

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART 2 OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN ACCORDANCE WITH SECTION 897 OF THE COMPANIES ACT. THIS DOCUMENT CONTAINS PROPOSALS WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF THE LISTING OF U+I SHARES ON THE OFFICIAL LIST AND THE TRADING OF U+I SHARES ON THE LONDON STOCK EXCHANGE'S MAIN MARKET FOR LISTED SECURITIES.**

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

If you sell or have sold or otherwise transferred all of your U+I 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 to, or transmitted into, any jurisdiction where to do so may constitute a violation of local securities laws or regulations. If you sell or have sold or otherwise transferred only part of your registered holding of U+I 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 acquired U+I Shares in certificated form, notwithstanding receipt of this document and any accompanying documents from the transferor, you should contact the Registrar, Link Group, on the telephone number set out on page 14 of this document to obtain personalised Forms of Proxy.

The release, publication or distribution of this document and/or the accompanying documents (in whole or in part) in, into or from jurisdictions other than the United Kingdom may be restricted by laws or regulations 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. To the fullest extent permitted by law, U+I, Landsec and Landsec Development disclaim any responsibility or liability for the violation of such restrictions by such persons.

**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. This document is not a prospectus or a prospectus equivalent document. None of the securities referred to in this document shall be sold, issued, exchanged or transferred in any jurisdiction in contravention of applicable law or regulation.**

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## **Recommended cash acquisition of**

## **U and I Group PLC**

**by**

## **LS Development Holdings Limited**

**(a newly formed subsidiary, wholly owned by Land Securities Group PLC)**

*to be effected by means of a Scheme of Arrangement  
under Part 26 of the Companies Act 2006*

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U+I 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.

Your attention is drawn to the letter from the Chairman of U+I set out in Part 1 of this document, which contains the unanimous recommendation of the U+I Board that you vote in favour of the Scheme at the Court Meeting and in favour of the Resolution to be proposed at the General Meeting. A letter from N.M. Rothschild & Sons Limited ("**Rothschild & Co**") explaining the Scheme appears in Part 2 of this document and constitutes an explanatory statement in compliance with section 897 of the Companies Act.

**Notices of the Court Meeting and the General Meeting, each of which have been convened for Tuesday 7 December 2021 at the offices of Bryan Cave Leighton Paisner LLP, Governor's House, 5 Laurence Pountney Hill, London EC4R 0BR, United Kingdom, are set out in Parts 9 and 10 of this document. The Court Meeting will start at 10.00 a.m. and the General Meeting at 10.15 a.m. (or as soon thereafter as the Court Meeting has concluded or adjourned).**

**The action to be taken by U+I Shareholders and Scheme Shareholders is set out on pages 11 to 14 (*Action to be Taken*) and at paragraph 19 of Part 2 of this document.**

U+I Shareholders and Scheme Shareholders will find accompanying this document a BLUE Form of Proxy for use in connection with the Court Meeting and a PINK Form of Proxy for use in connection with the General Meeting. Whether or not you plan to attend either or both of the Meetings, please complete the enclosed Forms of Proxy and return them in accordance with the instructions printed thereon, as soon as possible, but in any event, so as to be received (during normal business hours) to the Registrar, Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL by 10.00 a.m. on 3 December 2021 in the case of the Court Meeting and by 10.15 a.m. on 3 December 2021 in the case of the General Meeting (or, in the case of adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any day that is not a Business Day)). If the BLUE Form of Proxy for use at the Court Meeting is not lodged by 10.00 a.m. on 3 December 2021, it may be handed to the Chair of the meeting or the Registrar on behalf of the Chair at the Court Meeting before the taking of the poll and will still be valid. However, in the case of the General Meeting, unless the PINK Form of Proxy is lodged so as to be received by 10.15 a.m. on 3 December 2021, it will be invalid.

U+I Shareholders and Scheme Shareholders 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 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.**

You can submit your proxy vote via the internet through the share portal service at [www.signalshares.com](http://www.signalshares.com). To do so, you will need to log on to your share portal account or register for the share portal if you have not already done so. Once registered, you will immediately be able to vote. Proxies submitted via the share portal service must be received by the Registrar no later than 48 hours (excluding any 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, CREST proxy instruction or proxy appointment via the share portal service will not prevent you from attending and voting in person at the Meetings or any adjournment thereof if you so wish and are so entitled.

In addition to being able to attend, vote, ask questions and/or raise objections (in the case of the Court Meeting) and vote at the Court Meeting and/or the General Meeting in person, U+I Shareholders and Scheme Shareholders will also be given the opportunity to remotely attend, vote, ask questions and/or (in the case of the Court Meeting) raise any objections at the relevant Meeting remotely via the Virtual Meeting Platform, further details of which are set out below and in the Virtual Meeting Guide. U+I Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing [info@uandiplc.com](mailto:info@uandiplc.com) or on the day via the Virtual Meeting Platform. The Chair of the relevant Meeting will ensure that all such questions and/or any objections (in the case of the Court Meeting) relating to the formal business of the Meeting are addressed during the Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair's discretion, otherwise be undesirable or inappropriate in the interests of U+I or the good order of the relevant Meeting.

All references in this document to "attend" and "vote" or "attending" and "voting" in the context of the Meetings include remote attendance via the Virtual Meeting Platform and voting by proxy or remotely via the Virtual Meeting Platform respectively.

### **COVID-19 Restrictions**

Whilst COVID-19 restrictions have been lifted as at the date of publication of this document, the U+I Directors note that the COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures which affect the holding of shareholder meetings. As such, whilst shareholders will be permitted to attend the Court Meeting and/or the General Meeting in person if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), U+I Shareholders and Scheme Shareholders are nevertheless strongly encouraged to appoint "the Chair of the meeting" as their proxy for the General Meeting

and the Court Meeting, respectively. If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the Meetings, that proxy may not be permitted to attend the relevant Meeting in person (but will be able to remotely attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the relevant Meeting via the Virtual Meeting Platform, further details of which are set out below and in the Virtual Meeting Guide). Any changes to the arrangements for the Court Meeting and/or the General Meeting will be communicated to U+I Shareholders and Scheme Shareholders before the Meetings, including through our website at [www.uandiplc.com](http://www.uandiplc.com) and by announcement through a Regulatory Information Service.

### Instructions for accessing the Virtual Meeting Platform

In addition to being able to attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the Court Meeting and/or the General Meeting in person, U+I Shareholders and Scheme Shareholders will be given the opportunity to instead remotely attend, ask questions and/or raise objections (in the case of the Court Meeting) and vote at the Court Meeting and/or the General Meeting via the Virtual Meeting Platform. U+I Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing [info@uandiplc.com](mailto:info@uandiplc.com). U+I Shareholders and Scheme Shareholders can access the Virtual Meeting Platform via a mobile web client, which is compatible with the latest browser versions of Chrome, Firefox, Edge and Safari and can be accessed using any web browser, on a PC or smartphone device. To remotely attend, ask questions and/or raise objections and vote using this method, please go to <https://web.lumiagm.com>.

Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID which is 131-223-111. You will then be prompted to enter your unique 11 digit Investor Code (“IVC”) including any leading zeros and ‘PIN’. The IVC can be found printed on your Forms of Proxy, share certificate, or Signal Shares users will find this under ‘Manage your account’ when logged in to the Signal Shares portal ([www.signalshares.com](http://www.signalshares.com)). Your PIN is the last four digits of your IVC. This will authenticate you as a shareholder. If you are unable to access your IVC or PIN please contact the Registrar, Link Group on 0371 277 1020 from inside the UK or +44 (0) 371 277 1020 from outside the UK. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.

Remote access to the Meetings via the website will be available from 9.00 a.m. on 7 December 2021, as further detailed below. However, voting functionality will not be enabled until the Chair of the relevant Meeting declares the poll open. U+I Shareholders will be permitted to ask questions during the course of the relevant Meeting via the Virtual Meeting Platform as set out in the Virtual Meeting Guide. Scheme Shareholders can use the same function to raise any objections they may have to the Scheme at the Court Meeting. U+I Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing [info@uandiplc.com](mailto:info@uandiplc.com). The Chair of the relevant Meeting will ensure that all such questions and/or any objections (in the case of the Court Meeting) relating to the formal business of the Meeting are addressed during the Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair’s discretion, otherwise be undesirable or inappropriate in the interests of U+I or the good order of the relevant Meeting.

During the relevant Meeting, you must ensure you are connected to the internet at all times in order to ask questions and/or raise any objections (in the case of the Court Meeting) and vote when the Chair commences polling. **Therefore, it is your responsibility to ensure connectivity for the duration of the relevant Meeting via your wireless or other internet connection.** The Virtual Meeting Guide contains further information on remotely accessing and participating in the Meetings via the Virtual Meeting Platform, <https://web.lumiagm.com> and is available on U+I’s website at [www.uandiplc.com](http://www.uandiplc.com).

If you wish to appoint a proxy and for the proxy to attend the virtual meeting on your behalf, please contact the Registrar, Link Group on 0371 277 1020 from inside the UK or +44 (0) 371 277 1020 from outside the UK or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.

If your shares are held within a nominee and you wish to access the electronic meeting, you will need to contact your nominee immediately. Nominees will need to present a corporate letter of representation to the Registrar, Link Group as soon as possible and at least 72 hours (excluding any day that is not a Business Day) before the start of the relevant Meeting, in order to obtain a unique IVC and PIN to use to access the electronic meeting.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of the opinion of the Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings, you are therefore strongly advised to sign and return your BLUE Form of Proxy by post or transmit a proxy appointment and voting instruction (online or electronically through CREST) for the Court Meeting as soon as possible. The completion and return of the Forms of Proxy or transmission of a proxy appointment or voting instruction (online, or electronically through CREST or by any other procedure described in this document) will not prevent you from attending and voting at the Court Meeting or the General Meeting, if you are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force).

