership number 4158 acting by Sussex GP Ltd as its general partner

save as defined in this Article 52, expressions defined in the Scheme shall have the same meanings in this Article 52.

52.2 Notwithstanding any other provision of these Articles or any resolution passed by the Company in any general meeting, and subject to the Scheme becoming Effective, if the Company issues or transfers out of treasury any ordinary shares (other than to Bidco, any subsidiary of Bidco, any parent undertaking of Bidco, any subsidiary of such parent undertaking or any nominee(s) of such persons) on or after the date of the adoption of this Article 52 and prior to the Scheme Record Time, such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or any subsequent holder or holders of such shares (other than Bidco or its nominee(s)) shall be bound by the Scheme accordingly.

52.3 Notwithstanding any other provision of these Articles or any resolution passed by the Company in any general meeting, the Company is prohibited from issuing shares between the Scheme Record Time and the Effective Date.

- 52.4 Notwithstanding any other provision of these Articles or any resolution passed by the Company in any general meeting and subject to the Scheme becoming Effective, if the Company issues or transfers out of treasury any ordinary shares to any person (other than to Bidco, any subsidiary of Bidco, any parent undertaking of Bidco, any subsidiary of such parent undertaking or its nominee(s)) (a "**New Member**") or any ordinary shares are registered in the name of a person (other than Bidco, any subsidiary of Bidco, any parent undertaking of Bidco, any subsidiary of such parent undertaking or any nominee(s)) of such persons (a "**Rectification Member**") as a result of a rectification order of the Royal Court of Guernsey at or after the Scheme Record Time, such ordinary shares (the "**Disposal Shares**") shall be immediately transferred to Bidco (or to such person as Bidco may otherwise direct) (the "**Purchaser**") free of all Encumbrances, who shall be obliged to acquire all of the Disposal Shares. The consideration payable by the Purchaser for each Disposal Share transferred to it (subject as hereinafter provided) will be equal to the cash consideration per Scheme Share payable pursuant to the Scheme. For these purposes, "Encumbrances" means all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever.
- 52.5 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) effected after the Scheme Record Time, the value of the consideration per share to be paid under paragraph 52.4 of this Article shall be adjusted by the Directors in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganisation or alteration. References in this Article to shares shall, following such adjustment, be construed accordingly.
- 52.6 To give effect to any transfer of Disposal Shares required by this Article 52, the Company may appoint any person as attorney (on the basis that any such appointment shall be irrevocable for a period of two months from the date upon which such New Member or the Rectification Member is issued or registered as the holder of the Disposal Shares for that New Member or the Rectification Member) or agent for the New Member or Rectification Member (or any subsequent holder or any nominee of such New Member or Rectification Member or any such subsequent holder) to transfer the Disposal Shares to the Purchaser and/or its nominee(s) and do all such other things and execute and deliver all such documents or deeds as may in the opinion of the attorney or agent be necessary or desirable to vest the Disposal Shares in the Purchaser or its nominee(s) and pending such vesting to exercise all such rights attaching to the Disposal Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member or Rectification Member (or any subsequent holder or any nominee of such New Member or Rectification Member or any such subsequent holder) shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Disposal Shares unless so agreed in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form or forms of transfer or other instrument(s) or instruction(s) of transfer on behalf of the New Member or Rectification Member (or any subsequent holder or any nominee of such New Member or Rectification Member or any such subsequent holder) in favour of the Purchaser and/or its nominee(s) and the Company may register the Purchaser and/or its nominee(s) as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member or the Rectification Member for the Post-Disposal Shares. The Purchaser shall send a cheque drawn on a UK clearing bank in favour of the New Member (or any subsequent holder), or by an alternative method communicated by the Purchaser to the New Member, or the Rectification Member (or the relevant nominee) for the purchase price of each Disposal Share (as adjusted pursuant to paragraph 52.4 of this Article, if applicable) within 14 days of the date on which such Disposal Shares are issued to the New Member or registered in the name of the Rectification Member.
- 52.7 Notwithstanding any other provision of these Articles or any resolution passed by the Company in any general meeting, neither the Company nor the Directors shall register the transfer of any Scheme Shares between the Scheme Record Time and the Effective Date other than to the Purchaser pursuant to the Scheme.

52.8 Notwithstanding any other provision of these Articles or any resolution passed by the Company in any general meeting, the Directors may refuse to register the transfer of any shares other than as provided by this Article 52.

52.9 If the Scheme shall not have become Effective by the Long Stop Date of the Scheme, this Article 52 shall be of no effect."

By Order of the Board of the Company

Sarah Bellilchi
Company Secretary

Registered Office:

Kingsway House
Havilland Street
St Peter Port
GY1 2QE
Guernsey

9 May 2023

NOTES TO THE NOTICE OF GENERAL MEETING

- 1 The resolution in this notice of the General Meeting will be taken on a poll.
- 2 A member entitled to attend and vote at the above Meeting is entitled to appoint a proxy or proxies to attend and vote, on a poll instead of him/her, in respect of some or all of his/her shares. If a member appoints more than one proxy, each proxy must be entitled to exercise the rights attached to different shares. A proxy need not be a member of the Company. The appointment of a proxy will not preclude a member from attending and voting at the Meeting should he/she subsequently decide to do so. Any power of attorney or any other authority under which your proxy form is signed (or a duly certified copy of such power or authority) must be included with your proxy form. A space has been included on the form of proxy to allow the member to specify the number of shares in respect of which that proxy is appointed. The principles applied to multiple proxy voting instructions are detailed in paragraph 4 below.
- 3 A blue or green (as applicable) Form of Proxy is enclosed with this notice or has been made available on the Company's website at www.industrialsreit.com. Instructions for use are shown on the form.
- 4 If you wish to appoint more than one proxy in respect of your shareholding, you should photocopy the Form of Proxy, please photocopy the blue or green (as applicable) Form of Proxy indicating on each copy the name of the proxy you wish to appoint and the number of shares in respect of which the proxy is appointed and follow the instructions set out in the blue or green (as applicable) Form of Proxy. You may appoint more than one proxy in relation to each Meeting, provided that each proxy is appointed to exercise the rights attaching to a different Industrials Share held by you. The following principles will apply in relation to the appointment of multiple proxies (assuming each such appointment is valid):
 - (a) Industrials will give effect to the intention of members and include votes wherever and to the fullest extent possible.
 - (b) Where a proxy does not state the number of Industrials Shares to which it applies (a "**blank proxy**") then, subject to the following principles where more than one proxy is appointed, that proxy is deemed to have been appointed in relation to the total number of Industrials Shares registered in the name of the appointing member (the "**member's entire holding**"). In the event of a conflict between a blank proxy and a proxy which does state the number of Industrials Shares to which it applies (a "**specific proxy**"), the specific proxy shall be counted first, regardless of the time it was delivered or received (on the basis that, as far as possible, the conflicting Forms of Proxy should be judged to be in respect of different Industrials Shares) and the remaining Industrials Shares will be apportioned to the blank proxy (*pro rata* if there is more than one).
 - (c) Where there is more than one proxy appointed and the total number of Industrials Shares in respect of which proxies are appointed is no greater than the member's entire holding, it is assumed that proxies are appointed in relation to different Industrials Shares, rather than that conflicting appointments have been made in relation to the same Industrials Shares. That is, there is only assumed to be a conflict where the aggregate number of Industrials Shares in respect of which proxies have been appointed exceeds the member's entire holding.
 - (d) When considering conflicting proxies, later proxies will prevail over earlier proxies and a later proxy will be determined on the basis of which proxy is last delivered or received.
 - (e) If conflicting proxies are delivered or received at the same time in respect of (or deemed to be in respect of) an entire holding and if Industrials is unable to determine which was delivered or received last, none of them will be treated as valid.
 - (f) Where the aggregate number of Industrials Shares in respect of which proxies are appointed exceeds a member's entire holding, all appointments will be rendered invalid.
 - (g) If a member appoints a proxy or proxies and then decides to attend the General Meeting in person and votes using their poll card (as applicable), then the vote in person will override the proxy vote(s). If the vote in person is in respect of the member's entire holding then all proxy votes will be disregarded. If, however, the member votes at the General Meeting in respect of less than the member's entire holding then, if the member indicates on their poll card that all proxies are to be disregarded, that shall be the case; but if the member does not specifically revoke proxies, then the vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding the member's entire holding.
 - (h) In relation to the preceding paragraph, in the event that a member does not specifically revoke proxies, it will not be possible for Industrials to determine the intentions of the member in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.
 - (i) If you wish to revoke your proxy after you have delivered it, you may do this by: (a) attending the General Meeting and voting in person if you were a Scheme Shareholder at the Scheme Voting Record Time; (b) signing a blue or green (as applicable) Form of Proxy bearing a later date which is received no later than the applicable deadline for delivery of the Forms of Proxy as noted above; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to Industrials' registered

office at Kingsway House, Havilland Street, St Peter Port, Guernsey GY1 2QE, as soon as possible such that your written statement is received no later than the applicable deadline for delivery of the Forms of Proxy as noted above.

- 5 The "Vote Withheld" option is provided to enable you to abstain on the specified resolution. However, it should be noted that a "Vote Withheld" is not a vote in law and will not be counted in the calculation of the proportion of votes "For" and "Against" the specified resolution.
- 6 If you are an Industrials Shareholder on the Guernsey Register, to be valid, the blue Form of Proxy, together with any power of attorney or other authority under which it is signed, or a duly certified copy thereof, must be received at the offices of the Guernsey Registrar at c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY or emailed to and received by #UKCSBRS.ExternalProxyQueries@computershare.co.uk not less than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time of holding the Meeting or, as the case may be, the adjourned Meeting. Completion and return of a blue Form of Proxy will not prevent a member from attending and voting at the Meeting, or any adjournment thereof, in person if he or she wishes to do so and is so entitled.
- 7 If you are an Industrials Shareholder who hold their Industrials Shares on the South African Register (i) in certificated form or (ii) through STRATE and in your own name, to be valid, the green Form of Proxy, together with any power of attorney or other authority under which it is signed, or a duly certified copy thereof, must be received at the offices of the South African Registrar at Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, South Africa or at Private Bag X9000, Saxonwold, 2132, South Africa or emailed to and received by proxy@computershare.co.za not less than 48 hours (excluding any part of such 48 hour period falling on a non-Business Day) before the time of holding the Meeting or, as the case may be, the adjourned Meeting. Completion and return of a green Form of Proxy will not prevent a member from attending and voting at the Meeting, or any adjournment thereof, in person if he or she wishes to do so and is so entitled.
- 8 Shareholders holding Industrials Shares on the South African Register in dematerialised form and not in their own names who wish to attend this Meeting should instruct their CSDP or broker to issue them with the necessary letter of representation to attend this Meeting in person, in the manner stipulated in the custody agreement governing the relationship between such shareholders and their CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.
- 9 Shareholders holding Industrials Shares on the South African Register in dematerialised form and not in their own names who cannot attend but who wish to vote at the Meeting should provide their CSDP or broker with their voting instructions, in the manner stipulated in the custody agreement governing the relationship between such shareholders and their CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.
- 10 Pursuant to Regulation 41 of the Uncertificated Securities (Guernsey) Regulations, 2009, the Company specifies that only those shareholders of the Company on the Register at 6.00 pm (London time) on the day which is two Business Days before the Meeting shall be entitled to attend or vote at the Meeting in respect of the number of shares registered in their name at that time. Changes to the Register after that time will be disregarded in determining the rights of any person to attend or vote at the Meeting.
- 11 Shareholders who hold Industrial Shares on the Guernsey Register and who wish to vote online should visit www.investorcentre.co.uk/eproxy and follow the instructions. Further information is also included on the blue Form of Proxy. To be valid, an electronic proxy appointment must be made not less than 48 hours (excluding any part of such 48-hour period falling on a non-Business Day) before the time of holding the Meeting or, as the case may be, the adjourned Meeting.
- 12 CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take appropriate action on their behalf.
- 13 In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message must be transmitted so as to be received by the Guernsey Registrar (whose CREST ID is 3RA50) by the specified latest time(s) for receipt of proxy appointments. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company agent is able to retrieve the message by enquiry to CREST in the manner prescribed.
- 14 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of the Uncertificated Securities (Guernsey) Regulations, 2009.
- 15 In the case of joint holders of ordinary shares, the vote of the senior shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the Register of the Company in respect of the joint holding.

- 16 Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares. In the case of a member which is a company, your proxy form must be executed under its common seal or signed on its behalf by a duly authorised officer of the company or an attorney or other person duly authorised for the company.
- 17 As at 3 May 2023 (being the latest practicable day prior to the date of this notice of the General Meeting), the Company's issued share capital (including 1,914,727 treasury shares) consisted of 298,775,175 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 3 May 2023 were 296,860,448.
- 18 Any member attending the Meeting has the right to ask questions. The Company has to answer any questions raised by members at the Meeting which relate to the business being dealt with at the Meeting unless:
- (A) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information;
 - (B) the answer has already been given on a website in the form of an answer to a question; or
 - (C) it is undesirable in the interests of the Company or the good order of the Meeting to answer the question.

A copy of this notice can be found at www.industrialsreit.com.