## NOTICES

Rothschild & Co, which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively as financial adviser to U+I and no one else in connection with the matters described in this document and will not be responsible to anyone other than U+I for providing the protections afforded to clients of Rothschild & Co nor for providing advice in connection with any matter referred to herein. Neither Rothschild & Co nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Rothschild & Co in connection with this document, any statement contained herein, the Acquisition or otherwise.

UBS AG London Branch ("**UBS**") is authorised and regulated by the Financial Market Supervisory Authority in Switzerland. It is authorised by the PRA and subject to regulation by the FCA and limited regulation by the PRA in the United Kingdom. UBS is acting as financial adviser to Landsec and no one else in connection with the Acquisition. In connection with such matters, UBS, 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 any other person for providing the protections afforded to their clients or for providing advice in relation to the Acquisition, the contents of this document or any other matter referred to herein.

Peel Hunt LLP ("**Peel Hunt**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for U+I and for no-one else in connection with the matters referred to in this document and will not be responsible to any person other than U+I for providing the protections afforded to clients of Peel Hunt, nor for providing advice in relation to the matters referred to herein. Neither Peel Hunt nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Peel Hunt in connection with the matters referred to in this document, or otherwise.

Liberum Capital Limited ("**Liberum**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for U+I and no one else in connection with the matters described in this document. Liberum will not regard any other person (whether or not a recipient of this document) as its client in relation to the matters described in this document and will not be responsible to anyone other than U+I for providing the protections afforded to its clients or for providing any advice in relation to matters or arrangements referred to herein. Apart from the responsibilities and liabilities, if any, which may be imposed on Liberum by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, Liberum does not accept any responsibility whatsoever for, and makes no representation or warranty, express or implied, as to the contents of this document or for any other statement made or purported to be made by it, or on its behalf, in connection with U+I and nothing in this document will be relied upon as a promise or representation in this respect, whether or not to the past or future. Liberum accordingly, to the fullest extent permitted by law, disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this document or any such statement.

Neither the SEC nor any securities commission of any state of the US nor any other US regulatory authority has reviewed or approved this Acquisition, passed upon the fairness of the Acquisition or passed upon the adequacy or accuracy of this document or the Scheme.

If you have any queries please contact the Registrar, Link Group on 0371 664 0300 from inside the UK or +44 (0) 371 664 0300 from outside the UK or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.



## OVERSEAS JURISDICTIONS

This document has been prepared in accordance with, and for the purpose of complying with, the laws of England and Wales and the Takeover Code, and 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 jurisdictions outside England. If you are in any doubt about the contents of this document, you should consult your own legal adviser, financial adviser or tax adviser for legal, business, financial or tax advice.

The publication or distribution of this document in or into certain jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe any applicable requirements of their jurisdictions.

The availability of the Acquisition to U+I Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their U+I Shares with respect to the Scheme at the Court Meeting, or to execute and deliver Forms of Proxy appointing another to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions 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.

Unless otherwise determined by Landsec Development or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will 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 in that jurisdiction, and no person may vote in favour of the Acquisition by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that 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 distribute or send them in, into or from any Restricted Jurisdictions where to do so would violate the laws in that jurisdiction and may render invalid any related purported vote in respect of the Acquisition. Any person (including, without limitation, any custodian, nominee and trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this document and/or any other related document to any jurisdiction other than the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction.

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

## NOTES TO U+I INVESTORS IN THE UNITED STATES

Shareholders in the US should note that the Acquisition relates to the shares of an English company and is being made by means of a scheme of arrangement provided for under English company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the U.S. Securities Exchange Act of 1934 (the “**U.S. Exchange Act**”).

Accordingly, the Acquisition is subject to the disclosure and procedural requirements and practices applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of US tender offer and proxy solicitation rules.

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

However, if, in the future, Landsec Development exercises the right to implement the Acquisition by way of a Takeover Offer and determines to extend the offer into the United States, the Takeover Offer will be made in compliance with applicable US tender offer and securities laws and regulations. The receipt of cash pursuant to the Acquisition by an U+I Shareholder in the US as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each U+I Shareholder is therefore urged to consult with legal, tax and financial advisers in connection with making a decision regarding the Acquisition.

It may be difficult for U+I Shareholders in the US to enforce their rights and any claims arising out of US federal laws, since Landsec and U+I are each located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. U+I Shareholder in the US 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.

To the extent permitted by applicable law, in accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, Landsec, certain affiliated companies and their nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, U+I Shares 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. Also, in accordance with Rule 14e-5(b) of the US Exchange Act, each of Rothschild & Co and UBS will continue to act as an exempt principal trader in U+I Shares on the London Stock Exchange. 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 comply with applicable law, including the US Exchange Act. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

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

The distribution of this document in jurisdictions outside the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. All U+I 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 should refrain from doing so and seek appropriate professional advice before taking any action.

No person has been authorised to make any representations on behalf of Landsec Development, Landsec or any member of the U+I Group concerning the Acquisition which are inconsistent with the statements contained in this document and such representations, if made, may not be relied upon as having been so authorised.

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 Scheme 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 U+I Shareholders in respect of voting on the Scheme.

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

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

### CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

This document (including information incorporated by reference in this document), oral statements made regarding the Acquisition, and other information published by Landsec and U+I contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Landsec and U+I about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this document include statements relating to the expected effects of the Acquisition on Landsec and U+I, the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although Landsec and U+I believe that the expectations reflected in such forward-looking statements are reasonable, Landsec and U+I can give no assurance that such expectations will prove to be correct. 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.

There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; the anticipated benefits from the Acquisition not being realised as a result of changes in general economic and market conditions in the countries in which Landsec and U+I operate; weak, volatile or illiquid capital and/or credit markets; changes in the degree of competition in the geographic and business areas in which Landsec and U+I operate; and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those

expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors.

Neither Landsec and U+I, nor any of their respective associates or directors, officers 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. Given the risks and uncertainties, you are cautioned not to place any reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations, neither Landsec nor U+I is under any obligation, and Landsec and U+I expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

### **DEALING DISCLOSURE REQUIREMENTS**

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

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 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 one 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. A Dealing Disclosure by a person to whom Rule 8.3(b) 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.

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).

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](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

### **NO PROFIT FORECAST OR ESTIMATES OR QUANTIFIED FINANCIAL 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 financial benefits statement 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 share for U+I for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for U+I.

### **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 U+I Shareholders, persons with information rights and other relevant persons for the receipt of communications from U+I may be provided to Landsec Development during the Offer Period as requested under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

## PUBLICATION ON WEBSITE

In accordance with Rule 26.1 of the Takeover Code, a copy of this document (together with any document incorporated by reference) will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on U+I's website at [www.uandiplc.com](http://www.uandiplc.com) and Landsec's website at [www.landsec.com](http://www.landsec.com) by no later than 12 noon (London time) on the Business Day following the publication of this document. For the avoidance of doubt, neither the contents of these websites nor the contents of any websites accessible from any hyperlinks is incorporated into or forms part of this document.

## RIGHT TO RECEIVE COPIES IN HARD COPY FORM

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.

U+I Shareholders may request a hard copy of this document by contacting the Registrar, Link Group on 0371 664 0321 from inside the UK or +44 (0) 371 664 0321 from outside the UK or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. 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.

## DEFINITIONS AND INTERPRETATION

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

All references to time in this document are to London time unless otherwise stated.

All references to "**pounds**", "**pounds Sterling**", "**Sterling**", "**£**", "**pence**", "**penny**" and "**p**" are to the lawful currency of the United Kingdom.

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

For the purposes of this document, "**subsidiary**", "**subsidiary undertaking**", "**undertaking**" and "**equity share capital**" have the meanings given by the Companies Act.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this document.

References to the singular include the plural and vice versa.

This document is dated 15 November 2021.

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## ACTION TO BE TAKEN

For the reasons set out in this document, the U+I Directors, who have been so advised by Rothschild & Co as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice to the U+I Directors, Rothschild & Co have taken into account the commercial assessments of the U+I Directors. Rothschild & Co is providing independent financial advice to the U+I Directors for the purposes of Rule 3 of the Takeover Code.

Accordingly, in order to implement the Acquisition, the U+I Directors unanimously recommend that you vote in favour of the Scheme at the Court Meeting and the Resolution proposed at the General Meeting, as the U+I Directors have irrevocably undertaken to do in respect of those U+I Shares they hold and in respect of which they control the voting rights, and that you take the action described below.

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

The Court Meeting and the General Meeting will be held at the offices of Bryan Cave Leighton Paisner LLP, Governor's House, 5 Laurence Pountney Hill, London EC4R 0BR, United Kingdom, on 7 December 2021 at 10.00 a.m. and 10.15 a.m., respectively (or, in the case of the General Meeting, as soon thereafter as the Court Meeting has been concluded or adjourned). The Scheme requires approval at the Court Meeting, and the implementation of the Scheme requires approval at the General Meeting.

All references in this document to "attend" and "vote" or "attending" and "voting" in the context of the Meetings include remote attendance via the Virtual Meeting Platform and voting by proxy or remotely via the Virtual Meeting Platform respectively.