SCHEDULE 1

VALUATION REPORT

VALUATION REPORT OF JONES LANG LASALLE IN RESPECT OF INDUSTRIALS PROPERTIES

Valuation Advisory

Client: Industrials REIT Limited
Portfolio: Industrials REIT UK Portfolio

March 2023



30 Warwick Street London W1B 5NH
tel +44 (0)20 7493 4933 fax (0)20 7087 5555

www.jll.co.uk

Industrials REIT Limited
c/o Industrials Management Ltd
180 Great Portland Street
London
W1W 5QZ

Your ref

Our ref 479500LON / Industrials REIT

Direct line 07760 882875

Robert.Pritchard@jll.com

9 May 2023

Dear Directors

Terms of Reference

Addressees:

The Directors
Industrials REIT Limited
c/o Industrials Management Ltd
180 Great Portland Street
London
W1W 5QZ;

Numis Securities Limited
45 Gresham Street
London
EC2V 7BF
Acting in its capacity as Joint Financial Adviser and Rule 3 Adviser to the Company;

and

Eastdil Secured International Limited
1 Berkeley Street,
London
W1J 8DL
Acting in its capacity as Joint Financial Adviser to the Company.

Property Addresses:

Industrials REIT UK Portfolio (listed herein)

Instruction and Purpose of Valuation:

In accordance with our letter dated 5 May 2023 (attached to Appendix 1) we are instructed to provide you with a report and valuation for the purpose of providing an opinion of the valuation of the Portfolio for inclusion in the Scheme Document (the "Purpose") for the purpose of Rule 29 of the City Code on Takeovers and Mergers (the "Code"), for the purposes of inclusion in the scheme document to be published by the Company (the "Scheme Document") in connection with the recommended final cash offer by Sussex Bidco LP ("Bidco") for the entire issued, and to be issued, ordinary share capital of the Company (the "Proposed Transaction").
We acknowledge that the Valuation Report will be published on a website in accordance with Rule 26.3 of the Code.



Our valuation and report will be undertaken in accordance with the current RICS Valuation – Global Standards, which incorporates the International Valuation Standards, and the RICS Valuation – Global Standards 2017 – UK National Supplement (together “the RICS Red Book”).

Reliance:

For the purposes of the Code, we are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that to the best of our knowledge (having taken all reasonable care to ensure this is the case), the information contained in this Valuation Report is in accordance with the facts and contains no omissions likely to affect its import. This Valuation Report complies with the Code and we authorise its content for the purposes of Rule 29 of the Code.

The Properties have been valued by a valuer who is qualified for the purposes of the valuation in accordance with Rule 29 of the Code.

Our Valuation Report is addressed jointly to the addressees above for the Purpose and is for the use of and may be relied upon by the addressees of the Valuation Report and the shareholders of the Company for the Purpose. Save in respect of such addressees and shareholders (together the “Relying Parties”), third parties may not rely on it.

Our Valuation Report may only be relied upon for this purpose. No reliance may be placed on draft versions of the Valuation Report.

We are not acting as Valuers of the Company itself; the valuation function for the Company and the setting of the Net Asset Value of the Company remains with the Company. Our role is limited to providing a valuation of the Portfolio in accordance with the RICS Red Book and the terms set out in our report.

The portfolio valuation has been produced for the Purpose and may not be reproduced or used in connection with any other purpose without our prior consent.

This report is for the use of the Addressees and the shareholders of the Company for the Purpose and, to the fullest extent permitted by law and the Code, we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with the Valuation Report.

Save in respect of our liability for death or personal injury caused by our negligence, or the negligence of our employees, agents or subcontractors or for fraud or fraudulent misrepresentation (which is not excluded or limited in any way) :

- a) we shall under no circumstances whatsoever be liable, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, loss of revenue or loss of anticipated savings, or for any indirect, special or consequential loss arising out of or in connection with this report; and
- b) our total liability in respect of all losses arising out of or in connection with this report, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall not exceed £10,000,000. This amount shall be an aggregate cap on our liability to all Addressees together.

In no circumstances will we have any responsibility or liability in connection with any investment decision made prior to our Report.



Important Notice to all readers of this report; unless you are the Client or an Addressee named within this report, or have been explicitly identified by us as a party to whom we owe a duty of care and who is entitled to rely on this report, Jones Lang LaSalle does not owe or assume any duty of care to you in respect of the contents of this report and you are not entitled to rely upon it.

Tenure:	Freehold, heritable and leasehold (details herein)
Valuation Date:	31 March 2023
Instruction Date:	5 May 2023
Basis of Valuation:	<p>As required by the Code, we confirm that our valuation and report has been prepared in accordance with the current UK national supplement, incorporating the IVS, and the UK national supplement published by the RICS (the RICS Red Book) on the basis of Market Value as defined in Appendix 2. We have acted as external valuers.</p> <p>Market Value: <i>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.</i></p> <p>The report is subject to, and should be read in conjunction with, the attached General Terms and Conditions of Business and our General Principles Adopted in the Preparation of Valuations and Reports which are attached in Appendix 2.</p> <p>No allowance has been made for any expenses of realisation, or for taxation (including VAT) which might arise in the event of a disposal and the property has been considered free and clear of all mortgages or other charges which may be secured thereon.</p> <p>We have assumed that in the event of a sale of the properties, they would be marketed in an orderly manner and would not all be placed on the market at the same time.</p>
Inspection:	The Properties are subject to a rolling programme of inspections, with each property having been inspected at least within the last two years. All significant parts of the properties were inspected.
Disclosures:	<p>We confirm our ongoing appointment to carry out biannual valuations of the Properties. We do not consider this, in our professional opinion, to be a threat to our objectivity and ability to act with independence. We will however, require the Company's informed consent in order to proceed.</p> <p>We confirm that neither the individual valuers, being [Stuart Smith and Robert Pritchard], nor JLL, have any material connection to any party in the Proposed Transaction nor any personal interest in the Company, the Addressees or the Properties, other than our appointment by the Client to carry out biannual valuations, which would cause us or them to cease to qualify as an 'Independent Valuer' for the purpose of Rule 29.3(a) of the Code. We undertake in favour of the Company that we shall not take any actions which would cause us or the relevant valuers to cease to qualify as an 'Independent Valuer' for the purposes of Rule 29.3(a) of the Code for the duration of the Instruction.</p>



In our firm's preceding financial year the proportion of total fees payable by the client commissioning this valuation was less than 5% of the firm's total fee income.

It is not anticipated there will be a material increase in the proportion of fees payable to the firm by the client commissioning this valuation report since the end of the last financial year or in the next financial year.

Robert Pritchard BA MSc MRICS has been a signatory for this valuation instruction since 2018. At present he remains the signatory to this report.

We have an adequate policy in place regarding rotation of signatories and we do not consider that a rotation of signatories is currently required.

You have previously confirmed that we have made you aware of our previous involvements in respect of certain assets prior to your acquisition of them. In accordance with the Red Book, as our advice was given over 12 months ago, we are able to provide you with a regulated purpose valuation of the properties.

For the purposes of Rule 29.5 of the Code, we confirm that there is no material difference between the values stated in this Valuation Report and the values that would be stated were the Valuation Date the date of the Scheme Document.

Personnel:

The valuations have been prepared under the direction of Robert Pritchard BA MSc MRICS, Director.

In addition, each valuation has been approved by a Valuation Director at a regional office level.

We confirm that the personnel responsible for this valuation are qualified for the purpose of the valuation in accordance with the current UK national supplement and are RICS Registered Valuers.

Status:

In preparing this valuation we have acted as External Valuers, subject to any disclosures made to you.

We have been appointed by the addressees and have acted as an 'External Valuer' as defined by the RICS Red Book and, in the case of Rule 29 of the UK Takeover Rules, as an Independent Valuer as defined in the UK Takeover Rules.

We confirm that the personnel responsible for the Valuation Report are qualified for the purpose of the Valuation Report and in accordance with RICS Valuation Standards have the knowledge, skills, experience and understanding to undertake the Valuation Report competently, including to the extent required by Rule 29 of the UK Takeover rules.

Assumptions:

We have made no Special Assumptions.

Sources of Information:

We have carried out all the necessary enquiries with regard to rental and investment value, Rateable Value, planning issues and investment considerations. We have not carried out building surveys or environmental risk assessments. We have not measured the premises and have relied on the floor areas provided.

We have not been supplied with a Certificate of Title or any other correspondence by your solicitors.

We have been provided with the following, upon which we have relied:



- Tenancy schedule dated 31 March 2023, prepared by Industrials REIT Ltd.

We have not read leases. Although we reflect our general understanding of the status of the tenants based on publicly available information, we are not qualified to advise you on the financial standing of the tenants.

Aggregate Valuation:

£594,115,000

(Five Hundred and Ninety Four Million, One Hundred and Fifteen Thousand Pounds)

Tenure	Aggregate Market Value
Freehold/Heritable	£541,350,000
Leasehold (inc. part freehold)	£52,765,000
Total	£594,115,000

While it should be noted that the guidance set out in the RICS Red Book envisages the assets being valued and sold individually over a reasonable period depending on market circumstances at the time, the valuation of the portfolio as a whole, may produce a greater or lesser figure than the aggregate value of the individual properties.

Purchaser's Costs:

Generally, we have allowed for Stamp Duty Land Tax as follows: Market Value of up to £150,000, zero; next £100,000 (the portion from £150,001 to £250,000), 2.00%; remaining amount (the portion above £250,001), 5.00%.

We have also allowed for agents and legal fees plus VAT at standard market rates which amounts to 1.80%.

Market conditions explanatory note

As at the date of valuation and at the time this report was drafted, there are several negative factors recognised as influencing real estate markets, exerting downward pressure on asset values and reducing liquidity. These include:

Global Economy

The wider global economy continues to face challenges that cumulatively contribute to cost inflation, interest rate changes and consumer confidence thereby resulting in a more volatile transactional market. Issues in the banking and financial services sectors may prove to exacerbate an already volatile situation.

Market Activity

Real estate markets can mostly be described as functioning but there is reduced transaction activity and the sentiment of buyers and sellers across some markets has been impacted. These factors have led to softer pricing across all sectors. There is a general perception and expectation of continued changes, and there is a risk that continued volatility, coupled with changes in debt costs, will have a direct impact on pricing as yields continue to evolve. There remains evidence of wide bid spreads, price renegotiations and transactions taking a long time to complete, which all add to the market dynamics.



Ukraine

The war in Ukraine is continuing and its wider long-term implications remain unknown. At the present time, certain locations within Europe are facing difficult investment market conditions as a direct result of the war.

For the avoidance of doubt, due to the functioning nature of the market, our valuation is NOT reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

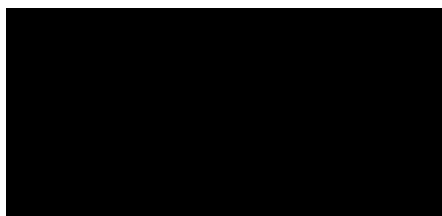
This explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly, we highlight the critical importance of the valuation date and advise you to keep the valuation under regular and early review.

Confidentiality and Publication:

Finally, and in accordance with our normal practice we confirm that the Report is confidential to the party to whom it is addressed for the specific purpose to which it refers. No responsibility whatsoever is accepted to any third party and neither the whole of the Report, nor any part, nor references thereto, may be published in any document, statement or circular, nor in any communication with third parties without our prior written approval of the form and context in which it will appear.

We have given and not withdrawn our consent to the inclusion of this Valuation Report in the Scheme Document, and to the publication and reproduction of this report as required by Rules 26 and 29 of the Code.

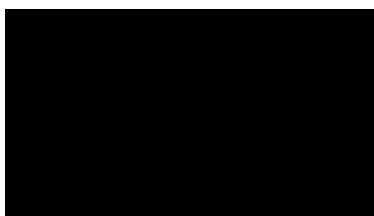
Yours sincerely



Director

For and on behalf of Jones Lang LaSalle Limited

Yours sincerely



Director

For and on behalf of Jones Lang LaSalle Limited

Schedule of the Properties:

Address, Town	Tenure
Rawdon Network Centre, Marquis Drive, Swadlincote	Freehold
Shire Court, Mansfield	Freehold
Sherwood Network Centre, Ollerton	Freehold
Caldene Business Centre, Halifax	Freehold
Imex Business Centre, Loanhead	Heritable
Boaler Street, Tulloch Street, Liverpool	Freehold
Croft Business Park, Carrock & Mosedale Roads, Bromborough	Freehold
Eurolink 31, Normanton	Freehold
Dana Industrial Estate, Transfesa, Paddock Wood	Freehold
Wharton Street Industrial Estate, Aston	Freehold
Wainwright St Industrial Estate, Aston	Leasehold exp 2086 @ peppercorn
Argyle Business Centre, Argyle Street, Aston	Freehold
Cuckoo Trade Park, Cuckoo Road, Aston	Leasehold exp 2085 @ £200 pa
Sovereign Business Park, Hawkins Lane, Burton	Freehold
Poulton Close Business Centre, Dover	Freehold
Rivermead Industrial Estate, Pipers Way, Thatcham	Freehold
Nottingham Wholesale District, Clarke Road, Nottingham	Leasehold exp 2118 @ peppercorn
Davey Close Trade Park, Colchester	Freehold
Davey Close (259 Greenstead Road)	Freehold
Redbrook Business Park, Barnsley	Freehold
Lion Business Park, Dering Way, Gravesend	Freehold
Greenway Business Park, Great Horwood	Freehold
Compass Industrial Estate, Speke	Freehold
Lea Green Business Park, Eurolink, St Helens	Freehold
Anniesland Business Park, Glasgow	Heritable
Capital Business Park, Cardiff	Freehold
The Levels, Capital Business Park, Cardiff	Freehold
Capital Business Park, Cardiff (Unit R5)	Freehold
Souterhead Industrial Estate, Aberdeen	Heritable
Venture Park, Peterborough	Freehold
Coningsby Park, Stirling Way, Bretton, Peterborough	Freehold
Globe Park, Moss Bridge Road, Rochdale	Leasehold exp 2251 @ peppercorn
Lake Enterprise Park, Dinsdale Road, Bromborough	Freehold
Ellis Hill, Leeds Road, Huddersfield	Freehold

Address, Town	Tenure
Greenwood Court Industrial Estate, Shrewsbury	Freehold
Kirkstall Industrial Estate, Leeds	Freehold
Estuary Court, Newport	Freehold
Trinity Court, Totton, Southampton	Freehold
Carnfield Place, Walton Summit Centre, Preston	Freehold
Lombard Centre, Kirkhill Place, Kirkhill Industrial Estate, Dyce, Aberdeen	Heritable
Dunball Industrial Estate, Bridgwater	Freehold
Gainsborough Trading Estate, Stourbridge	Freehold
Parkway Business Centre, Sixth Avenue, Deeside Industrial Estate, Deeside	Freehold
Hillfoot Industrial Estate, Sheffield	Freehold
Armthorpe Business Centre, Doncaster	Freehold
Trident Business Centre, Middlesbrough	Freehold
Forth Industrial Estate, Edinburgh	Heritable
St Peter's Industrial Park, Tower Close, Huntingdon	Freehold
Merryhills Enterprise Park, Park Lane, Wolverhampton	Freehold
Western Campus Business Park, Belshill	Assumed freehold
Brookfoot Business Park, Brighouse	Freehold
R6 Industrial Estate, Queen Anne Drive, Newbridge, Edinburgh	Assumed freehold
Otterwood Square, Martland Mill Industrial Estate, Wigan	Freehold
The Waterfront, Newburn Riverside, Newcastle	Leasehold
Enterprise 5, Bradford	Leasehold
Headlands Trading Estate, Headlands Grove, Swindon	Freehold
Bradley Hall Trading Estate, Standish, Wigan	Assumed freehold
Whitacre Industrial Park, Whitacre Street, Huddersfield	Assumed freehold
Acorn Industrial Estate, Bontoft Avenue, Hull	Assumed freehold
Acorn Industrial Estate, Strawberry Street, Hull	Assumed freehold
Motherwell Food Park, Belshill	Leasehold exp 2996
Caldwellside Industrial Estate, Lanark	Leasehold exp 2995
Corringham Road Industrial Estate, Gainsborough	Assumed freehold
Arkgrove Industrial Estate, Ross Road, Stockton-on-Tees	Freehold
Junction One Business Park, Valley Road, Birkenhead	Freehold
Dundyvan Industrial Estate, Dundyvan Way, Coatbridge	Freehold
Harmony Court, Loanbank Place, Govan, Glasgow	Freehold
Beacon Business Park, Norman Way, Portskewett, Caldicot	Freehold

Address, Town	Tenure
Haven Business Park, Slippery Gowt Lane, Boston	Assumed freehold
Primrose Hill, Orde Wingate Way, Stockton-on-Tees	Freehold
Astra Park, Parkside Lane, Leeds	Freehold
Siemens, Unit 11 Ashby Park, Ashby de la Zouch	Leasehold exp 2995 @ £1 pa
Booker, Unit 35, Merthyr Tydfil Industrial Park, Pentrebach, Merthyr Tydfil	Freehold
John Menzies, 1 Europa Drive, Shepcote Business Park, Sheffield	Freehold
Booker, 1 Knightsbridge Park, Wainright Road, Worcester	Freehold
Star Road Industrial Estate, Partridge Green	Freehold
Albion Gateway, Battista Road, Burton-on-Trent	Freehold
Chasewater Heaths Business Park, Cobbett Road, Burntwood	Freehold and Leasehold
Queensway Industrial Estate, Longbridge Road, Stoke-on-Trent	Freehold
Tyburn Trading Estate, Ashfold Farm Road, Birmingham	Freehold
Windmill Road Industrial Estate, Windmill Road, Loughborough	Freehold
Greenfield Business Pk (A-M), Bagillt Road, Holywell	Freehold and Leasehold
Tir Llwyd Industrial Estate, St. Asaph Avenue, Rhyl	Freehold
Phoenix Close Industrial Estate, Heywood, Rochdale	Leasehold
Holbrook Enterprise Park, Enterprise Way, Sheffield	Freehold
Cleveland Trading Estate, Cleveland Street, Darlington	Freehold
Venture Point, Stanney Mill Road, Ellesmere Port	Freehold
Chapel Brook Trade Park, 13 Wilson Road, Huyton	Freehold
Brasenose Road Industrial Estate, Liverpool	Freehold
Hanson Park, Hanson Close, Middleton, Manchester	Freehold
Jubilee Park, Hanson Road, Middleton, Manchester	Leasehold
Townley Park, Hanson Street, Middleton, Manchester	Freehold
Larch Lea Industrial Estate, Castor Street, Liverpool	Freehold
The Link at Huyton Business Park, Ellis Ashton Street, Liverpool	Freehold
Mountheath Trading Estate, Ardent Way, Prestwich, Manchester	Freehold
Old Mill Industrial Estate, School Lane, Bamber Bridge, Preston	Freehold
Watery Lane Industrial Estate, Darwen	Freehold
Clarendon Court, Warrington	Freehold
Stretton Business Park, Burton	Leasehold
St Andrews Industrial Estate, Devon Place, Glasgow	Heritable
Bowthorpe Park Industrial Estate, Norwich	Part freehold part leasehold
Excelsior Industrial Estate, Kinning Park, Glasgow	Heritable

Address, Town	Tenure
Tunstall Trade Park, Brownhills Road, Stoke-on-Trent	Freehold
Phoenix Industrial Estate, West Bromwich	Leasehold
Mandale Business Park, Durham	Leasehold
Twibell Street, Harborough Hill Road, Barnsley	Freehold

Appendices

Appendix 1	Letter of Instruction
Appendix 2	General Terms and Conditions
Appendix 2	General Principles
Appendix 2	Definition of Market Value
Appendix 2	Definition of Market Rent

Appendix 1

Letter of Instruction



5 May 2023

PRIVATE AND CONFIDENTIAL

*Industrials REIT Limited
c/o Industrials Management Ltd
180 Great Portland Street
London
W1W 5QZ*

*Numis Securities Limited
45 Gresham Street
London
EC2V 7BF
Acting in its capacity as Joint Financial Adviser and
Rule 3 Adviser to the Company*

and

*Eastdil Secured International Limited
1 Berkeley Street,
London
W1J 8DL
Acting in its capacity as Joint Financial Adviser to the
Company*

Jones Lang LaSalle Ltd

Regulated by RICS

30 Warwick Street
London W1B 5NH
+44 (0)20 7493 4933
www.jll.co.uk

Your ref:

Our ref: 479500LON / Industrials
REIT

Direct Line: 07760 882875

[Email: Robert.Pritchard@jll.com](mailto:Robert.Pritchard@jll.com)

Dear Directors

Valuation for the purposes of a Scheme Document: Industrials REIT Portfolio (the "Portfolio")

Thank you for confirming that you would like Jones Lang LaSalle Limited ("JLL", "we", "us", "our") to act for Industrials REIT Limited (the "Client", "Company", "you", "your") in connection with the valuation of the properties set out below in the Schedule of Properties (the "Properties"), in a form compliant with Rule 29 of the City Code on Takeovers and Mergers (the "Code"), for the purposes of inclusion in the scheme document to be published by the Company (the "Scheme Document") in connection with the recommended final cash offer by Sussex Bidco LP ("Bidco") for the entire issued, and to be issued, ordinary share capital of the Company (the "Proposed Transaction") (the "Instruction").

We are pleased to provide you with details of our services and fees and enclose our General Terms and Conditions of Business for Valuation (the "General Terms") and our General Principles Adopted in the Preparation of Valuations and Reports which, together with this letter (the "Letter of Engagement"), will form the agreement in respect of our appointment. To the extent the Letter of Engagement conflicts with the General Terms, the Letter of Engagement shall prevail.

Background

JLL currently provide biannual valuations addressed to the Company for financial reporting purposes. We report on the basis of Fair Value (as defined in the International Financial Reporting Standards (IFRS) as at 31 March and 30 September each year. You have requested we provide a bespoke valuation report as at 31 March 2023, addressed to the Addressees (as defined below), for inclusion in the Scheme Document pursuant to Rule 29 of the Code (the "Valuation Report").

Client / Addressees

The client for the purposes of the Instruction is the Company. The Valuation Report will be addressed to:

- 1) Industrials REIT Limited 180 Great Portland Street, London, W1W 5QZ;
- 2) Numis Securities Limited, 45 Gresham Street, London, EC2V 7BF; and
- 3) Eastdil Secured International Limited, 1 Berkeley Street, London, W1J 8DL,

together the "Addressees".

For the avoidance of doubt, the Company will be our client of record and we will only take instruction from the Company and not any of the other Addressees.

Assets to be Valued

The Company's UK Portfolio comprising the Properties.

Interest to be Valued

Mixed Freehold and Leasehold – please refer to the Schedule of Properties.

We understand that the Properties are held for investment purposes.

We have valued a 100% interest in each property assuming full asset management control.

Portfolios

While it should be noted that the guidance set out in the RICS Red Book (as defined below) envisages the assets being valued are sold individually over a reasonable period depending on market circumstances at the time, the valuation of the portfolio as a whole may produce a greater or lesser figure than the aggregate value of the individual properties. For the avoidance of doubt, we have valued the Properties on an asset-by-asset basis.

Conflicts of Interest & Prior Involvement

We confirm our ongoing appointment to carry out biannual valuations of the Properties. We do not consider this, in our professional opinion, to be a threat to our objectivity and ability to act with independence. We will however, require the Company's informed consent in order to proceed.

We confirm that neither the individual valuers, being [Stuart Smith and Robert Pritchard], nor JLL, have any material connection to any party in the Proposed Transaction nor any personal interest in the Company, the Addressees or the Properties, other than our appointment by the Client to carry out biannual valuations, which would cause us or them to cease to qualify as an 'Independent Valuer' for the purpose of Rule 29.3(a) of the Code. We undertake in favour of the Company that we shall not take any actions which would cause us or the relevant valuers to cease to qualify as an 'Independent Valuer' for the purposes of Rule 29.3(a) of the Code for the duration of the Instruction.

Identification and Status of Valuer

The valuation will be the responsibility of Stuart Smith who is in a position to provide an objective and unbiased valuation and has sufficient current national knowledge of the particular market, and sufficiently developed skills and understanding to undertake the valuation competently, including to the extent required by Rule 29 of the Code.

We are acting as an external valuer in accordance with the RICS Red Book and, in the case of Rule 29 of the Code, as an Independent Valuer in accordance with the Code.

We confirm that we satisfy the requirements of a valuer pursuant to Rule 29.3(a) of the Code.

The valuers undertaking the instruction are RICS Registered Valuers.

Robert Pritchard will be your main point of contact; his contact details are above.

Purpose of Valuation

We understand that the Valuation Report is required for the purpose of providing an opinion of the valuation of the Portfolio for the purpose of Rule 29 of the Code (the "Purpose") for inclusion in the Scheme Document, and inclusion and/or reference in any other supplemental announcements, documents and/or supplementary documents released by the Company or Bidco in relation to the Proposed Transaction as may be required by the Code.

We acknowledge that the Valuation Report will, subject to our provision of the consent letter in the form set out in Appendix 1, be published on a website in accordance with Rule 26.3 of the Code together with the disclaimers previously agreed with you which shall appear at the front of the Valuation Report.

Financial Reporting Standards

You have confirmed to us that you prepare your financial statements in accordance with IFRS.

Valuation Date

The valuation date will be 31/03/2023 ("Valuation Date").

Valuation Report

Our Valuation Report will be undertaken in accordance with the current RICS Valuation – Global Standards, which incorporates the International Valuation Standards, and the RICS Valuation – Global Standards 2017 – UK National

Supplement (together “the RICS Red Book”), and will comply with the requirements of the RICS Red Book, the Code, this Letter of Engagement and the General Terms. The Valuation Report will be provided in pdf format.

We will only report an aggregated portfolio value of the Properties.

We will include the following confirmations in the Valuation Report in respect of the Code:

(a) “We confirm that the valuations have been prepared in accordance with the requirements of Rule 29 of the Code. The Properties have been valued by a valuer who is qualified for the purposes of the valuation in accordance with Rule 29 of the Code.”

(b) “We are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that to the best of our knowledge the information contained in this Valuation Report is in accordance with the facts and this Valuation Report contains no omissions likely to affect its import.”

The valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of and of the Properties. Other valuers may reach different conclusions as to the value of the Properties.

In addition to the Purpose, the valuation is provided to give the Addressees a value which is an independent professional opinion of the value of the Properties as at the Valuation Date.

We understand that the Scheme Document is intended to be posted on or around 9th May 2023.

We will provide our finalised Valuation Report no later than 9th May 2023.

Regulated Purpose Valuation

In accordance with the RICS Red Book requirements on disclosure for regulated purpose valuations, we confirm that:

- The fee income JLL received from the Company in the last financial year did not exceed 5% of total valuation revenue and is minimal.
- It is not anticipated there will be a material increase in the proportion of fees payable to the firm by the client commissioning the valuation over the course of the next financial year.
- The signatory to the valuation will be Robert Pritchard who has been a signatory for this instruction since 2018, and Stuart Smith. JLL has been appointed valuer since 2017.
- JLL has a policy of rotating signatories at least every seven years. We do not consider that a rotation of signatories is currently required.
- JLL has not received an introductory fee or negotiated the purchase of the Properties on behalf of the client in the previous 12 months from the date of the Instruction.