### 1. Documents

Please check that you have received the following with this document:

- a BLUE Form of Proxy for use in respect of the Court Meeting;
- a PINK Form of Proxy for use in respect of the General Meeting;
- the Virtual Meeting Guide prepared by Lumi explaining how U+I Shareholders and Scheme Shareholders can remotely access and participate in the Meetings via the Virtual Meeting Platform; and
- a prepaid envelope for use in the United Kingdom for the return of the BLUE Form of Proxy and the PINK Form of Proxy.

If you have not received all of these documents, please contact the Registrar, Link Group by email at [enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk) or by phone on 0371 664 0321 from inside the UK or +44 (0) 371 664 0321 from outside the UK or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.

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

**IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST (WHETHER IN PERSON, REMOTELY (VIA THE VIRTUAL MEETING PLATFORM) OR BY PROXY) SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF THE OPINION OF THE SCHEME SHAREHOLDERS. YOU ARE THEREFORE STRONGLY URGED TO SIGN AND RETURN YOUR FORMS OF PROXY BY POST (OR TRANSMIT A PROXY APPOINTMENT AND VOTING INSTRUCTION ONLINE OR THROUGH THE CREST ELECTRONIC PROXY APPOINTMENT SERVICE) AS SOON AS POSSIBLE.**

The Scheme will require approval at a meeting of Scheme Shareholders convened with the permission of the Court to be held at the offices of Bryan Cave Leighton Paisner LLP, Governor's House, 5 Laurence Pountney Hill, London EC4R 0BR, United Kingdom at 10.00 a.m. on 7 December 2021. Implementation of the Scheme will also require approval of the Resolution relating to the Acquisition to be proposed at the General Meeting. The General Meeting will be held at the same place as the Court Meeting at 10.15 a.m. on 7 December 2021 (or as soon thereafter as the Court Meeting concludes or is adjourned).

U+I Shareholders and Scheme Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting and the General Meeting as soon as possible using any of the methods (by post, online or electronically through CREST) set out below. This will enable your votes to be counted at the Meetings in the event of your absence.

U+I Shareholders and Scheme Shareholders 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 those U+I Shareholders and Scheme Shareholders. U+I Shareholders and Scheme Shareholders who wish to appoint more than one proxy in respect of their holding of U+I Shares should contact Link Group for further Forms of Proxy or, photocopy the Forms of Proxy as required. 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 his discretion.

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

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

Whether or not you plan to attend the Meetings, **PLEASE COMPLETE AND SIGN** both the enclosed BLUE and PINK Forms of Proxy and return them in accordance with the instructions provided thereon, as soon as possible to, but in any event so as to be received by no later than the relevant times set out below:

BLUE Forms of Proxy for the Court Meeting      10.00 a.m. on 3 December 2021

PINK Forms of Proxy for the General Meeting      10.15 a.m. on 3 December 2021

or, if in either case the Meeting is adjourned, no later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any day that is not a Business Day).

If the BLUE Form of Proxy for use at the Court Meeting is not lodged by 10.00 a.m. on 3 December 2021 (or, in the case of adjournment, no later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any day that is not a Business Day)), it may be handed to the Chair of the meeting or to the Registrar, Link Group, on behalf of the Chair at the Court Meeting before the taking of the poll. However, in the case of the General Meeting, unless the PINK Form of Proxy is lodged so as to be received by 10.15 a.m. on 3 December 2021 (or, in the case of adjournment, no later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any day that is not a Business Day)), it will be invalid.

Both Forms of Proxy should be returned in the prepaid envelope provided for use in the United Kingdom for your convenience in returning them.

(b) ***Online appointment of proxies***

As an alternative to completing and returning the printed Forms of Proxy by post, you can submit your proxy vote via the internet through the share portal service at [www.signalshares.com](http://www.signalshares.com). To do so, you will need to log on to your share portal account or register for the share portal if you have not already done so. Once registered, you will immediately be able to vote. Proxies submitted via the share portal service must be received by the Registrar no later than 48 hours (excluding any 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.



**(c) U+I Shares held in uncertificated form**

If you hold your U+I Shares in CREST you may vote using the CREST proxy voting service in accordance with the procedures set out in the CREST Manual (please also refer to the Notices of the Meetings and the accompanying notes to the notice of the General Meeting set out in Parts 9 and 10 of this document). Proxies submitted via CREST (under CREST participant RA10) must be received by the Registrar, Link Group, no later than 10.00 a.m. on 3 December 2021 in the case of the Court Meeting and by no later than 10.15 a.m. on 3 December 2021 in the case of the General Meeting (or, in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting (excluding any part of such 48 hour period falling on a non-Business Day)).

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

**3. Instructions for accessing the Virtual Meeting Platform**

In addition to being able to attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the Court Meeting and/or the General Meeting in person, U+I Shareholders and Scheme Shareholders will be given the opportunity instead to remotely attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the Court Meeting and/or the General Meeting via the Virtual Meeting Platform provided by Lumi. U+I Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing [info@uandiplc.com](mailto:info@uandiplc.com).

U+I Shareholders and Scheme Shareholders can access the Virtual Meeting Platform via a mobile web client, which is compatible with the latest browser versions of Chrome, Firefox, Edge and Safari and can be accessed using any web browser, on a PC or smartphone device. To remotely attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote using this method, please go to <https://web.lumiagm.com>.

Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID which is 131-223-111. You will then be prompted to enter your unique 11 digit Investor Code ("IVC") including any leading zeros and 'PIN'. The IVC can be found printed on your Forms of Proxy, share certificate, or Signal Shares users will find this under 'Manage your account' when logged in to the Signal Shares portal ([www.signalshares.com](http://www.signalshares.com)). Your PIN is the last four digits of your IVC. This will authenticate you as a shareholder. If you are unable to access your IVC or PIN please contact the Registrar, Link Group on 0371 277 1020 from inside the UK or +44 (0) 371 277 1020 from outside the UK or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.

Remote access to the Meetings via the website will be available from 9.00 a.m. on 7 December 2021, as further detailed below. However, voting functionality will not be enabled until the Chair of the relevant Meeting declares the poll open. U+I Shareholders will be permitted to ask questions during the course of the relevant Meeting via the Virtual Meeting Platform as set out in the Virtual Meeting Guide. Scheme Shareholders can use the same function to raise any objections they may have to the Scheme at the Court Meeting. U+I Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing [info@uandiplc.com](mailto:info@uandiplc.com). The Chair of the relevant Meeting will ensure that all such questions and/or any objections (in the case of the Court Meeting) relating to the formal business of the Meeting are addressed during the Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair's discretion, otherwise be undesirable or inappropriate in the interests of U+I or the good order of the relevant Meeting.

During the relevant Meeting, you must ensure you are connected to the internet at all times in order to ask questions and/or raise any objections (in the case of the Court Meeting) and vote when the Chair

commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the relevant Meeting via your wireless or other internet connection. The Virtual Meeting Guide contains further information on remotely accessing and participating in the Meetings via the Virtual Meeting Platform, <https://web.lumiagm.com> and is available on U+I's website at [www.uandiplc.com](http://www.uandiplc.com).

If you wish to appoint a proxy and for the proxy to attend the virtual meeting on your behalf, please contact the Registrar, Link Group on 0371 277 1020 from inside the UK or +44 (0) 371 277 1020 from outside the UK or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.

If your shares are held within a nominee and you wish to access the electronic meeting, you will need to contact your nominee immediately. If your shares are held within a nominee and you wish to access the electronic meeting, you will need to contact your nominee immediately. Nominees will need to present a corporate letter of representation to the Registrar, Link Group as soon as possible and at least 72 hours (excluding any day that is not a Business Day) before the start of the relevant Meeting, in order to obtain a unique IVC and PIN to use to access the electronic meeting.

Whilst COVID-19 restrictions have been lifted as at the date of publication of this document, the U+I Directors note that the COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures which affect the holding of shareholder meetings. As such, whilst shareholders will be permitted to attend the Court Meeting and the General Meeting in person if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), U+I Shareholders and Scheme Shareholders are strongly encouraged to appoint "the Chair of the meeting" as their proxy for the General Meeting and the Court Meeting, respectively. If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the Meetings, that proxy may not be permitted to attend the relevant Meeting in person (but will be able to remotely attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the relevant Meeting via the Virtual Meeting Platform, further details of which are set out below and in the Virtual Meeting Guide). Any changes to the arrangements for the Court Meeting and the General Meeting will be communicated to U+I Shareholders and Scheme Shareholders before the Meetings, including through our website at [www.uandiplc.com](http://www.uandiplc.com) and by announcement through a Regulatory Information Service.

#### **4. U+I Share Plans**

Participants in the U+I Share Plans will be contacted separately regarding the effect of the Scheme on their rights under the U+I Share Plans.