Basis of Value

The basis of value for this Valuation Report as required by the Code is Market Value (as defined in the RICS Red Book) and therefore the valuations have been prepared on a Market Value basis (as defined by the RICS Red Book).

The definition of this basis of valuation is attached to this letter and will be further explained in our report.

Currency

We will provide a valuation in £ (British Pounds).

Fee

Our fee is £150,000 plus VAT.

Our fee account will be addressed to the Company. The Company, and not any of the other Addressees, shall be responsible for the payment of our fee in accordance with the terms of this Letter of Engagement.

Inspection Basis

We will not inspect the Properties.

Source of Floor Areas

We will rely upon the floor areas provided.

Sources of Information

We will rely upon information provided by you in respect of title, tenancy, building condition (survey), costs of repair and development, environmental issues and any third party due diligence reports.

Legal Review

We will not read leases and will rely on tenancy information provided.

Any advice, approval or representation made or given by us regarding the legal meaning or effect of such title deeds and other legal documents (draft or final version) should not be relied on by you. Any advice regarding legal interpretation or legal drafting issues must be obtained from your solicitors.

Reliance

We agree to address our report as follows.

For the purposes of the Code, we are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that to the best of our knowledge (having taken all reasonable care to ensure this is the case), the information contained in this Valuation Report is in accordance with the facts and contains no omissions likely to affect its import. This Valuation Report complies with the Code and we authorise its content for the purposes of Rule 29 of the Code.

Our Valuation Report is addressed jointly to the Addressees for the Purpose and is for the use of and may be relied upon by the addressees of the Valuation Report and the shareholders of the Company for the Purpose. Save in respect of such addresses and shareholders (together the "Relying Parties"), third parties may not rely on it.

Our Valuation Report may only be relied upon for this purpose. No reliance may be placed on draft versions of the Valuation Report.

We are not acting as Valuers of the Company itself; the valuation function for the Company and the setting of the Net Asset Value of the Company remains with the Company. Our role is limited to providing valuations of the Portfolio in accordance with the RICS Red Book and the terms set out in our report.

The Valuation Report will be produced for the Purpose and may not be reproduced or used in connection with any other purpose without our prior consent.

The Valuation Report is for the use of the Addressees and the shareholders of the Company for the Purpose and, to the fullest extent permitted by law and the Code, we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with the Valuation Report.

If we extend our liability beyond the Relying Parties, we would charge an additional fee and this extension would be on the basis that all other parties will be subject to the full terms of our instructions including our liability cap in aggregate.

Limitations on Liability

Save in respect of our liability for death or personal injury caused by our negligence, or the negligence of our employees, agents or subcontractors or for fraud or fraudulent misrepresentation (which is not excluded or limited in any way) :

- a) we shall under no circumstances whatsoever be liable, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, loss of revenue or loss of anticipated savings, or for any indirect, special or consequential loss arising out of or in connection with this report; and
- b) our total liability in respect of all losses arising out of or in connection with this report, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall not exceed £10,000,000. This amount shall be an aggregate cap on our liability to all Addressees together.

In no circumstances will we have any responsibility or liability in connection with any investment decision made prior to our Report.

Confidentiality & Publication

The report will be addressed to the Addressees for the Purpose. Notwithstanding the above, no responsibility whatsoever will be accepted to any third party and neither the whole of the report, nor any part nor any references thereto can be published in any document, statement or circular nor in any communication with third parties without our prior written approval (which shall be at our sole discretion) and our approval of the form and context in which it will appear.

Subject to:

- (i) our agreement to the form and context in which the Valuation Report appears in the Scheme Document (which shall for the avoidance of doubt include disclaimers previously agreed with you at the front of the Valuation Report); and
- (ii) the Company confirming that there is not to their knowledge or understanding, any material difference between the values of the Properties as at the Valuation Date and the date of the Valuation Report,

we will provide a consent letter in the form set out in Appendix 1 and in accordance with Rule 23.2 of the Code, which provides (i) that we have given and not withdrawn our prior written consent to the publication of this Valuation Report in the Scheme Document; (ii) that we consent to the form and context in which the Valuation Report appears in the Scheme Document, and (iii) that for the purposes of Rule 29.5 of the Code, we confirm that there is no material difference between the values stated in the Valuation Report and the values that would be stated were the Valuation Date the date of the Scheme Document. If we are unable to make such a statement we shall produce a valuation report with an effective Valuation Date as at the date of the Scheme Document in which the Valuation Report is to be included (subject to agreeing a suitable uplift in our fees).

We acknowledge and agree that as part of the regulatory approval process for the Scheme, an undated but otherwise final version of the Valuation Report (the “**Undated Valuation Report**”) and a signed but undated version of the consent letter in the form set out in Appendix 1 (the “**Undated Consent Letter**”) will need to be submitted to the Johannesburg Stock Exchange (“**JSE**”) at 9.00 am on 3 May 2023. Subject to our agreement to the form and context in which the Undated Valuation Report appears in the Scheme Document to be submitted to the JSE, we agree to provide the Undated Valuation Report and the Undated Consent Letter by no later than 9.00am on 3 May 2023 to be submitted to the JSE.

It is however acknowledged by the Company that the Undated Valuation Report and the Undated Consent Letter will only be dated (and therefore become final) with our approval on the date of posting of the Scheme Document, and we reserve the right in our absolute discretion to not provide such approval if we do not consent to the form and context in which the Valuation Report appears in the Scheme Document or if we are no longer able to provide the confirmation that there is no material difference between the values stated in the Valuation Report and the values that would be stated were the Valuation Date the date of the Scheme Document.

Neither the whole of the Valuation Report nor any part, nor reference thereto may be published in documents other than the Scheme Document and/or any other announcements, documents and or supplementary documents released by the Company or Bidco in relation to the Proposed Transaction without our prior written approval of the form and context in which it will appear. Our approval is not required if disclosure is required by law. We acknowledge that the Valuation Report will be made available for inspection and published on the website by the Company in accordance with the Code.

If at any stage it is intended to include the valuation or report, or any reference thereto, in any prospectus, circular to shareholders or similar public document which does not constitute the Scheme Document and/or any other announcements, documents and or supplementary documents released by the Company or Bidco in relation to the Proposed Transaction, our specific consent will be required. It would only be given following clarification of any additional liability. We may also, if appropriate, require the report to be revised to incorporate an adequate description of the terms of our engagement.

Complaints

JLL operates a complaints handling procedure in accordance with RICS regulation requirements. Further information is available on request.

Monitoring

We are required by the RICS to inform you that the valuation may be subject to monitoring for standard regulatory purposes or investigation by the RICS under the Institution’s conduct and disciplinary regulations. Guidance on the operation of the monitoring regime, including matters relating to confidentiality, is available at www.rics.org/regulation.

General Terms

Our valuation will be subject to and in accordance with, our General Terms and Conditions of Business and our General Principles Adopted in the Preparation of Valuations and Reports, copies of which are attached.

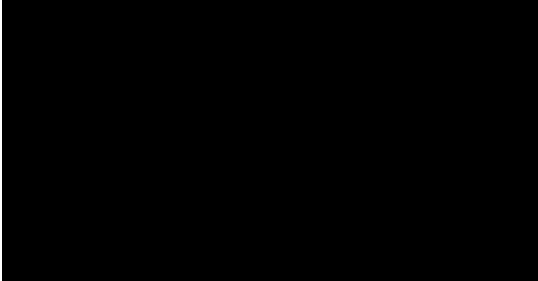
We will depart from the General Principles to the extent that such departure is necessary or appropriate in light of any matter affecting the Properties that comes to our attention. In that situation, we shall notify you of such departure prior to issuing our report, which shall supersede our General Principles.

Professional Indemnity Insurance

We can confirm that we have the appropriate Professional Indemnity Insurance for the purposes of this valuation (details of which are available on request). Please sign, date and return a copy of these terms to confirm our appointment upon the terms set out herein and the attached General Terms. By continuing to act, your acceptance of these terms is assumed.

If you require any further assistance, then please do not hesitate to contact us.

Yours faithfully



Director
For and on behalf of Jones Lang LaSalle Limited

Encs.

General Principles Adopted in the Preparation of Valuations and Reports
General Terms and Conditions of Business

We have read and accept the terms of this Letter of Engagement and the General Terms on behalf of the Client and any other joint owners and acknowledge receipt of a copy of the same.

Signed

On behalf of **Industrials REIT Limited**

Signed

On behalf of **Numis Securities Limited**

Signed

On behalf of **Eastdil Secured International Limited**

Date

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Schedule of the Properties:

Asset Code	Address, Town	Postcode	Tenure
PUK010001	Rawdon Network Centre, Marquis Drive, Swadlincote	DE12 6EJ	Freehold
PUK010002	Shire Court, Mansfield	NG20 8RU	Freehold
PUK010003	Sherwood Network Centre, Ollerton	NG22 9FD	Freehold
PUK010004	Caldene Business Centre, Halifax	HX7 5QJ	Freehold
PUK010005	Imex Business Centre, Loanhead	EH20 9LZ	Heritable
PUK010006	Boaler Street, Tulloch Street, Liverpool	L6 9JQ	Freehold
PUK010007	Croft Business Park, Carrock & Mosedale Roads, Bromborough	CH62 3RA	Freehold
PUK010008	Eurolink 31, Normanton	WF6 1TA	Freehold
PUK010009	Dana Industrial Estate, Transfesa, Paddock Wood	TN12 6UT	Freehold
PUK010010	Wharton Street Industrial Estate, Aston	B7 5TR	Freehold
PUK010011	Wainwright St Industrial Estate, Aston	B6 5TJ	Leasehold exp 2086 @ peppercorn
PUK010012	Argyle Business Centre, Argyle Street, Aston	B7 5TE	Freehold
PUK010013	Cuckoo Trade Park, Cuckoo Road, Aston	B7 5TE	Leasehold exp 2085 @ £200 pa
PUK010014	Sovereign Business Park, Hawkins Lane, Burton	DE14 1PD	Freehold
PUK010015	Poulton Close Business Centre, Dover	CT17 0HL	Freehold
PUK010016	Rivermead Industrial Estate, Pipers Way, Thatcham	RG19 4EP	Freehold
PUK010017	Nottingham Wholesale District, Clarke Road, Nottingham	NG2 3JJ	Leasehold exp 2118 @ peppercorn
PUK010018	Davey Close Trade Park, Colchester	CO1 2XL	Freehold
PUK010018a	Davey Close (259 Greenstead Road)	CO1 2XL	Freehold
PUK010019	Redbrook Business Park, Barnsley	S75 1JN	Freehold
PUK010020	Lion Business Park, Dering Way, Gravesend	DA12 2DN	Freehold
PUK010021	Greenway Business Park, Great Horwood	MK17 0NY	Freehold
PUK010022	Compass Industrial Estate, Speke	L24 1YA	Freehold
PUK010023	Lea Green Business Park, Eurolink, St Helens	WA9 4TR	Freehold
PUK010024	Anniesland Business Park, Glasgow	G13 1EU	Heritable
PUK010025	Capital Business Park, Cardiff	CF3 2PZ	Freehold
PUK010025a	The Levels, Capital Business Park, Cardiff	CF3 2PZ	Freehold
PUK010025	Capital Business Park, Cardiff (Unit R5)	CF3 2PZ	Freehold
PUK010026	Souterhead Industrial Estate, Aberdeen	AB12 3LF	Heritable
PUK010027	Venture Park, Peterborough	PE3 8YD	Freehold
PUK010028	Coningsby Park, Stirling Way, Bretton, Peterborough	PE3 8SB	Freehold
PUK010029	Globe Park, Moss Bridge Road, Rochdale	OL16 5EB	Leasehold exp 2251 @ peppercorn
PUK010030	Lake Enterprise Park, Dinsdale Road, Bromborough	CH62 3PY	Freehold
PUK040001	Ellis Hill, Leeds Road, Huddersfield	HD2 1UB	Freehold
PUK040002	Greenwood Court Industrial Estate, Shrewsbury	SY1 3TB	Freehold
PUK040003	Kirkstall Industrial Estate, Leeds	LS4 2AZ	Freehold
PUK040004	Estuary Court, Newport	NP19 4SP	Freehold
PUK040005	Trinity Court, Totton, Southampton	SO40 3WX	Freehold
PUK040006	Carnfield Place, Walton Summit Centre, Preston	PR5 8AN	Freehold
PUK040007	Lombard Centre, Kirkhill Place, Kirkhill Industrial Estate, Dyce, Aberdeen	AB21 0GU	Heritable
PUK040008	Dunball Industrial Estate, Bridgwater	TA6 4TP	Freehold
PUK040009	Gainsborough Trading Estate, Stourbridge	DY9 7ND	Freehold
PUK040010	Parkway Business Centre, Sixth Avenue, Deeside Industrial Estate, Deeside	CH5 2LE	Freehold
PUK040011	Hillfoot Industrial Estate, Sheffield	S3 8AA	Freehold
PUK040012	Armthorpe Business Centre, Doncaster	DN3 3DY	Freehold
PUK040013	Trident Business Centre, Middlesbrough	TS2 1PY	Freehold
PUK040014	Forth Industrial Estate, Edinburgh	EH5 1RF	Heritable
PUK040015	St Peter's Industrial Park, Tower Close, Huntingdon	PE29 7DH	Freehold
PUK040016	Merryhills Enterprise Park, Park Lane, Wolverhampton	WV10 9TJ	Freehold

Asset Code	Address, Town	Postcode	Tenure
PUK040017	Western Campus Business Park, Belshill	ML4 3PU	Assumed freehold
PUK040018	Brookfoot Business Park, Brighthouse	HD6 2SD	Freehold
PUK040019	R6 Industrial Estate, Queen Anne Drive, Newbridge, Edinburgh	EH28 8LH	Assumed freehold
PUK040020	Otterwood Square, Martland Mill Industrial Estate, Wigan	WN5 0LF	Freehold
PUK040021	The Waterfront, Newburn Riverside, Newcastle	NE15 8NZ	Leasehold
PUK040022	Enterprise 5, Bradford	BD10 8EW	Leasehold
PUK040023	Headlands Trading Estate, Headlands Grove, Swindon	SN2 7JQ	Freehold
PUK040024	Bradley Hall Trading Estate, Standish, Wigan	WN6 0XQ	Assumed freehold
PUK040025	Whitacre Industrial Park, Whitacre Street, Huddersfield	HD2 1LY	Assumed freehold
PUK040026	Acorn Industrial Estate, Bontoft Avenue, Hull	HU5 4HF	Assumed freehold
PUK040027	Acorn Industrial Estate, Strawberry Street, Hull	HU9 1EN	Assumed freehold
PUK040028	Motherwell Food Park, Belshill	ML4 3NP	Leasehold exp 2996
PUK040029	Caldwellside Industrial Estate, Lanark	ML11 7SR	Leasehold exp 2995
PUK040030	Corringham Road Industrial Estate, Gainsborough	DN21 1QB	Assumed freehold
PUK040031	Arkgrove Industrial Estate, Ross Road, Stockton-on-Tees	TS18 2NH	Freehold
PUK040032	Junction One Business Park, Valley Road, Birkenhead	CH41 7EL	Freehold
PUK040033	Dundyvan Industrial Estate, Dundyvan Way, Coatbridge	ML5 4AQ	Freehold
PUK040034	Harmony Court, Loanbank Place, Govan, Glasgow	G51 3HN	Freehold
PUK040035	Beacon Business Park, Norman Way, Portskewett, Caldicot	NP26 5PY	Freehold
PUK040038	Haven Business Park, Slippery Gowt Lane, Boston	PE21 7AA	Assumed freehold
PUK040039	Primrose Hill, Orde Wingate Way, Stockton-on-Tees	TS19 0GA	Freehold
PUK040042	Astra Park, Parkside Lane, Leeds	LS11 5SZ	Freehold
PUK040043	Siemens, Unit 11 Ashby Park, Ashby de la Zouch	LE65 1JD	Leasehold exp 2995 @ £1 pa
PUK040044	Booker, Unit 35, Merthyr Tydfil Industrial Park, Pentrebach, Merthyr Tydfil	CF48 4DR	Freehold
PUK040045	John Menzies, 1 Europa Drive, Shepcote Business Park, Sheffield	S9 1XT	Freehold
PUK040046	Booker, 1 Knightsbridge Park, Wainright Road, Worcester	WR4 9FA	Freehold
PUK060001	Star Road Industrial Estate, Partridge Green	RH13 8RY	Freehold
PUK060002	Albion Gateway, Battista Road, Burton-on-Trent	DE13 0DW	Freehold
PUK060003	Chasewater Heaths Business Park, Cobbett Road, Burntwood	WS7 3GJ	Freehold and Leasehold
PUK060004	Queensway Industrial Estate, Longbridge Road, Stoke-on-Trent	ST6 4DS	Freehold
PUK060005	Tyburn Trading Estate, Ashfold Farm Road, Birmingham	B24 9QG	Freehold
PUK060006	Windmill Road Industrial Estate, Windmill Road, Loughborough	LE11 1RA	Freehold
PUK060007	Greenfield Business Pk (A-M), Bagillt Road, Holywell	CH8 7HJ	Freehold and Leasehold
PUK060008	Tir Llwyd Industrial Estate, St. Asaph Avenue, Rhyl	LL18 5JH	Freehold
PUK060009	Phoenix Close Industrial Estate, Heywood, Rochdale	OL10 2JG	Leasehold
PUK060010	Holbrook Enterprise Park, Enterprise Way, Sheffield	S20 3PP	Freehold
PUK060011	Cleveland Trading Estate, Cleveland Street, Darlington	DL1 2PB	Freehold
PUK060012	Venture Point, Stanney Mill Road, Ellesmere Port	CH2 4GY	Freehold
PUK060013	Chapel Brook Trade Park, 13 Wilson Road, Huyton	L36 6AW	Freehold
PUK060014	Brasenose Road Industrial Estate, Liverpool	L20 8HL	Freehold
PUK060015	Hanson Park, Hanson Close, Middleton, Manchester	M24 2QZ	Freehold
PUK060016	Jubilee Park, Hanson Road, Middleton, Manchester	M24 2UH	Leasehold
PUK060017	Townley Park, Hanson Street, Middleton, Manchester	M24 2UF	Freehold
PUK060018	Larch Lea Industrial Estate, Castor Street, Liverpool	L6 5AT	Freehold
PUK060019	The Link at Huyton Business Park, Ellis Ashton Street, Liverpool	L36 6BP	Freehold
PUK060020	Mountheath Trading Estate, Ardent Way, Prestwich, Manchester	M25 9WE	Freehold

PUK060021	Old Mill Industrial Estate, School Lane, Bamber Bridge, Preston	PR5 6SY	Freehold
PUK060022	Watery Lane Industrial Estate, Darwen	BB3 2EB	Freehold

Asset Code	Address, Town	Postcode	Tenure
PUK060023	Clarendon Court, Warrington	WA2 2QP	Freehold
PUK060024	Stretton Business Park, Burton	DE13 0BY	Leasehold
PUK060025	St Andrews Industrial Estate, Devon Place, Glasgow	G41 1RD	Heritable
PUK060026	Bowthorpe Park Industrial Estate, Norwich	NR5 9JA	Part freehold part leasehold
PUK060027	Excelsior Industrial Estate, Kinning Park, Glasgow	G41 1LU	Heritable
PUK060028	Tunstall Trade Park, Brownhills Road, Stoke-on-Trent	ST6 4JU	Freehold
PUK060029	Phoenix Industrial Estate, West Bromwich	B70 0AY	Leasehold
PUK060030	Mandale Business Park, Durham	DH1 1TH	Leasehold
PUK060031	Twibell Street, Harborough Hill Road, Barnsley	S71 1DL	Freehold

9 May 2023

PRIVATE AND CONFIDENTIAL

*Industrials REIT Limited
c/o Industrials Management Ltd
180 Great Portland Street
London
W1W 5QZ*

*Numis Securities Limited
45 Gresham Street
London
EC2V 7BF
Acting in its capacity as Joint Financial Adviser
and Rule 3 Adviser to the Company*

and

*Eastdil Secured International Limited
1 Berkeley Street,
London
W1J 8DL
Acting in its capacity as Joint Financial Adviser to
the Company*

(each party above an **"Addressee"** and together
the **"Addressees"**)

**Jones Lang LaSalle Ltd
Regulated by RICS**

30 Warwick Street
London W1B 5NH
+44 (0)20 7493 4933
www.jll.co.uk

Dear Sirs/Madams

**Recommended final cash offer for Industrials REIT Limited (the "Company") by
Sussex Bidco LP to be effected by means of a Court-sanctioned scheme of
arrangement under Part VIII of the Companies (Guernsey) Law 2008 (the
"Acquisition")**

This letter is addressed to the current directors of the Company and the Addressees.

We refer to the valuation report dated 9 May 2023 containing the valuation of the properties owned by the Company prepared by us for the Company (the **"Valuation"**, and the report, **"Valuation Report"**), for inclusion in the scheme document to be published by Company (the **"Scheme Document"**) in connection with the Acquisition.

We confirm that:

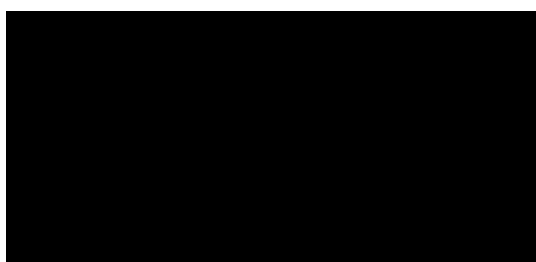
- (i) for the purposes of Rule 29.5 of the City Code on Takeovers and Mergers (the **"Takeover Code"**), we confirm that there is no material difference between the values stated in this Valuation Report and the values that would be stated were the Valuation Date the date of the Scheme Document.
- (ii) we have given and not withdrawn our consent to the publication in the Scheme Document of our Valuation Report, its findings and the references to our name in the form and context in which they appear in the the Scheme Document; and
- (iii) we have given and not withdrawn our consent to the inclusion of the Valuation Report on any websites as required pursuant to Rules 26 and 29 of the Takeover Code.

For the purposes of the Takeover Code, we are responsible for the Valuation Report and accept responsibility for the information contained in the Valuation Report. We also confirm that our Valuation Report complies with the requirements of Rule 29 of the Takeover Code.

We confirm that, having taken all reasonable care to ensure that such is the case, the information contained in the Valuation Report for which we are responsible, to the best of our knowledge is in accordance with the facts and contains no omission likely to affect its import. We hereby consent to the inclusion of a declaration to this effect in the Scheme Document.

We confirm that we have acted as an 'external valuer' (as defined in the RICS Valuation – Global Standards 2022) for the purpose of valuing the properties pursuant to the terms of the letter of engagement addressed to the Company dated on or around the date of this consent letter.

Yours faithfully,



For and on behalf on
Jones Lang LaSalle Ltd

Appendix 2

General Terms and Conditions

General Principles

Definition of Market Value

Definition of Market Rent

General Terms and Conditions of Business

1. AGREEMENT

1.1. These Terms together with any Engagement set out the terms on which JLL will provide the Services to the Client. Each of the provisions provided in the Agreement are severable and distinct from the others.

1.2. The Engagement shall prevail to the extent of any conflict between the Terms and the Engagement. The Agreement supersedes any previous arrangement concerning its subject matter. Unless the Parties agree otherwise, these Terms shall apply to any future instructions from the Client, although such instructions may be subject to a separate Engagement.

2. INTERPRETATION

The following definitions and rules of interpretation apply in these Terms:

2.1. Definitions

"Affiliates" includes in relation to either Party each and any subsidiary or holding company of that Party and each and any subsidiary of a holding company of that Party and any business entity from time to time controlling, controlled by, or under common control with, that Party, and **"holding company"** means a holding company as defined in section 1159 of the Companies Act 2006 or a parent undertaking as defined in section 1162 and schedule 7 of the Companies Act 2006, and **"subsidiary"** means a subsidiary as defined in section 1159 of the Companies Act 2006 or a subsidiary undertaking as defined in section 1162 and schedule 7 of the Companies Act 2006;

"Agreement" means any Engagement and these Terms together;

"Client" means the Party who enters into the Agreement with JLL;

"Data Protection Legislation" shall mean GDPR, Data Protection Act 2018, and any national laws, regulations and secondary legislation implementing or supplementing GDPR in force in the United Kingdom from time to time;

"Engagement" means the agreement, letter of engagement or engagement agreement or email and any schedules/appendices sent to the Client by JLL (or agreed in writing) which sets out details of the Services to be provided to the Client pursuant to the Agreement;

"GDPR" means the General Data Protection Regulation ((EU) 2016/679) retained as law in the United Kingdom by s.3 of the European Union (Withdrawal) Act 2018 and in this Agreement: "controller", "processor", "data subject", "personal data", "personal data breach", "supervisory authority", and "processing" shall have the meaning set out in the GDPR, and

references to "personal data" shall in addition mean personal data related to the Agreement.

"Insolvent" means in relation to:

- (a) a company (including any body corporate), that it:
 - (i) is unable to pay its debts as they fall due;
 - (ii) becomes or is deemed insolvent;
 - (iii) has a notice of intention to appoint an administrator filed at Court in respect of it, has an administrator appointed over, or has an administration order in relation to it, or has appointed a receiver or an administrative receiver over, or an encumbrancer takes possession of or sells the whole or part of its undertaking, assets, rights or revenue;
 - (iv) passes a resolution for its winding up or a court of competent jurisdiction makes an order for it to be wound up or dissolved or it is otherwise dissolved (other than a voluntary winding up solely for the purpose of a solvent amalgamation or reconstruction); or
 - (v) enters into an arrangement, compromise or composition in satisfaction of its debts with its creditors or any class of them or takes steps to obtain a moratorium or making an application to a court of competent jurisdiction for protection of its creditors;
- (b) a partnership, that it is dissolved by reason of the bankruptcy of one or more of its partners;
- (c) an individual, that they are bankrupt; or
- (d) a Party based outside England and Wales, that it is considered insolvent by the laws applicable to that Party;

"JLL" means Jones Lang LaSalle Limited of 30 Warwick Street London W1B 5NH registered in England and Wales with company number 01188567 and/or any Affiliate of JLL that provides the Services to the Client;

"Materials" means all materials, equipment, documents and other property of JLL made available to the Client by JLL in carrying out the Services;

"Party" means either the Client or JLL (as the context requires) and **"Parties"** shall mean both of them;

"Services" means the Services set out in the Engagement or as otherwise agreed in writing between the Parties;

"Terms" means these terms and conditions.

2.2. Unless the context otherwise requires, words in the singular shall include the plural and, in the plural, shall include the singular.

2.3. A reference to a statute or statutory provision is a reference to it as it is in force as at the date of the Agreement and shall include all subordinate legislation made as at the date of the Agreement under that statute or statutory provision.