#### **5. Shareholder Helpline**

If you have any queries please contact the Registrar, Link Group by email at [enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk) or by phone on 0371 664 0300 from inside the UK or +44 (0) 371 664 0300 from outside the UK. Calls are charged at the standard geographic rate and will vary by provider or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme 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

The following indicative timetable is based on U+I's and Landsec Development's current expected dates for the implementation of the Scheme and is subject to change. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to U+I Shareholders by announcement through a Regulatory Information Service, with such announcement being made available on U+I's website at <https://www.uandiplc.com/>.

| <i>Event</i>                                   | <i>Time and/or Date<sup>(1)</sup></i>              |
|--|--|
| Date of publication of this document           | 15 November 2021                                   |
| Latest time for lodging Form of Proxy for the: |  |
| <b>Court Meeting (BLUE Form)</b>               | <b>10.00 a.m. on 3 December 2021<sup>(2)</sup></b> |
| <b>General Meeting (PINK Form)</b>             | <b>10.15 a.m. on 3 December 2021<sup>(3)</sup></b> |
| Voting Record Time                             | 6.00 p.m. on 3 December 2021 <sup>(4)</sup>        |
| Court Meeting                                  | 10.00 a.m. on 7 December 2021                      |
| General Meeting                                | 10.15 a.m. on 7 December 2021 <sup>(5)</sup>       |

***The following dates and times associated with the Scheme are subject to change and will depend, amongst other things, on the date on which the Conditions to the Scheme are satisfied or, if capable of waiver, waived and on the date on which the Court sanctions the Scheme. U+I will give adequate notice of all of these dates and times, when known, by issuing an announcement through a Regulatory Information Service, with such announcement being made available on U+I's website at <https://www.uandiplc.com/>. Further updates and changes to these times shall be notified in the same way.***

|   |                                      |
|---|--------------------------------------|
| Scheme Court Hearing  | 13 December 2021                     |
| Last day of dealings in, and for registration of transfers of, U+I Shares   | 13 December 2021                     |
| Scheme Record Time  | 6.00 p.m. on 13 December 2021        |
| Disablement of CREST in respect of U+I Shares   | 6.30 p.m. on 13 December 2021        |
| Suspension of listing of, and dealings in, U+I Shares   | by 7.30 a.m. on 14 December 2021     |
| <b>Effective Date of the Scheme<sup>(6)</sup></b>   | <b>14 December 2021</b>              |
| De-listing of U+I Shares  | by 8.00 a.m. on 15 December 2021     |
| Latest date for despatch of cheques and crediting CREST accounts for cash consideration payable under the Acquisition | Within 14 days of the Effective Date |
| Long Stop Date  | 1 July 2022 <sup>(7)</sup>           |

### Notes:

- (1) The dates and times given are indicative only and are based on current expectations and are subject to change. References to times are to London, United Kingdom time unless otherwise stated. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to U+I Shareholders by announcement through a Regulatory Information Service, with such announcement being made available on U+I's website at <https://www.uandiplc.com/>.
- (2) The BLUE Form of Proxy for the Court Meeting, if not returned by the time stated above, may be handed to the Registrar or to the Chair of the Court Meeting before the taking of the poll at the Court Meeting and will still be valid.
- (3) The PINK Form of Proxy for the General Meeting must be lodged by the time stated above in order to be valid or, if the General Meeting is adjourned, no later than 48 hours (excluding any day that is not a Business Day) before the time fixed for the holding of the adjourned meeting.
- (4) If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time of the adjourned meeting(s) will be 6.00 p.m. on the second Business Day before the day fixed for the adjourned meeting.

- (5) The General Meeting will commence at 10.15 a.m. on the day of the Court Meeting or as soon thereafter as the Court Meeting has been concluded or adjourned.
- (6) The Scheme shall become Effective as soon as a copy of the Scheme Court Order has been delivered to the Registrar of Companies.
- (7) The Long Stop Date is the latest date by which the Scheme may become Effective. However, the Long Stop Date may be extended to such later date as may be agreed in writing between Landsec Development and U+I (with the Panel's consent and as the Court may allow, if such consent and/or approval is/are required).



## PART 1

### LETTER FROM THE CHAIRMAN OF U+I

*(Incorporated in England and Wales with registered number 01528784)*



*Directors:*

Peter Williams (*Non-Executive Chairman*)  
Richard Upton (*Chief Executive Officer*)  
Jamie Christmas (*Chief Financial Officer*)  
Lynette Krige (*Non-Executive Director*)  
Barry Bennett (*Non-Executive Director*)  
Rosaleen Kerslake (*Non-Executive Director*)  
Sadie Morgan (*Non-Executive Director*)

U and I Group PLC  
7a Howick Place  
London  
United Kingdom  
SW1P 1DZ

15 November 2021

*To: all U+I Shareholders and, for information only, to persons with information rights and holders of awards and options under the U+I Share Plans*

Dear Shareholder,

#### **RECOMMENDED CASH ACQUISITION OF U AND I GROUP PLC BY LANDSEC DEVELOPMENT HOLDINGS LIMITED**

#### **1. Introduction**

On 1 November 2021, the boards of U and I Group PLC (“**U+I**”) and LS Development Holdings Limited (“**Landsec Development**”), a newly formed wholly-owned indirect subsidiary of Land Securities Group PLC (“**Landsec**”), announced that they had reached agreement on the terms of a recommended all cash offer to be made by Landsec Development to acquire the entire issued and to be issued ordinary share capital of U+I.

I am writing to you, on behalf of the U+I Board, to seek your approval of the Scheme, setting out the background to the Acquisition and the reasons why the U+I Board considers the Acquisition to be fair and reasonable, and why it is unanimously recommending that U+I Shareholders vote in favour of the Scheme at the Court Meeting and in favour of the Resolution to be proposed at the General Meeting (as all of the U+I Directors who own or control U+I Shares have irrevocably undertaken to do in respect of their own holdings, as set out in paragraph 5 of this letter below). I draw your attention to the letter from Rothschild & Co set out in Part 2 of this document which gives details about the Acquisition and to the additional information on U+I, Landsec Development and Landsec set out in Part 7 of this document.

In order to approve the terms of the Acquisition, the required majority of Scheme Shareholders will need to vote in favour of the Scheme at the Court Meeting and the required majority of U+I Shareholders will need to vote in favour of the Resolution to be proposed at the General Meeting. The Meetings are to be held on Tuesday 7 December 2021 at the offices of Bryan Cave Leighton Paisner LLP, Governor's House, 5 Laurence Pountney Hill, London EC4R 0BR, United Kingdom at 10.00 a.m. and 10.15 a.m. (or immediately after the conclusion of the Court Meeting), respectively. Notices of the Meetings are set out in Parts 9 and 10 of this document.

U+I Shareholders and Scheme Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting and the General Meeting as soon as possible, using any of the methods (by post, online or electronically through CREST) set out in this document.

Whilst COVID-19 restrictions have been lifted as at the date of publication of this document, the U+I Directors note that the COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures which affect the holding of shareholder meetings. As such, whilst U+I Shareholders and Scheme Shareholders will be permitted to attend the Court Meeting and the General Meeting in person if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), U+I Shareholders and Scheme Shareholders are strongly

encouraged to appoint “the Chair of the meeting” as their proxy for the General Meeting and the Court Meeting, respectively.

If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the Meetings, that proxy may not be permitted to attend the relevant Meeting in person (but will be able to remotely attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the relevant Meeting via the Virtual Meeting Platform, further details of which are set out in the opening pages of this document and in the Virtual Meeting Guide). U+I Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Meeting at any time up to 48 hours before the relevant Meeting by emailing [info@uandiplc.com](mailto:info@uandiplc.com) or on the day via the Virtual Meeting Platform.

Details of the actions you should take are set out in paragraph 19 of Part 2 of this document. The recommendation of the U+I Directors is set out in paragraph 15 of this letter.

## **2. Summary of the Acquisition**

It is intended that the Acquisition be implemented by means of a Court-sanctioned scheme of arrangement between U+I and the Scheme Shareholders under section 899 of the Companies Act which requires the approval of Scheme Shareholders at the Court Meeting and U+I Shareholders at the General Meeting and the sanction of the Court.

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

### **149 pence in cash for each U+I Share**

The Acquisition values the entire issued and to be issued ordinary share capital of U+I at approximately £190 million on a fully diluted basis and the price of 149 pence per U+I Share represents a premium of approximately:

- 73 per cent. to the Closing Price of 86.0 pence per U+I Share on 29 October 2021 (being the last Business Day before the commencement of the Offer Period);
- 71 per cent. to the volume-weighted average price of 87.2 pence per U+I Share for the one-month period ended 29 October 2021 (being the last Business Day before the commencement of the Offer Period); and
- 70 per cent. to the volume-weighted average price of 87.8 pence per U+I Share for the three-month period ended 29 October 2021 (being the last Business Day before the commencement of the Offer Period).

If, on or after the date of the Announcement and before the Effective Date, any dividend, distribution or other return of capital or value is announced, declared, made or paid by U+I or becomes payable by U+I in respect of the U+I Shares, Landsec Development reserves the right to reduce the consideration payable under the terms of the Acquisition of the U+I Shares by an amount up to the amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this document to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Landsec Development of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Acquisition. In such circumstances, U+I Shareholders would be entitled to receive and retain any such dividend and/or other distribution and/or return of capital or value.

The U+I Board has also noted Landsec's stated intentions as set out in paragraph 6 of Part 2 of this document and welcomes the importance attached by Landsec to the skills and experience of the existing management and employees of the U+I Group and the importance of them to the future success of the combined business.

Further information about the Acquisition is provided in Part 2 of this document.

### 3. Background to and reasons for the recommendation

In May 2021, U+I announced the first step of its “Reset, Prove, Grow” strategy, which followed the 100-day strategic review undertaken by U+I following the appointment of Richard Upton as CEO in January 2021. As part of the review, U+I reorganised its portfolio into three segments: (i) Core Regeneration assets; (ii) Non-Core Development and Trading assets (“**Non-Core**”); and (iii) Investment Portfolio assets, simplifying the business and providing greater clarity to shareholders on the strategy for each segment.