2.4. A reference to writing or written unless otherwise specified herein includes email.

2.5. Any words following the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

2.6. Headings are for convenience only and do not affect the interpretation of this Agreement.

3. SERVICES

3.1. JLL shall provide the Services using reasonable care and skill.

3.2. JLL has no obligation to provide any services other than the Services and has no obligation to provide nor any liability for:

- a) an opinion on the price of a property (unless specifically agreed in writing);
- b) any advice regarding the condition of a property (unless specifically agreed in writing);
- c) the security or management of a property unless specifically instructed to arrange it;
- d) the safety of any third party entering any premises; or
- e) the management or payment of any third party suppliers.

3.3. Where the Parties have agreed that JLL shall carry out estate agency business, JLL shall (i) report in writing all offers it receives regarding the relevant property; and (ii) comply with its obligations under the Estate Agents Act 1979 and regulations made under that Act together with any other similar laws and regulations.

3.4. Where agreed in writing JLL shall use reasonable endeavours to meet any performance dates. JLL shall not be responsible for any failure to meet performance dates due to causes outside its reasonable control and time shall not be of the essence for the performance of the Services.

3.5. JLL shall have the right to make any changes to the Services which are necessary to comply with any applicable law, regulation, safety or public health requirement, or any applicable government guidance which do not materially affect the nature or quality of the Services and JLL shall notify the Client in any such event.

3.6. Without prejudice to clause 9.2(b), JLL will take all appropriate steps to identify, prevent or manage a conflict of interest that may arise in the course of business. In the event that an actual or potential conflict of interest is identified, JLL will recommend a course of action.

4. CLIENT OBLIGATIONS

4.1. The Client shall:

- a) immediately notify JLL if any details or requirements set out in the Engagement are incomplete or inaccurate;
- b) co-operate with JLL in all matters relating to the Services;
- c) provide JLL, its employees, agents, consultants and subcontractors, with access to the relevant property as reasonably required by JLL to provide the Services; and
- d) obtain and maintain all necessary licences, permissions and consents which may be required by the Client before the date on which the Services are to start.

4.2. The Client shall promptly provide JLL with such information and materials as it may reasonably require in order to supply the Services and warrants that:

- a) such information is complete and accurate and was obtained and prepared in accordance with all applicable laws;
- b) it shall ensure that where the information and material include representations or descriptions of a property, that such information and material contain no misrepresentation or false impression;
- c) where the Client will advertise a property under JLL's logo, that such advertisement (including its content and context in which it will appear) is approved in writing by JLL prior to its publication; and
- d) it shall immediately notify JLL on becoming aware of any changes or issues that may render inaccurate any information or material provided to JLL.

4.3. In the event of any act or omission by the Client in breach of the Agreement or failure by the Client to perform any relevant obligation (Client Default):

- a) JLL shall without limiting its other rights or remedies have the right to suspend performance of the Services until the Client remedies the Client Default, and to rely on the Client to relieve JLL from the performance of any of its obligations to the extent the Client Default prevents or delays JLL's performance of any of its obligations; and
- b) JLL shall not be liable for any costs or losses sustained or incurred by the Client arising directly or indirectly from the Client Default.

4.4. The Client is responsible for effecting and maintaining adequate property and public liability insurance in relation to its activities and any relevant properties owned or occupied by it and shall be responsible for the safety of any person entering the relevant properties.

4.5 Where the Client constitutes more than one legal person, the liability of such persons shall be joint and several.

5. PAYMENTS

5.1. Whenever possible, the fees and expenses (if known) for the Services shall be as set out in the Engagement. Where fees and expenses for the Services are not specified in writing, JLL shall be entitled to the fee specified by the Royal Institution of Chartered Surveyors (RICS) or if there is none specified, by any other applicable professional body chosen by JLL (acting in a reasonably commercial manner) or, if none is specified, a fair and reasonable fee by reference to time spent delivering the Services; and reimbursement of any expenses properly incurred by JLL on the Client's behalf.

5.2. All amounts payable by the Client under the Agreement are exclusive of value added tax (VAT) or similar taxes which the Client shall pay at the applicable rate.

5.3. In consideration of the provision of the Services, the Client shall pay each invoice submitted by JLL in accordance with the Agreement within 28 days from the date of invoice.

5.4. If the Client fails to settle any payment due to JLL under the Agreement by the due date for payment, then JLL reserves the right to charge late payment interest after the due date on the overdue amount at the rate of 4 per cent per annum above the Bank of England's official bank rate from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The Client shall pay the interest together with the overdue amount.

5.5. If the Agreement is terminated prior to the Services being completed, JLL shall, without limitation to its other rights

and remedies under this Agreement or at law, be entitled to receive from the Client a reasonable fee proportionate to the part of the Services performed to the date of termination.

6. INTELLECTUAL PROPERTY RIGHTS

6.1. All intellectual property rights in or arising out of or in connection with the Services including the intellectual property rights in Materials shall be owned by JLL unless otherwise expressly agreed in writing. For this purpose "**intellectual property rights**" means patents, utility models, rights to inventions, copyright and related rights, trademarks and service marks, trade names and domain names, trade secrets, rights in get-up, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to preserve the confidentiality of information (including know-how and trade secrets) and any other intellectual property rights, including all applications for (and rights to apply for and be granted), renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist, now or in the future, in any part of the world.

6.2. The Client shall have an irrevocable, royalty-free, non-exclusive licence to use the Materials for the purposes for which they are prepared by JLL, subject to JLL having received full payment for the Services in accordance with the Agreement. Such licence shall be capable of sub-licence by the Client to its employees, agents and subcontractors and shall survive termination. No third party has any right to use any such Materials without JLL's specific consent. JLL shall not be liable for the use of any Material for any purpose other than that for which JLL provided it to the Client.

6.3. Nothing in this clause 6 shall affect the Client's intellectual property rights that pre-exist the Services. The Client shall grant to JLL an irrevocable, royalty-free, non-exclusive, sub-licensable licence to use such pre-existing intellectual property rights for the purpose of carrying out the Services.

7. CONFIDENTIALITY

7.1 A Party (receiving party) shall keep in strict confidence all technical or commercial know-how, processes or initiatives which are of a confidential nature and have been disclosed to the receiving party by the other Party (disclosing party), their Affiliates and their employees, agents or subcontractors, and any other confidential information concerning the disclosing party's business, its products and services which the receiving party may obtain. The receiving party shall ensure that such Affiliates, employees, agents and subcontractors comply with the obligations set out in this clause as though they were a party to the Agreement. The receiving party may disclose such of the disclosing party's confidential information as is required to be disclosed by law,

any governmental or regulatory authority or by a court of competent jurisdiction, or with the consent of the disclosing party. JLL may remove, or arrange for the removal of, names and any other identifiers from confidential information and then use such anonymised information for lawful purposes chosen at its discretion.

7.2 Where JLL delivers services to or is approached to deliver services to another party JLL shall not be required to use or disclose to the Client any information known to JLL, which is confidential to another party.

8. LIABILITY

8.1. a) JLL shall under no circumstances whatsoever be liable, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, loss of revenue or loss of anticipated savings, or for any indirect, special or consequential loss arising out of or in connection with the Agreement and/or the Services;

b) JLL's total liability in respect of all losses arising out of or in connection with the Agreement and/or the Services, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall not exceed £5 million; and

c) nothing in the Agreement limits any liability which cannot legally be limited, including but not limited to, liability for: death or personal injury caused by negligence; or fraud or fraudulent misrepresentation.

8.2. JLL shall have no liability for the consequences, including delay in or failure to provide the Services:

a) due to any failure by the Client or any representative or agent of the Client to provide information or other material that JLL reasonably requires promptly, or where that information or material provided is inaccurate or incomplete;

b) to the extent that the Client or someone on the Client's behalf for whom JLL is not responsible is responsible, and where JLL is one of the parties liable in conjunction with others, JLL's liability shall be limited to the share of loss reasonably attributable to JLL on the assumption that all other parties pay the share of loss attributable to them (whether or not they do); or

c) due to any failure by the Client or any representative or agent of the Client to follow JLL's advice or recommendations.

8.3. JLL owes no duty of care and has no liability to anyone but the Client unless specifically agreed in writing by JLL.

9. TERMINATION

9.1. Without limiting its other rights or remedies, either Party may terminate the Agreement by giving the other Party 28 days' written notice.

9.2. Without limiting its other rights or remedies, either Party may terminate the Agreement with immediate effect by giving written notice to the other Party if:

a) the other Party commits a material breach of the Agreement and (if such a breach is remediable) fails to remedy that breach within 14 days of that Party being notified in writing to do so;

b) a conflict of interest arises which prevents JLL continuing to act for the Client; or

c) the other Party becomes Insolvent.

9.3. Without limiting its other rights or remedies, JLL may suspend provision of the Services under the Agreement or any other contract between the Client and JLL if the Client becomes Insolvent, or JLL reasonably believes that the Client is about to become Insolvent, or if the Client fails to pay any amount due under the Agreement on the due date for payment.

9.4. On termination of the Agreement for any reason:

a) the Client shall immediately pay to JLL all of JLL's outstanding unpaid invoices and interest and, in respect of Services supplied but for which no invoice has been submitted and associated expenses, JLL shall submit an invoice, which shall be payable by the Client immediately on receipt;

b) the Client shall return any Materials which have not been fully paid for;

c) JLL may, to comply with legal, regulatory or professional requirements, keep one copy of all Material which is what was supplied by or on behalf of the Client in relation to the Services;

d) the accrued rights, remedies, obligations and liabilities of the Parties as at expiry or termination shall be unaffected, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination or expiry; and

e) clauses which expressly or by implication survive termination shall continue in full force and effect.

9.5. JLL may destroy any hard copy and electronic files it has in its possession after six years from the earlier of completion of the Services or termination of the Agreement.

10. DATA PROTECTION

10.1. JLL (including third parties as described in our Privacy Statement available at www.jll.co.uk) may process in hard copy and/or in electronic form, personal data regarding the Client, its officers and any other individuals connected with the Client ('Client Contacts'). It may also verify the identity of Client Contacts including carrying out checks with third parties such as financial probity, anti-money laundering or sanctions-checking agencies. To facilitate compliance with money laundering regulations and avoid duplication of due diligence, the Client acknowledges that JLL may share Client Contacts' personal data with such third party agencies and JLL Affiliates.

10.2 Unless the Agreement and factual arrangements dictate otherwise, as between the Parties for the purposes of the Agreement, the Client is deemed to be the controller and JLL is deemed to be the processor. The Client will ensure that any transfer of personal data to JLL (and any sub-processors under clause 10.11) complies with the Data Protection Legislation. In providing the Services, JLL in its role as processor shall comply with the Data Protection Legislation as it relates to data processors. Nothing within the Agreement relieves either Party of its own direct responsibilities and liabilities under the Data Protection Legislation.

10.3 JLL shall not process personal data other than in relation to the documented instructions of the Client, unless it is required to process the personal data by any law to which it is subject. In such a case JLL shall inform the Client of that legal requirement before complying with it, unless that law prohibits JLL from doing so.

10.4 JLL shall ensure that it and any third party with access to the personal data has appropriate technical and organisational security measures in place, to guard against the unauthorised or unlawful processing of personal data and against the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, the personal data. Upon a written request, JLL shall provide to the Client a general description of the security measures it has adopted.

10.5 JLL shall take reasonable steps to ensure any person that has access to personal data is made aware of their responsibilities, and subject to enforceable duties of confidentiality.

10.6 JLL shall notify the Client without undue delay if it:

10.6.1 receives a request for access from an individual, or a request relating to any of the other individuals' rights available under the Data Protection Legislation, in respect of personal data;

10.6.2 receives any enquiry or complaint from a data subject, supervisory authority or third party regarding the processing of the personal data; and

10.6.3 becomes aware of a personal data breach affecting personal data, unless the breach is unlikely to result in a risk to the rights and freedoms of data subjects.

10.7 JLL shall assist and provide all information reasonably requested in writing by the Client in relation to data protection impact assessments or 'prior consultation' with supervisory authorities or matters under clause 10.6.

10.8 JLL shall maintain all the records and information necessary to demonstrate its compliance with the requirements set out in this clause 10.

10.9 JLL shall allow the Client (or its appointed auditor) to audit JLL's compliance with this clause 10. The Client agrees to give reasonable notice of any audit, to undertake any audit during normal business hours, to take steps to minimise disruption to JLL's business, and not exercise this right of audit more than once every year unless instructed otherwise by a supervisory authority.

10.10 JLL shall, upon receipt of a written request, from the Client delete or return all personal data at the end of the provision of the Services. JLL may retain copies of the personal data in accordance with any legal or regulatory requirements, or any guidance that has been issued in relation to deletion or retention by a supervisory authority.

10.11 JLL shall only engage a sub-processor where:

10.11.1 the Client has agreed in writing to the engagement of the sub-processor; or

10.11.2 the sub-processor is an Affiliate of JLL or a service provider engaged by JLL to support the infrastructure and administration of its business (with details maintained at <http://www.jll.co.uk/sub-processors>).

10.12 JLL shall ensure that any arrangements between JLL and a sub-processor are governed by a written contract including terms which offer at least the same level of protection for personal data as those set out in this clause. Where JLL intends to engage a new sub-processor under 10.11.2 and the Client objects, then the Client may choose to terminate the Services in accordance with clause 9.

10.13 In accordance with clause 12.1, JLL shall remain liable for the acts and omissions of its sub-processors.

10.14 JLL shall only transfer personal data outside the UK and European Economic Area where it has ensured the transfer complies with the Data Protection Legislation.

11. FORCE MAJEURE

11.1. Neither Party shall be liable to the other Party as a result of any delay or failure to perform its obligations under the Agreement as a result of any event beyond the reasonable

control of either Party including strikes, lock-outs or other industrial disputes (whether involving the workforce of JLL or any other party), failure of a utility service or transport network, act of God, war, riot, civil commotion, malicious damage, an international, national or regional emergency has been declared, a period of quarantine recommended or imposed by any applicable government, epidemic, pandemic, public health emergency, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or subcontractors.

11.2. If such an event prevents either Party from performing any of their obligations under the Agreement for a period of more than four weeks, the affected Party shall, without limiting their other rights or remedies, have the right to terminate the Agreement immediately by giving written notice to the Party.

11.3. This clause does not apply to the payment of fees or expenses due to JLL by the Client.

12. GENERAL

12.1. **Subcontracting.** JLL may subcontract or deal in any other manner with all or any of its rights or obligations under the Agreement to any third party or agent provided that:

- (i) where JLL subcontracts or delegates its obligations at the specific request of the Client, JLL shall have no liability for the acts or omissions of the third party or agent; and
- (ii) otherwise, JLL shall remain liable for the acts or omissions of the third party or agent, unless the Client agrees to rely only on the third party or agent, such agreement not to be unreasonably withheld.

12.2. **Notices.** a) Any notice or other communication, including the service of any proceedings or other documents in any legal action given to a Party under or in connection with the Agreement shall be in writing, addressed to that Party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that Party may have specified to the other Party in writing in accordance with this clause, and shall be delivered personally or sent by pre-paid first class post or commercial courier. Any notice or other communication sent to a Party located in a different country to the sending Party must be sent by commercial courier;

- b) A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 12.2.a); if sent by pre-paid first class post at 9.00 am on the second

business day after posting; or if sent by commercial courier, on the date and at the time that the courier's delivery receipt is signed. For this purpose, a business day means a day (other than a Saturday or Sunday) on which banks are open for business in London.

12.3. **Severance.** a) If any provision or part-provision of the Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Agreement;

- b) If any provision or part-provision of the Agreement is invalid, illegal or unenforceable, the Parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

12.4. **Waiver.** A waiver of any right under the Agreement or law is only effective if it is in writing and shall not be deemed to be a waiver of any subsequent breach or default. No failure or delay by a Party in exercising any right or remedy provided under the Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict its further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

12.5. **No Partnership or Agency.** Nothing in the Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between the Parties, nor constitute either Party the agent of the other for any purpose. Neither Party shall have authority to act as agent for, or to bind, the other Party in any way.

12.6. **Third parties.** Subject to clause 12.8, a person who is not a Party to the Agreement shall not have any rights to enforce the Agreement unless specifically agreed in writing.

12.7. **Variation.** Except as set out in these Terms, no variation of the Agreement, including the introduction of any additional terms and conditions, shall be effective unless it is agreed in writing and signed by both Parties. Unless otherwise expressly agreed, variation of these Terms does not require the consent of any third party (whether any employee referred to in clause 12.8 or otherwise).

12.8. **Protection of Employees.** Save in respect of fraud or criminal conduct no employee of JLL or any Affiliate has any personal liability to the Client nor to anyone representing the

Client. Neither the Client nor anyone representing the Client may make a claim or bring proceedings against an employee or former employee personally. Any such employee of JLL is entitled to enforce this provision pursuant to the Contracts (Rights of Third Parties) Act 1999.

12.9. **Directors.** Some employees of JLL have the title of “director”. The Client acknowledges that this does not mean they hold the office of director for the purposes of the Companies Act 2006. Rather, it means that they hold a senior role as an employee of JLL.

12.10. **Complaints.** JLL’s complaints procedure is available on request.

12.11. **Publicity.** Neither Party may publicise or issue any specific information to the media about the Services or the Agreement’s subject matter without the consent of the other.

12.12. **Criminal Activity.** To comply with the law and professional rules on suspected criminal activity JLL is required to verify the identity of its clients and understand their business. Upon request, the Client will promptly provide to JLL evidence of the Client’s identity, management or ownership. Where JLL is required by law to obtain similar evidence for another party to a transaction, the Client will provide all reasonable assistance to obtain such evidence. JLL may also need to provide such evidence to another party’s agents or financial institutions authorised to initiate payments into or out of JLL’s account and the Client consents to the release of such information. If a Party fails to provide such evidence the transaction and Services may not be able to proceed. JLL is required by law to report to the appropriate authorities any knowledge or suspicion of money laundering or terrorist financing. JLL may be unable to inform the Client of any disclosure and may have to stop the Services for a period of time without explanation.

12.13. **Anti-bribery and corruption.** Both parties shall comply with all applicable laws, statutes, regulations, relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010.

12.14. **RICS.** JLL is regulated by RICS for the provision of surveying services and agrees to uphold the RICS Rules of Conduct for Firms and all other applicable mandatory professional practice requirements of RICS, which can be found at www.rics.org. JLL has committed to cooperate with RICS to ensure compliance with its standards and has appointed Simon Peacock as its Responsible Principal: complianceukandi@jll.com

12.15. **Governing Law.** The Agreement and any disputes arising from it (including non-contractual claims and disputes) are governed by English Law.

12.16. **Jurisdiction.** Each Party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim arising out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

12.17. **Language.** These Terms are provided in English and JLL will communicate with the Client in English.

12.18. **Survival.** Clauses 5 to 10 shall survive termination of the Agreement.

General Principles

Adopted in the preparation of Valuations and Reports

These General Principles should be read in conjunction with JLL's General Terms and Conditions of Business except insofar as this may be in conflict with other contractual arrangements.

1 RICS Valuation - Global Standards (effective 31 January 2022)

All work is carried out in accordance with the Professional Standards, Valuation Technical and Performance Standards and Valuation Applications contained in the current RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors and the RICS Valuation – Global Standards 2017 – UK national supplement as applicable (“the RICS Red Book”), by valuers who conform to the requirements thereof. Our Valuations may be subject to monitoring by the RICS. The valuations are undertaken by currently Registered RICS Valuers.

2 Valuation Basis:

Our reports state the purpose of the valuation and, unless otherwise noted, the basis of valuation is as defined in “the RICS Red Book”. The full definition of the basis, which we have adopted, is set out in our report and appended to these General Principles.

3 Assumptions and Special Assumptions:

Where we make an ‘assumption’ or ‘special assumption’ in arriving at our valuations, we define these terms in accordance with “the RICS Red Book” as follows:

Assumption: A supposition taken to be true.

Special Assumption: An assumption that either assumes facts that differ from the actual facts existing at the valuation date, or that would not be made by a typical market participant in a transaction on the valuation date.

We will not take steps to verify any assumptions.

4 Disposal Costs Taxation and Other Liabilities:

No allowances are made for any expenses of realisation, or for taxation, which might arise in the event of a disposal. All property is considered as if free and clear of all mortgages or other charges, which may be secured thereon. However, we take into account purchaser's costs in investment valuations in accordance with market conventions.

No allowance is made for the possible impact of potential legislation which is under consideration.

Valuations are prepared and expressed exclusive of VAT payments, unless otherwise stated.

5 Sources of Information:

Where we have been provided with information by the client, or its agents, we assume that it is correct and complete and is up to date and can be relied upon. We assume that no information that has a material effect on our valuations has been withheld.

In respect of valuations for loan security purposes, commissioned by a lending institution, we may also rely on information provided to us by the Borrower or its advisors. In such cases, we have similarly assumed that all information is correct, complete, up-to-date and can be relied upon and that no pertinent information has been withheld.

6 Title and Tenancy Information:

We do not normally read leases or documents of title. We assume, unless informed to the contrary, that each property has a good and marketable title, that all documentation is satisfactorily drawn and that there are no encumbrances, restrictions, easements or other outgoing of an onerous nature, which would have a material effect on the value of the interest under consideration, nor material litigation pending. Where we have been provided with documentation we recommend that reliance should not be placed on our interpretation without verification by your lawyers. We have assumed that all information provided by the client, or its agents, is correct, up to date and can be relied upon.

7 Tenants:

Although we reflect our general understanding of a tenant's status in our valuations i.e. the market's general perception of their creditworthiness, enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed, unless we are informed otherwise, that the tenants are capable of meeting their financial obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

8 Measurements/Floor Areas:

All measurement is carried out in accordance with either the International Property Measurement Standards (IPMS) or the Code of Measuring Practice (6th Edition) issued by the Royal Institution of Chartered Surveyors, except where we specifically state that we have relied on another source. The areas adopted are purely for the purpose of assisting us in forming an opinion of capital value. They should not be relied upon for other purposes nor used by other parties without our written authorisation.

Where floor areas have been provided to us, we have relied upon these and have assumed that they have been properly measured in accordance with the International Property Measurement Standards (IPMS) or the Code of Measuring Practice referred to above.

9 Site Areas:

Site areas are generally calculated using proprietary digital mapping software and are based on the site boundaries indicated to us either at the time of our inspection, or on plans supplied to us. No responsibility is accepted if the wrong boundaries are indicated to us.

10 Estimated Rental Values:

Our assessment of rental values is formed purely for the purposes of assisting in the formation of an opinion of capital value and is generally on the basis of Market Rent, as defined in "the RICS Red Book". Where circumstances dictate that it is necessary to utilise a different rental value in our capital valuation, we will generally set out the reasons for this in our report. Such a figure does not necessarily represent the amount that might be agreed by negotiation, or determined by an Expert, Arbitrator or Court, at rent review or lease renewal or the figure that might be obtained if the property or unit were being let on the open market.

11 Town Planning, Acts of Parliament and Other Statutory Regulations:

Information on town planning is, wherever possible, obtained either verbally from local planning authority officers or publicly available electronic or other sources. It is obtained purely to assist us in forming an opinion of capital value and should not be relied upon for other purposes. If reliance is required we recommend that verification be obtained from lawyers that:

- i the position is correctly stated in our report;
- ii the property is not adversely affected by any other decisions made, or conditions prescribed, by public authorities; and
- iii that there are no outstanding statutory notices.

Our valuations are prepared on the basis that the premises (and any works thereto) comply with all relevant statutory and EC regulations, including fire regulations, access and use by disabled persons, control and remedial measures for asbestos in the workplace, the Energy Performance of Buildings Directive and any applicable bye laws. All buildings are assumed to have Energy Performance Certificates.

Our valuation does not take into account any rights, obligations or liabilities, whether prospective or accrued, under the Defective Premises Act 1972, or the Health and Safety at Work etc. Act 1974.

12 Structural Surveys:

Unless expressly instructed, we do not carry out a structural survey, nor do we test the services and we, therefore, do not give any assurance that any property is free from defect. We seek to reflect in our valuations any readily apparent defects or items of disrepair, which we note during our inspection, or costs of repair which are brought to our attention. Otherwise, we assume that each building is structurally sound and that there are no structural, latent or other material defects. Unless stated otherwise in our reports we assume any tenants are fully responsible for the repair of their demise either directly or through a service charge.

13 Modern Methods of Construction (MMC)

If the subject property falls within the category of Modern Methods of Construction as defined by MHCLG (MMC), and we are not aware or made aware during the valuation process, we shall not be liable for any resulting loss or lending decision. We assume that any MMC properties have appropriate BOPAS accreditation or equivalent.

14 Deleterious Materials:

We do not normally carry out or commission investigations on site to ascertain whether any building was constructed or altered using deleterious materials or techniques (including, by way of example high alumina cement concrete, woodwool as permanent shuttering, calcium chloride or asbestos). Unless we are otherwise informed, our valuations are on the basis that no such materials or techniques have been used.

15 Site Conditions:

We do not normally carry out or commission investigations on site in order to determine the suitability of ground conditions and services for the purposes for which they are, or are intended to be, put; nor do we undertake archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is contemplated, no extraordinary expenses, delays or restrictions will be incurred during the construction period due to these matters.

16 Environmental Contamination:

Unless expressly instructed, we do not carry out or commission site surveys or environmental assessments, or investigate historical records, to establish whether any land or premises are, or have been, contaminated. Therefore, unless advised to the contrary, our valuations are carried out on the basis that properties are not affected by environmental contamination. However, should our site inspection and further reasonable enquiries during the preparation of the valuation lead us to believe that the land is likely to be contaminated we will discuss our concerns with you.

17 Insurance:

Unless expressly advised to the contrary we assume that appropriate cover is and will continue to be available on commercially acceptable terms. In particular, we will have regard to the following:

Composite Panels

Insurance cover, for buildings incorporating certain types of composite panel may only be available subject to limitation, for additional premium, or unavailable. Information as to the type of panel used is not normally available. Accordingly, our opinions of value make no allowance for the risk that insurance cover for any property may not be available, or may only be available on onerous terms.

Terrorism

Our valuations have been made on the basis that the properties are insured against risks of loss or damage including damage caused by acts of Terrorism as defined by the Terrorism Act 2000. We have assumed that the insurer, with whom cover has been placed, is reinsured by the Government backed insurer, Pool Reinsurance Company Limited.

Flood and Rising Water Table

Our valuations have been made on the assumption that the properties are insured against damage by flood and rising water table. Unless stated to the contrary our opinions of value make no allowance for the risk that insurance cover for any property may not be available, or may only be available on onerous terms.

18 Outstanding Debts:

In the case of property where construction works are in hand, or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, subcontractors or any members of the professional or design team.

19 Confidentiality and Third Party Liability:

Our Valuations and Reports are confidential to the party to whom they are addressed and for the specific purpose to which they refer, and no responsibility whatsoever is accepted to any third parties. Neither the whole, nor any part, nor reference thereto, may be published in any document, statement or circular, or in any communication with third parties, without our prior written approval of the form and context in which it will appear.

20 Statement of Valuation Approach:

We are required to make a statement of our valuation approach. The following provides a generic summary of our approach.