In relation to the strategy for the Non-Core portfolio, in the six months to 30 September 2021, U+I has made good progress with Non-Core disposals, fully exiting three of its 35 Non-Core projects with further partial realisations being achieved from a number of other projects. The U+I Board is confident in U+I’s ability to monetise the majority of the remaining Non-Core projects over the four-year timescale previously indicated, albeit these disposals are not without risk and, in some cases, require further capital spend ahead of monetisation. The U+I Board also recognises that there is a wide range of total net sale proceeds outcomes, as set out in May 2021, which is in part dependent on factors beyond U+I’s control.

In relation to the Core Regeneration business, demand for mixed-use urban environments where people can live, work and socialise has never been greater, and the U+I Board continues to believe that U+I is one of only a small number of companies with the skills, track-record and reputation to successfully deliver these types of projects. However, the scale of U+I’s Core Regeneration pipeline and ambition, relative to the scale of U+I’s own balance sheet and market capitalisation, means that one of the core tenets of U+I’s regeneration strategy is the introduction of external capital partners into key projects.

The U+I Board believes that U+I’s Core Regeneration model, married to the right long-term capital, and aligned with the Government’s focus on rebuilding economic growth and ‘levelling up’, is more relevant than ever and represents a highly attractive opportunity to create long term stakeholder value. In considering the right partner for a project, U+I seeks an appropriate combination of balance sheet strength and expertise in investing in long-term regeneration projects. The U+I Directors consider Landsec a highly credible partner for these projects, given its financial strength and long track-record of delivering complex projects. Furthermore, the U+I Directors see this partnership as providing an opportunity to accelerate the Core Regeneration business plan for the benefit of all U+I stakeholders.

Landsec’s initial proposal was received in September 2021 and the final Acquisition price followed from a period of negotiations with U+I.

Against this backdrop, whilst the U+I Board remains confident in U+I’s prospects as a standalone company as it continues to implement its revised strategy, following careful consideration, the U+I Board has concluded the Acquisition is in the best interests of U+I Shareholders. In reaching this conclusion, it has considered in particular the following:

- the range of risk-adjusted returns under U+I’s revised strategy, in particular the range of net proceeds likely receivable from the Non-Core disposals net of U+I’s recurring cost base, as compared with the certainty of the Acquisition price;
- the likely requirement over time to introduce funding partners into certain of U+I’s Core Regeneration assets, in order for U+I to monetise its interest in these core projects and create distributable profits for U+I Shareholders;
- the complexity and cost of U+I’s existing capital structure and the overall size of its balance sheet and market capitalisation, relative to the scale and opportunity of its pipeline;
- the Acquisition price of 149 pence represents a premium of approximately 73 per cent. to the Closing Price of 86.0 pence per U+I share on 29 October 2021 (being the last Business Day before the commencement of the Offer Period) and 70 per cent. to the volume-weighted average Closing Price of 87.8 pence per U+I Share for the three-month period ended 29 October 2021;
- that the Acquisition provides an opportunity for all U+I Shareholders to realise their interests in cash; and

- the impact of the Acquisition on all of U+I's stakeholders and the importance of U+I's assets to Landsec's future strategy.

#### 4. Background to and reasons for the Acquisition

In October 2020, Landsec set out its future growth strategy focused on three key areas: (i) Central London offices; (ii) major retail destinations; and (iii) urban opportunities in London and other major regional cities. The ultimate goal of this strategy is to accelerate growth through recycling capital into higher return opportunities and deliver for investors an attractive combination of income and growth driven returns.

In Central London offices, Landsec develops, owns and manages offices that offer a variety of propositions to meet the evolving needs of the occupiers. The Central London offices portfolio offers a blend of returns: from high quality, low risk income through to profits from new developments.

In major retail destinations, Landsec actively manages high quality retail destinations that they believe will remain relevant to brands and shoppers in an increasingly omni-channel world. Returns in this segment are predominantly income driven with the prospects of rental growth and values strengthening in the medium term.

In urban opportunities, Landsec applies its skillset to deliver urban mixed-use schemes. The aim is to capitalise on the attractive blend of income, growth and development-driven returns over multiple years that multi-phased projects can offer.

In the near term, Landsec's directors expect to increase portfolio recycling and are prepared to take, in a considered way, more operational risk to create value and drive returns for Landsec's shareholders. As Landsec increasingly allocates capital for growth, it is targeting the delivery of mid-to-high single digit returns on equity across the Landsec group, split broadly equally between income and growth.

The COVID-19 pandemic has accelerated the blurring of lines between where people live, work and socialise. In response to this, mixed-use developments with a clear sense of place are becoming a more important part of the fabric of cities. The directors of Landsec believe it is well positioned with its existing development and asset management capabilities and balance sheet strength to create these places and achieve attractive risk-adjusted returns.

The Acquisition would add core regeneration assets to Landsec's development pipeline, which Landsec believes it can help realise through the strength of its balance sheet accelerating the delivery of Landsec's "Urban opportunities" strategic pillar.

U+I also aligns closely with Landsec's sustainability goals, including the design and development of new sustainable communities, working alongside local government, customers, communities and partners.

U+I provides access to a significant pipeline of mixed-use development schemes, of which two are well-progressed through planning (Mayfield, (strategic regeneration framework ("SRF") and detailed consent for phase 1); and Morden Wharf (resolution to grant)):

- Mayfield, Manchester. Mayfield is one of the UK's pre-eminent mixed-use regeneration projects, and works have already commenced onsite. It is a c. 24 acre site in Manchester City Centre, adjacent to Manchester Piccadilly railway station, which comprises 2 million sq. ft. of office, retail and leisure space and 1,500 new homes set around a 6.5 acre public park. This site is currently owned in a joint venture with Manchester City Council, Transport for Greater Manchester and London and Continental Railways (the "**Mayfield JV**"). U+I has a 50 per cent. share in the Mayfield JV and acts as development manager for the site. Following the Acquisition, Landsec expects that it will be able to satisfy the financing requirements of the Mayfield JV. U+I estimates that the site has a £1.5 billion gross development value, of which approximately 60 per cent. is expected to be the office element, and the site is expected to complete in calendar year 2032.
- Morden Wharf, Greenwich Peninsula. U+I has a conditional development agreement with Morden College, a charitable trust with significant land holdings on the Greenwich Peninsula. U+I has secured planning consent for 1,500 new homes, 200,000 sq. ft. of warehouses and 50,000 sq. ft. of retail across this 19 acre site on the western edge of the Peninsula. U+I estimates that the site has a gross development value of £770 million.

U+I also provides access to a further high quality, office-led development in London with planning consent:

- Landmark Court, Southwark. Landmark Court is an office-led development site located within walking distance of London Bridge station and Borough underground station, with planning permission for 200,000 sq. ft. of offices, retail and workspace and 36 new homes. Landmark Court is targeting BREEAM Excellent and WELL Platinum (building validations/certifications focusing on sustainability, human health and well-being). The offices are expected to provide prime space in a location that continues to mature, with the consented and cleared site offering the potential to deliver near-term returns. Landmark Court will sit in a joint venture (which is conditional on receipt of development funding) of subsidiaries of U+I and Transport for London (“TfL”), held 51:49 respectively (the “**Landmark JV**”). TfL and Network Rail are freeholders of the site, with a new 299-year lease now agreed for development. Following the Acquisition, Landsec expects that it will be able to satisfy the financing requirements of the Landmark JV. U+I estimates that the site has a £240 million gross development value and work is expected to commence in 2022 and complete in calendar year 2025.

Landsec believes that it can accelerate the pace of development across these sites by combining Landsec’s own development capabilities and the strength of its balance sheet, with U+I’s placemaking skills, which emphasise: (i) unlocking overlooked, underestimated sites, (ii) community-led neighbourhood planning, and (iii) purposeful construction of mixed-use neighbourhoods, infrastructure and public spaces. Landsec believes these opportunities would enable it to invest a further £600-800 million in development capital expenditure in the short to medium term.

In addition, U+I provides access to a longer dated mixed-use regeneration scheme, which Landsec’s directors believe could provide additional upside for Landsec, subject to further assessment:

- Cambridge Northern Fringe East (“CNFE”). CNFE is a venture with Cambridge City Council and Anglian Water for a potential £3 billion “masterplan” on a 120 acre site on the outskirts of Cambridge, for which U+I currently acts as “masterplanner” and promoter. U+I’s stated plan for CNFE is to create a new district, including 5,000 new homes and 0.5 million sq. ft. of office and lab space for life sciences industries.

U+I provides access to one further mixed-use regeneration scheme:

- 8 Albert Embankment, Lambeth. In partnership with the London Fire Brigade, U+I was given a mandate for development in 2016, subject to planning. This scheme offers the potential for 443 new homes alongside approximately 85,000 sq. ft. of office space. U+I estimates that the site has a gross development value of £500 million. However, in June 2021, the latest planning application was refused by the Secretary of State. Landsec will evaluate options for this site.

## **5. 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 a.m. on Tuesday 7 December 2021. The Scheme also requires the passing by U+I Shareholders of the Resolution to be proposed at the General Meeting convened for 10.15 a.m. on Tuesday 7 December 2021, and the sanction of the Court at the Scheme Court Hearing.

### ***Director’s irrevocable undertakings***

The U+I Directors who hold U+I Shares have irrevocably undertaken to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept such Takeover Offer) in respect of 4,507,614 U+I Shares in aggregate, representing approximately 3.6 per cent. of U+I’s issued share capital as at 12 November 2021 (the “**Latest Practicable Date**”).