Income producing properties will be valued by using either the Discounted Cash Flow (DCF) approach or the traditional investment approach.

The DCF valuation approach involves projecting estimated cash flows over an assumed investment holding period, plus a terminal value at the end of that period, usually arrived at on a conventional All Risks Yield ("ARY") basis. The cash flow is then discounted back to the present day at an appropriate discount rate that reflects both market and property specific risks.

To arrive at the estimated net cash flow, we reflect the investment's specific leasing pattern (or other sources of income generation, where for example there are no leases as such) including rent reviews, lease renewals or re-lettings on lease expiry, void costs while parts of the property are vacant, non-recoverable outgoings and anticipated capital outlays (for example on refurbishment or upgrade). We apply explicit growth assumptions to the income and costs in line with market derived forecasts.

For properties valued having regard to their trading potential, we have regard to the future revenues and costs associated with the operation of the property, in line with market practice.

The terminal value reflects our projection of future income at the assumed exit date taking account of such factors as implicit, anticipated rental growth, the unexpired term and the reversionary nature of any leases. The assumed exit date should reflect market practice, which will vary between sectors; and have regard to the economic life of the asset.

The traditional investment approach involves the application of a capitalisation rate, as a multiplier, against the current and, if any, reversionary income streams. Following market practice, we construct our valuations adopting 'hardcore' methodology where the reversions are generated from regular short-term uplifts of market rent. We would normally apply a term and reversion approach where the next event is one which fundamentally changes the nature of the income or characteristics of the investment. Where there is an actual exposure to, or a risk of, irrecoverable costs, including those of achieving a letting, an allowance is reflected in the valuation.

Vacant buildings may be valued and analysed using any of the above methodologies and also by using the **comparison method** having regard to other capital value transactions where applicable.

Where land is held for development, we adopt the comparison method when there is good evidence, and/or the **residual method**, particularly on more complex and bespoke proposals.

21 Capital Expenditure Requirement:

Where buildings are undergoing works, such as refurbishment or repairs, or where developments are in progress, we have relied upon cost information supplied to us by the client or their appointed specialist advisors.

22 Goodwill, Fixtures and Fittings:

Unless otherwise stated our valuation excludes any additional value attributable to goodwill, or to fixtures and fittings which are only of value, in situ, to the present occupier.

23 Plant and Machinery:

No allowance has been made for any plant, machinery or equipment unless it forms an integral part of the building and would normally be included in a sale of the building.

24 Services:

We do not normally carry out or commission investigations into the capacity or condition of services. Therefore we assume that the services, and any associated controls or software, are in working order and free from defect. We also assume that the services are of sufficient capacity to meet current and future needs.

25 Land and Building Apportionments:

When instructed, we will provide apportionments between land and buildings for depreciation purposes only. Such apportionments are not valuations and should not be used for any other purpose unless specified in the report.

26 Portfolio Valuations:

In respect of valuations of portfolios of properties, our overall valuation is an aggregate of the individual values of each individual property. The valuation assumes, therefore, that each property would be marketed as an individual property and not as part of a portfolio. Consequently no portfolio premium or discount has been reflected and any consequence of marketing a range of individual properties together has also not been reflected in our valuations. However, if adjoining or complementary properties might achieve a higher value by being marketed together (known as "prudent lotting"), we have reported the higher value that would emerge.

27 Rating:

Any information regarding rating has generally been obtained from the Valuation Office website. We will not investigate whether any rating assessment is a fair assessment or considered the likelihood of an appeal being successful.

27 Plans and Maps:

All plans and maps included in our report are strictly for identification purposes only, and, whilst believed to be correct, are not guaranteed and must not form part of any contract. All are published under licence and may include mapping data from Ordnance Survey © Crown Copyright. All rights are reserved.

Market Value

Definition and Interpretive Commentary reproduced from the current RICS Valuation – Global Standards, VPS 4 and IVS Framework

4. Market Value

The definition of *Market value* is defined in IVS 104 paragraph 30.1 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.’

- 4.1 *Market value* is a basis of value that is internationally recognised and has a long-established definition. It describes an exchange between parties that are unconnected and are operating freely in the marketplace and represents the figure that would appear in a hypothetical contract of sale, or equivalent legal document, at the *valuation date*, reflecting all those factors that would be taken into account in framing their bids by market participants at large and reflecting the highest and best use of the asset. The highest and best use of an asset is the use of an asset that maximises its productivity and that is possible, legally permissible and financially feasible – fuller treatment of this particular premise of value can be found at section 140 of IVS 104.
- 4.2 It ignores any price distortions caused by *special value* (an amount that reflects particular attributes of an asset that are only of value to a *special purchaser*) or *marriage value*. It represents the price that would most likely be achievable for an asset across a wide range of circumstances. Market rent (see below) applies similar criteria for estimating a recurring payment rather than a capital sum.
- 4.3 In applying *market value*, regard must also be had to the requirement that the valuation amount reflects the actual market state and circumstances as of the effective valuation date. The full conceptual framework for market value can be found at paragraph 30.2 of IVS 104.
- 4.4 Notwithstanding the disregard of *special value*, where the price offered by prospective buyers generally in the market would reflect an expectation of a change in the circumstances of the asset in the future, the impact of that expectation is reflected in *market value*. Examples of where the expectation of additional value being created or obtained in the future may have an impact on the market value include:
 - the prospect of development where there is no current permission for that development and
 - the prospect of marriage value arising from merger with another property or asset, or interests within the same property or asset, at a future date.
- 4.5 The impact on value arising by use of an *assumption* or *special assumption* should not be confused with the additional value that might be attributed to an asset by a *special purchaser*.
- 4.6 In some jurisdictions a *basis of value* described as ‘highest and best use’ is adopted and this may either be defined by statute or established by common practice in individual countries or states.

IVS Framework

30.2. The definition of market value must be applied in accordance with the following conceptual framework:

- (a) “The estimated amount” refers to a price expressed in terms of money payable for the *asset* in an arm’s length market transaction. *Market value* is the most probable price reasonably obtainable in the market on the valuation date in keeping with the *market value* definition. It is the best price reasonably obtainable by the seller and the most advantageous price reasonably obtainable by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of *value* available only to a specific owner or purchaser.
 - (b) “An *asset* or liability *should* exchange” refers to the fact that the value of an *asset* or liability is an estimated amount rather than a predetermined amount or actual sale price. It is the *price* in a transaction that meets all the elements of the *market value* definition at the valuation date.
 - (c) “On the valuation date” requires that the *value* is time-specific as of a given date. Because markets and market conditions *may* change, the estimated value *may* be incorrect or inappropriate at another time. The valuation amount will reflect the market state and circumstances as at the valuation date, not those at any other date.
 - (d) “Between a willing buyer” refers to one who is motivated, but not compelled to buy. This buyer is neither over-eager nor determined to buy at any *price*. This buyer is also one who purchases in accordance with the realities of the current market and with current market expectations, rather than in relation to an imaginary or hypothetical market that cannot be demonstrated or anticipated to exist. The assumed buyer would not pay a higher *price* than the market requires. The present owner is included among those who constitute “*the market*”.
 - (e) “And a willing seller” is neither an over-eager nor a forced seller prepared to sell at any *price*, nor one prepared to hold out for a *price* not considered reasonable in the current market. The willing seller is motivated to sell the *asset* at market terms for the best *price* attainable in the open market after proper marketing, whatever that *price may* be. The factual circumstances of the actual owner are not a part of this consideration because the willing seller is a hypothetical owner.
 - (f) “In an arm’s length transaction” is one between parties who do not have a particular or special relationship, eg, parent and subsidiary companies or landlord and tenant, that *may* make the price level uncharacteristic of the market or inflated. The *market value* transaction is presumed to be between unrelated parties, each acting independently.
 - (g) “After proper marketing” means that the *asset* has been exposed to the market in the most appropriate manner to effect its disposal at the best price reasonably obtainable in accordance with the *market value* definition. The method of sale is deemed to be that most appropriate to obtain the best *price* in the market to which the seller has access. The length of exposure time is not a fixed period but will vary according to the type of *asset* and market conditions. The only criterion is that there *must* have been sufficient time to allow the *asset* to be brought to the attention of an adequate number of market participants. The exposure period occurs prior to the valuation date.
 - (h) “Where the parties had each acted knowledgeably, prudently” presumes that both the willing buyer and the willing seller are reasonably informed about the nature and characteristics of the *asset*, its actual and potential uses, and the state of the market as of the valuation date. Each is further presumed to use that knowledge prudently to seek the *price* that is most favourable for their respective positions in the transaction.
- Prudence is assessed by referring to the state of the market at the valuation date, not with the benefit of hindsight at some later date. For example, it is not necessarily imprudent for a seller to sell *assets* in a market with falling prices at a *price* that is lower than previous market levels. In such cases, as is true for other exchanges in markets with changing prices, the prudent buyer or seller will act in accordance with the best market information available at the time.
- (i) “And without compulsion” establishes that each party is motivated to undertake the transaction, but neither is forced or unduly coerced to complete it.

- 30.3. The concept of *market value* presumes a *price* negotiated in an open and competitive market where the *participants* are acting freely. The market for an asset could be an international market or a local market. The market could consist of numerous buyers and sellers, or could be one characterised by a limited number of market *participants*. The market in which the asset is presumed exposed for sale is the one in which the *asset* notionally being exchanged is normally exchanged.
- 30.4. The *market value* of an *asset* will reflect its highest and best use (see paras 140.1-140.5). The highest and best use is the use of an *asset* that maximises its potential and that is possible, legally permissible and financially feasible. The highest and best use *may* be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market *participant* would have in mind for the *asset* when formulating the price that it would be willing to bid.
- 30.5. The nature and source of the valuation inputs *must* be consistent with the *basis of value*, which in turn must have regard to the valuation *purpose*. For example, various approaches and methods may be used to arrive at an opinion of *value* providing they use market-derived data. The market approach will, by definition, use market-derived inputs. To indicate *market value*, the income approach should be applied, using inputs and assumptions that would be adopted by *participants*. To indicate *market value* using the cost approach, the cost of an asset of equal *utility* and the appropriate depreciation *should* be determined by analysis of market-based costs and depreciation.
- 30.6. The data available and the circumstances relating to the market for the asset being valued must determine which valuation method or methods are most relevant and appropriate. If based on appropriately analysed market-derived data, each approach or method used should provide an indication of *market value*.
- 30.7. *Market value* does not reflect attributes of an *asset* that are of *value* to a specific owner or purchaser that are not available to other buyers in the market. Such advantages *may* relate to the physical, geographic, economic or legal characteristics of an asset. *Market value* requires the disregard of any such element of *value* because, at any given date, it is only assumed that there is a willing buyer, not a particular willing buyer.

Market Rent

Definition and Interpretive Commentary reproduced from the RICS Valuation – Global Standards, VPS 4 and IVS Framework

5 Market rent

Market rent is defined in IVS 104 paragraph 40.1 as:

The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

- 5.1 *Market rent* will vary significantly according to the terms of the assumed lease contract. The appropriate lease terms will normally reflect current practice in the market in which the property is situated, although for certain purposes unusual terms may need to be stipulated. Matters such as the duration of the lease, the frequency of rent reviews and the responsibilities of the parties for maintenance and outgoings will all impact the *market rent*. In certain countries or states, statutory factors may either restrict the terms that may be agreed, or influence the impact of terms in the contract. These need to be taken into account where appropriate.
- 5.2 *Market rent* will normally be used to indicate the amount for which a vacant property may be let, or for which a let property may be re-let when the existing lease terminates. *Market rent* is not a suitable basis for settling the amount of rent payable under a rent review provision in a lease, where the definitions and *assumptions* specified in the lease have to be used.
- 5.3 Valuers must therefore take care to set out clearly the principal lease terms that are assumed when providing an opinion of *market rent*. If it is the market norm for lettings to include a payment or concession by one party to the other as an incentive to enter into a lease, and this is reflected in the general level of rents agreed, the *market rent* should also be expressed on this basis. The nature of the incentive assumed must be stated by the valuer, along with the assumed lease terms.

IVS Framework

- 40.1 *Market Rent* is the estimated amount for which an interest in real property *should* be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.
- 40.2 Market Rent *may* be used as a basis of value when valuing a lease or an interest created by a lease. In such cases, it is necessary to consider the contract rent, and, where it is different, the market rent.
- 40.3 The conceptual framework supporting the definition of Market Value... can be applied to assist in the interpretation of Market Rent. In particular, the estimated amount excludes a rent inflated or deflated by special terms, considerations or concessions. The "appropriate lease terms" are terms that would typically be agreed in the market for the type of property on the valuation date between market *participants*. An indication of Market Rent *should* only be provided in conjunction with an indication of the principal lease terms that have been assumed.
- 40.4 Contract Rent is the rent payable under the terms of an actual lease. It *may* be fixed for the duration of the lease, or variable. The frequency and basis of calculating variations in the rent will be set out in the lease and *must* be identified and understood in order to establish the total benefits accruing to the lessor and the liability of the lessee.

- 40.5 In some circumstances the Market Rent *may* have to be assessed based on terms of an existing lease (eg, for rental determination *purposes* where the lease terms are existing and therefore not to be assumed as part of a notional lease).
- 40.6 In calculating Market Rent, the *valuer must* consider the following:
- a) in regards to a Market Rent subject to a lease, the terms and conditions of that lease are the appropriate lease terms unless those terms and conditions are illegal or contrary to overarching legislation, and
 - b) in regard to a Market Rent that is not subject to a lease, the assumed terms and conditions are the terms of a notional lease that would typically be agreed in a market for the type of property on the valuation date between market *participants*.

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