### ***Letters of intent from U+I Shareholders***

In addition, Landsec and Landsec Development received letters of intent to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept such Takeover Offer) from Aberforth Partners LLP (“**Aberforth**”), J O Hambro Capital Management Limited, Jupiter Asset Management Limited and Ennismore Fund



Management Limited, in respect of a total of 39,754,171 U+I Shares, representing in aggregate approximately 32 per cent. of the issued ordinary share capital of U+I as at the Latest Practicable Date.

On 8 November 2021, Landsec announced that Aberforth had since informed Landsec that it had disposed of a total of 23,723,357 U+I Shares, including the 17,584,704 U+I Shares referred to in the letter of intent given by Aberforth. In accordance with Rule 2.10(c) of the Takeover Code, Aberforth is therefore no longer in a position to vote in relation to these shares.

In total, therefore, Landsec and Landsec Development have received irrevocable undertakings or letters of intent, including those irrevocable undertakings from the U+I Directors who own U+I Shares but excluding the letter of intent from Aberforth, in respect of, in aggregate, 26,677,081 U+I Shares, representing approximately 21 per cent. of the issued ordinary share capital of U+I as at the Latest Practicable Date.

Further details of these irrevocable undertakings and letters of intent are set out in paragraph 5 of Part 7 of this document.

## **6. Intentions regarding directors, management, employees, pensions, research and development and locations**

Your attention is drawn to the statement of Landsec's intentions for U+I if the Scheme becomes Effective as set out in paragraph 7 of Part 2 of this document in respect of:

- Landsec's strategic plans for U+I;
- employees and management (including conditions of employment, existing rights and pensions and management incentive arrangements);
- headquarters, locations and research and development; and
- trading facilities.

## **7. U+I Share Plans**

Details on the arrangements proposed to be implemented in relation to the U+I Share Plans in connection with the Acquisition are set out in paragraph 8 of Part 2 of this document.

## **8. U+I Asset Valuation**

In keeping with U+I's usual practice, the U+I portfolio of investment properties (as well as investment property in joint venture) was valued by CBRE as at 30 September 2021, and such valuation is set out in Part 11 of this document, in accordance with the requirements of Rule 29 of the Takeover Code.

For the purposes of Rule 29.5 of the Takeover Code, the U+I Directors confirm that CBRE has confirmed to them that an updated valuation of the U+I portfolio of investment properties as at the date of this document, would not be materially different from the valuation provided by CBRE as at 30 September 2021 and contained in CBRE's valuation report set out in Part 11 of this document.

If U+I's portfolio of investment properties (as well as investment property in joint venture) was to be sold at the amount of the valuation contained in the valuation report set out at Part 11 of this document, the U+I Directors estimate that the potential tax liability that would arise for the U+I Group would be approximately £60,000. In connection with the Acquisition, it is not expected that the aforementioned tax liability would be crystallised.

## **9. Cancellation of listing of U+I Shares**

The last day of dealings in U+I Shares is expected to be on the date of the Scheme Court Hearing, being the Business Day immediately prior to the Effective Date.

The attention of the U+I Shareholders is drawn to paragraph 15 of Part 2 of this document in relation to the intention with regards to the cancellation of the listing of U+I Shares on the Official List and the cancellation of trading of U+I Shares on the London Stock Exchange, and the re-registration of U+I as a private company.



## **10. Dividends**

If, on or after the date of the Announcement and before the Effective Date, any dividend, distribution or other return of capital or value is announced, declared, made or paid by U+I or becomes payable by U+I in respect of the U+I Shares, Landsec Development reserves the right to reduce the consideration payable under the terms of the Acquisition of the U+I Shares by an amount up to the amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this document to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Landsec Development of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Acquisition. In such circumstances, U+I Shareholders would be entitled to receive and retain any such dividend and/or other distribution and/or return of capital or value.

## **11. Overseas Shareholders**

Overseas Shareholders should refer to paragraph 17 of Part 2 of this document and Part 6 of this document.

## **12. United Kingdom taxation**

A summary of relevant UK taxation, which is intended as a general guide only, is set out in paragraph 15 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, you are strongly advised to consult an appropriate independent professional adviser.

## **13. Action to be taken**

Your attention is drawn to the sections of this document on pages 11-14 and in paragraph 19 of Part 2, which explain the actions to be taken in relation to the Scheme.

Overseas Shareholders holding U+I Shares should refer to paragraph 17 of Part 2 of this document and Part 6 of this document. Details relating to settlement are included in paragraph 16 of Part 2 of this document.

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

If you have any queries please contact the Registrar, Link Group on 0371 664 0300 from inside the UK or +44 (0) 371 664 0300 from outside the UK or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.

## **14. Further information**

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

The attention of U+I Shareholders is drawn to the letter from Rothschild & Co set out in Part 2 of this document (being the Explanatory Statement pursuant to section 897 of the Companies Act). The terms of the Scheme are set out in full in Part 3 of this document. Your attention is also drawn to the further information contained in this document and, in particular, to the conditions to the implementation of the Scheme and the Acquisition in Part 4, the financial information on U+I, Landsec Development and

Landsec in Part 5 and the additional information in Part 7 (including the information on UK taxation in paragraph 15 of Part 7) of this document.

A copy of this document (and all information incorporated into this document by reference to another source) and the Forms of Proxy are and will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on U+I's website at [www.uandiplc.com](http://www.uandiplc.com).

#### **15. Recommendation of the Acquisition**

The U+I Directors, who have been so advised by Rothschild & Co as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its financial advice to the U+I Directors, Rothschild & Co has taken into account the commercial assessments of the U+I Directors. Rothschild & Co is providing independent financial advice to the U+I Directors for the purposes of Rule 3 of the Takeover Code.

**Accordingly, the U+I Directors believe that the terms of the Acquisition are fair and reasonable and in the best interests of U+I Shareholders as a whole and unanimously recommend that U+I Shareholders vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting as the U+I Directors who hold U+I Shares have irrevocably undertaken to do in respect of their own beneficial holdings of 4,507,614 U+I Shares in aggregate, representing approximately 3.6 per cent. of U+I's share capital in issue on the Latest Practicable Date.**

Yours faithfully

**Peter Williams**  
*Non-Executive Chairman*

## PART 2

### EXPLANATORY STATEMENT

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

New Court, St Swithin's Lane  
London  
EC4N 8AL



15 November 2021

*To all U+I Shareholders and, for information only, persons with information rights and to holders of awards and options under the U+I Share Plans*

Dear Sir/Madam

#### **RECOMMENDED CASH ACQUISITION OF U AND I GROUP PLC**

#### **BY LANDSEC DEVELOPMENT HOLDINGS LIMITED**

**(a newly formed subsidiary, wholly owned by Land Securities Group PLC)**

#### **1. Introduction**

On 1 November 2021, the boards of U+I and Landsec Development, a newly formed wholly-owned indirect subsidiary of Landsec, announced that they had reached agreement on the terms of a recommended all cash offer to be made by Landsec Development to acquire the entire issued and to be issued ordinary share capital of U+I for 149 pence in cash per U+I Share by means of the Scheme.

The U+I Directors have been advised by Rothschild & Co in connection with the Acquisition. Rothschild & Co has been authorised by the U+I 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, Rothschild & Co is advising the U+I Directors in relation to the Acquisition and is not acting for any U+I Director in their personal capacity or for any U+I Shareholder in relation to the Acquisition. Rothschild & Co 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, Rothschild & Co will not owe any duties or responsibilities to any particular U+I Shareholder concerning the Acquisition. Please note that dates and timings set out in this document are indicative only and may be subject to change.

The Acquisition is to be effected by means of a Court-sanctioned scheme of arrangement under section 897 of the Companies Act, which requires the approval of the Scheme Shareholders and the sanction of the Court. The terms of the Scheme are set out in full in Part 3 of this document.

Your attention is drawn to the letter from the Chairman 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 recommendation of the U+I Directors and states that the U+I Directors, who have been so advised by Rothschild & Co, consider the terms of the Scheme to be fair and reasonable. In giving advice to the U+I Directors, Rothschild & Co has taken into account the commercial assessment of the U+I Directors. The U+I Directors unanimously recommend that all U+I Shareholders vote in favour of the resolution to approve the Scheme to be proposed at the Court Meeting and in favour of the Resolution to be proposed at the General Meeting.

Statements made in this letter regarding (i) the background to the recommendation of the U+I Directors; and/or (ii) the business of U+I, reflect the views of the U+I Directors. Statements made in this letter regarding (i) the future plans for U+I; and/or (ii) the businesses of Landsec, reflect the views of the Landsec Directors.

## **2. Summary of the terms of the Acquisition and the Scheme**

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

### **149 pence in cash for each U+I Share**

The Acquisition values the entire issued and to be issued ordinary share capital of U+I at approximately £190 million on a fully diluted basis and the price of 149 pence per U+I Share represents a premium of approximately:

- 73 per cent. to the Closing Price of 86.0 pence per U+I Share on 29 October 2021 (being the last Business Day before the commencement of the Offer Period);
- 71 per cent. to the volume-weighted average price of 87.2 pence per U+I Share for the one-month period ended 29 October 2021 (being the last Business Day before the commencement of the Offer Period); and
- 70 per cent. to the volume-weighted average price of 87.8 pence per U+I Share for the three-month period ended 29 October 2021 (being the last Business Day before the commencement of the Offer Period).

If, on or after the date of the Announcement and before the Effective Date, any dividend, distribution or other return of capital or value is announced, declared, made or paid by U+I or becomes payable by U+I in respect of the U+I Shares, Landsec Development reserves the right to reduce the consideration payable under the terms of the Acquisition of the U+I Shares by an amount up to the amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this document to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Landsec Development of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Acquisition. In such circumstances, U+I Shareholders would be entitled to receive and retain any such dividend and/or other distribution and/or return of capital or value.

The Scheme Shares will be acquired under the Scheme, fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights now or hereafter attaching or accruing to them, including 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 or value (whether by reduction of share capital or share premium account or otherwise) made on or after the Effective Date.

It is also proposed that, subject to the Scheme becoming Effective, U+I will make an application to the London Stock Exchange for the cancellation of the admission to trading of the U+I Shares on the London Stock Exchange's Main Market for listed securities and an application to the FCA for the cancellation of the listing of the U+I Shares on the Official List, in each case, to take effect on or shortly after the Effective Date.

Following the Scheme becoming Effective and after the delisting and cancellation of admission to trading of the U+I Shares, it is intended that U+I be re-registered as a private limited company as soon as practicable following the Effective Date.

## **3. Structure of the Scheme proposals**

The Scheme is an arrangement made between U+I and the Scheme Shareholders under section 897 of the Companies Act, which requires the approval of the Scheme Shareholders and the sanction of the Court. The purpose of the Scheme is to provide for Landsec Development to become the owner of the entire issued and to be issued ordinary share capital of U+I. This is to be achieved by the transfer of the Scheme Shares to Landsec Development in consideration for which the Scheme Shareholders will receive cash on the basis set out in paragraph 2 above.

The Scheme is subject to the Conditions and to certain further terms referred to in Part 4 of this document. In particular, it requires the approval of Scheme Shareholders for the Scheme at the Court Meeting, which has been convened for 10.00 a.m. on 7 December 2021. The Scheme must be

approved by a majority in number of Scheme Shareholders present and voting (and entitled to vote), either in person, remotely (via the Virtual Meeting Platform) or by proxy, at the Court Meeting representing not less than 75 per cent. in value of each class of the Scheme Shares held by those 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 U+I Shareholders representing at least 75 per cent. of the votes validly cast at the General Meeting (either in person, remotely (via the Virtual Meeting Platform) or by proxy). In respect of the Resolution, each U+I Shareholder will be entitled to cast one vote for each U+I Share held.

Following the Meetings, and the satisfaction (or, where applicable, waiver) of the other Conditions, the Scheme must also be sanctioned by the Court and will become Effective only upon delivery to the Registrar of Companies of the Scheme Court Order. Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted, or whether they voted in favour of or against the Scheme at the Court Meeting or whether they voted in favour of or against the Resolution at the General Meeting. Share certificates in respect of U+I Shares will cease to be valid and entitlements to U+I Shares held within the CREST system will be cancelled. In accordance with the applicable provisions of the Takeover Code, the cash consideration for the transfer of the Scheme Shares to Landsec Development will be despatched no later than 14 days after the Effective Date.

U+I will not issue or register the transfer of any shares after Scheme Record Time until the Scheme has become Effective.

#### **4. Irrevocable undertakings and letters of intent**

The U+I Directors who hold U+I Shares have irrevocably undertaken to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept such Takeover Offer) in respect of 4,507,614 U+I Shares in aggregate, representing approximately 3.6 per cent. of U+I's issued share capital as at the Latest Practicable Date.

In addition, Landsec and Landsec Development received letters of intent to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept such Takeover Offer) from Aberforth, J O Hambro Capital Management Limited, Jupiter Asset Management Limited and Ennismore Fund Management Limited, in respect of a total of 39,754,171 U+I Shares, representing in aggregate approximately 32 per cent. of the issued ordinary share capital of U+I as at the Latest Practicable Date.

On 8 November 2021, Landsec announced that Aberforth had since informed Landsec that it had disposed of a total of 23,723,357 U+I Shares, including the 17,584,704 U+I Shares referred to in the letter of intent given by Aberforth. In accordance with Rule 2.10(c) of the Takeover Code, Aberforth is therefore no longer in a position to vote in relation to these shares.

In total, therefore, Landsec and Landsec Development have received irrevocable undertakings or letters of intent, including those irrevocable undertakings from the U+I Directors who own U+I Shares but excluding the letter of intent from Aberforth, in respect of, in aggregate, 26,677,081 U+I Shares, representing approximately 21 per cent. of the issued ordinary share capital of U+I as at the Latest Practicable Date.

Further details of these undertakings, including details of the circumstances in which they will cease to be binding, and letters of intent are set out in paragraph 5 of Part 7 of this document.

#### **5. Information about U+I**

U+I is a property developer and investor focused on complex, mixed-use regeneration in London, Manchester and Dublin, creating socially and economically sustainable places where people can live, work and socialise. Headquartered in London and listed on the London Stock Exchange's Main Market, U+I and its subsidiaries, together employ 70 people across the United Kingdom. U+I began as Development Securities PLC and rebranded as U+I in 2015 following the acquisition of Cathedral Group (Holdings) Limited in 2014.

As a result of U+I's strategic review, announced in May 2021, U+I's portfolio has been reorganised into three segments: Core Regeneration assets, Non-Core Development and Trading assets, and Investment Portfolio assets.

The Core Regeneration assets segment (£58 million of gross asset value as at 31 March 2021, or 22 per cent. of the total U+I portfolio) comprises five major schemes which are mostly public-private partnerships to build on publicly-owned land. These five major schemes have a significant estimated gross development value of £6 billion. These mixed-use regeneration schemes are expected to deliver sustainable and consistent returns to U+I. U+I's "master developer" approach provides multiple routes to monetisation over the course of the project and can include: (i) land enablement profits from planning and placemaking, (ii) plot sales to specialists, (iii) development management fees, and (iv) shares of development profits and promotes. These projects, which often require no upfront land purchase, are the core of U+I's business and require expertise like U+I's to be successful.

The Non-Core Development and Trading assets segment (£126 million of gross asset value as at 31 March 2021 or 47 per cent. of the total U+I portfolio) comprised 35 projects (as at 31 March 2021) which were previously described as public-private partnership/development or trading projects and which U+I intends to dispose of within the next four years. As at 31 March 2021, U+I estimated £90-160 million of net cash receipts from these projects from the disposal programme (net of estimated project spend).

The Investment Portfolio assets segment (£85 million of gross asset value as at 31 March 2021 or 32 per cent. of the total U+I portfolio) is comprised of 15 income-generating assets (as at 31 March 2021) and is largely made up of commercial, retail, shopping centre or leisure assets that U+I acquired or developed. U+I believes the Investment Portfolio provides a potential future opportunity to recycle capital into core regeneration schemes.

As at 31 March 2021, the total gross asset value across the Core Regeneration, Non-Core Development and Trading and Investment Portfolio asset segments was £269 million.

For the 12 months ended 31 March 2021, U+I reported total assets of £427.0 million, total revenues of £45.8 million and losses before tax of £86.7 million. U+I reported a basic loss of 70.2 pence per U+I Share.

U+I is a public limited company registered in England and Wales. The U+I Shares are listed on the premium listing segment of the Official List and are admitted to trading on the London Stock Exchange's Main Market for listed securities.

## **6. Information about Landsec Development and Landsec**

### ***Landsec Development***

Landsec Development is a private limited company registered in England and Wales and incorporated on 20 October 2021. Landsec Development was formed for the purposes of the Acquisition and is an entity indirectly wholly-owned by Landsec. Landsec Development has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Acquisition.

The current directors of Landsec Development are Elizabeth Miles, Land Securities Management Services Limited and LS Director Limited.

### ***Landsec***

Landsec is one of the leading real estate development and investment companies in the United Kingdom. Founded in 1944 and headquartered in Victoria, London, Landsec is listed on the London Stock Exchange where it is a constituent of the FTSE 100 Index. Landsec has been a Real Estate Investment Trust ("REIT") since the UK introduced REIT status in 2007.

Landsec operates across four divisions: Central London, Regional Retail, Subscale sectors and Urban opportunities. The company owns and manages some of the most successful real estate assets across the United Kingdom. Its combined portfolio of retail, leisure, workspace and residential hubs is valued at £10.8 billion and spans 23.5 million sq. ft. (as at 31 March 2021). Landsec aims to lead the real estate industry in critical long-term issues: from diversity and community employment, to carbon reduction and climate resilience.



## **7. Intentions regarding Directors, management, employees, pensions, research and development and locations**

### ***Landsec's strategic plans for U+I***

Landsec holds the reputation of the U+I management team and staff in high regard. Landsec believes that the U+I management team will materially enhance Landsec's placemaking skills and complement Landsec's existing development capabilities.

Following completion of the Acquisition, Landsec intends to continue to pursue U+I's existing strategy, utilising Landsec's existing development capabilities and the strength of its balance sheet to accelerate U+I's pipeline of near-term development opportunities.

#### ***1. Core regeneration assets***

Landsec intends to continue to treat this segment as the core focus of the U+I business, using Landsec's balance sheet strength and existing development capabilities to accelerate U+I's two major mixed-use development schemes which are well-progressed through planning (Mayfield, Manchester (SRF and detailed consent for phase 1); and Morden Wharf, Greenwich Peninsula (resolution to grant)), as well as its office-led scheme at Landmark Court, Southwark. Landsec intends to assess U+I's longer dated mixed-use regeneration scheme (CNFE) and will evaluate its options in respect of 8 Albert Embankment. Landsec intends to invest in new mixed-use development opportunities as and when they arise.

Landsec believes that U+I's placemaking skills are complementary to Landsec's skills and expertise. Through the combination of Landsec's own development capabilities and financing capacity with U+I's front-end development capabilities and placemaking expertise, Landsec intends to accelerate its own strategic objective of growing through urban, mixed-use opportunities.

#### ***2. Investment portfolio assets***

In line with U+I's current strategy, Landsec intends to review each of these assets and consider recycling capital into core regeneration assets.

#### ***3. Non-core development and trading assets***

In line with U+I's current strategy, Landsec intends to trade out of this portfolio over the next four years.

### ***Employees and management***

Landsec attaches great importance to the skill and experience of the U+I management team and employees and recognises that the commitment of the employees and management of U+I will be a critical part of the future success of the combined business. Landsec intends to support the U+I management team and, save as set out below, Landsec has no intention to make any change to the continued employment of the employees and management of the U+I Group, including any material changes to the terms and conditions of employment or in the balance of skills and functions of the management and employees of the U+I Group as a result of the Acquisition.

Landsec intends to undertake an evaluation of U+I and its operations as part of the Landsec group, within six months after U+I ceases to be a listed company. There may be certain corporate and support functions associated with operating the business under public ownership which are no longer required or are reduced in scope, which will potentially (subject to compliance with any information and consultation obligations) require reduced headcount in these areas. Landsec has not yet developed proposals as to how any such headcount reductions could be implemented.

### ***Conditions of employment and existing rights and pensions***

Landsec confirms that, following completion of the Acquisition, the existing contractual and statutory rights and terms and conditions of employment, including pension rights and obligations, of the management and employees of the U+I Group will be fully safeguarded in accordance with applicable law.

U+I operates a defined contribution scheme on behalf of the U+I Group for U+I Directors and employees. Monthly premiums are invested in an independent insured fund. Landsec 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.

#### ***Headquarters, locations and research and development***

Following completion of the Acquisition, U+I will retain its head office operations at 7A Howick Place, London SW1P 1DZ for a transitional period. Landsec intends to review opportunities to consolidate U+I's London head office operations with Landsec's own head office at 100 Victoria Street, London SW1E 5JL. Landsec has no other plans to undertake any change in the other locations of U+I's places of business.

In addition, the U+I Group currently has no research and development function and Landsec has no plans in this regard.

#### ***Management incentive arrangements***

Following completion of the Acquisition, Landsec intends to review the management, governance and incentive structure of U+I and put in place incentivisation arrangements for certain managers and employees of U+I. The terms of these arrangements are to be determined at the appropriate time. Landsec has not entered into, and has not had discussions on proposals to enter into, any form of incentivisation arrangements with members of the U+I management or employees, and no such discussions will take place prior to completion of the Acquisition.

#### ***Trading facilities***

The U+I Shares are currently listed on the premium listing segment of the Official List and are admitted to trading on the London Stock Exchange's Main Market for listed securities. Subject to the Scheme becoming Effective, applications will be made to the FCA and the London Stock Exchange to cancel the listing of the U+I Shares on the Official List and trading on the London Stock Exchange's Main Market for listed securities, following which U+I will be re-registered as a private limited company.

None of the statements in this paragraph 7 constitute or are intended to become "post-offer undertakings" for the purpose of Rule 19.5 of the Takeover Code.

### **8. U+I Share Plans**

U+I operates the U+I Share Plans to reward and retain its employees.

Participants in the U+I Share Plans will be contacted separately regarding the effect of the Scheme on their rights under the U+I Share Plans and with the details of the arrangements applicable to them (the "**Share Plan Notices**"). A summary of the effect of the Scheme on outstanding options and awards is set out below. In the event of any conflict between the summary set out below and the rules of the relevant U+I Share Plan, the U+I Directors' remuneration policy (where applicable) and/or the Share Plan Notices, the rules of the relevant U+I Share Plan, the U+I Directors' remuneration policy (where applicable) or the Share Plan Notices (as the case may be) will prevail.

The Scheme will apply to any U+I Shares which are unconditionally allotted, issued or transferred to satisfy the vesting of awards or exercise of options under the U+I Share Plans before the Scheme Record Time. Any U+I Shares allotted, issued or transferred out of treasury (where applicable) to satisfy the vesting of awards or exercise of options under the U+I Share Plans after the Scheme Record Time will, subject to the Scheme becoming Effective and the proposed amendments to the Articles being approved at the General Meeting, be transferred to Landsec Development in exchange for the same consideration as Scheme Shareholders will be entitled to receive under the Scheme.

Further information in respect of the proposed amendments to the Articles is contained in the Notice of General Meeting in Part 10 of this document.

#### ***Long Term Incentive Plan 2014 (the "LTIP")***

Outstanding awards and options granted under the LTIP will (in consequence of the Acquisition) vest and/or become exercisable (if applicable) on the date of the Scheme Court Order in accordance with

the participants' contractual rights under the LTIP rules, to the extent that the applicable performance conditions are satisfied. The U+I Remuneration Committee will determine shortly before the date of the Scheme Court Order the extent to which the performance conditions that apply to the outstanding LTIP awards and options have been satisfied. The U+I Remuneration Committee has indicated that its intention is to apply time pro rating by reference to the period commencing at the beginning of the performance period and ending on 31 March 2022 pro rata to the three-year performance period. To the extent that any award or option under the LTIP does not vest and/or become exercisable as a result of the determination of the extent to which the performance conditions have been satisfied and the application of time pro-rating, it shall lapse. Outstanding awards granted in the form of options may be exercised within two months of the date of the Scheme Court Order.

#### ***Save-As-You-Earn Option Plan 2005 ("SAYE")***

Outstanding options under the SAYE will become exercisable on the date of the Scheme Court Order in accordance with participants' contractual rights under the SAYE rules and will remain exercisable for up to six months following the Scheme Court Order after which time they will lapse. Participants in the SAYE who exercise their SAYE options conditional on the Scheme Court Order will receive a cash payment to compensate them for the gain they would have made had they exercised their SAYE options at the end of the six month period following the date of the Scheme Court Order and had the U+I Shares acquired on exercise been acquired by Landsec Development under the terms of the Scheme.

### **9. Financing of the Acquisition**

The Cash Consideration payable by Landsec Development under the terms of the Acquisition will be funded from the Wider Landsec Group's existing cash resources.

UBS, in its capacity as financial adviser to Landsec, is satisfied that sufficient resources are available to satisfy in full the Cash Consideration payable to U+I Shareholders under the terms of the Acquisition.

### **10. Financial Effects of the Acquisition on Landsec Development and Landsec**

Landsec Development was incorporated on 20 October 2021 and, as at the Latest Practicable Date, has no material assets or liabilities other than those described in this document in connection with the Acquisition. Following the Scheme becoming Effective, the earnings, assets and liabilities of the U+I Group would be consolidated into the earnings, assets and liabilities of the Wider Landsec Group. The earnings, assets and liabilities of the Wider Landsec Group would thereby be increased.

### **11. Offer-related arrangements**

#### **(a) Confidentiality Agreement**

On 4 October 2021, Landsec and U+I entered into a confidentiality agreement in relation to the Acquisition (the "**Confidentiality Agreement**"), pursuant to which, amongst other things, Landsec gave certain undertakings to: (a) subject to certain exceptions, keep information relating to U+I and the Acquisition confidential and not to disclose it to third parties; and (b) use such confidential information only in connection with the Acquisition. These confidentiality obligations will remain in force until the earlier of 4 October 2023 and completion of the Acquisition by Landsec Development.

In the Confidentiality Agreement, Landsec also gave customary standstill undertakings in relation to itself and its concert parties, all of which ceased to apply upon the release of the Announcement.

#### **(b) Co-operation Agreement**

On 1 November 2021, Landsec Development, U+I and Landsec entered into a co-operation agreement (the "**Co-operation Agreement**") pursuant to which: (i) Landsec and Landsec Development have agreed to provide U+I with certain information for the purposes of the Scheme Document and to otherwise assist with the preparation of the Scheme Document; (ii) the parties have agreed to certain provisions if the Scheme should switch to a Takeover Offer; and (iii) the parties have agreed certain arrangements with respect to the U+I Share Plans and other employee-related matters.

The Co-operation Agreement shall terminate, *inter alia*: (i) by notice from Landsec Development or U+I, if the Acquisition is withdrawn or lapses in accordance with its terms; (ii) by notice from Landsec Development or U+I, if prior to the Long Stop Date any Condition has been invoked by Landsec Development (where permitted by the Panel); (iii) at Landsec Development's election if the U+I Directors withdraw or adversely modify or qualify their recommendation of the Acquisition or announce that they intend to support a third party's offer or fail to reconfirm their recommendation of the Acquisition following publication of a competing proposal by a third party; (iv) at Landsec Development's election if U+I announces a delay to the dates of the Court Meeting or the General Meeting without Landsec Development's consent (other than for logistical or practical reasons which were not caused by U+I); or (v) by notice from Landsec Development or U+I, if the Scheme does not become effective in accordance with its terms by the Long Stop Date.

## **12. The U+I Directors and the effect of the Scheme on their interests**

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

U+I Directors who own or control U+I Shares have irrevocably undertaken to vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or in the event that the Acquisition is implemented by a Takeover Offer, to accept such Takeover Offer) in respect of the U+I Shares they hold and in respect of which they control the voting rights. Further details of these irrevocable undertakings, including details of the circumstances in which they will cease to be binding, are set out in paragraph 5 of Part 7 of this document.

Particulars of the service contracts (including termination provisions) and letters of appointment of the U+I Directors are set out in paragraph 6 of Part 7 of this document.

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

## **13. Shareholder Meetings and the Scheme 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 U+I Shareholders to implement the Scheme at the General Meeting. Notices of the Meetings are set out in Parts 9 and 10 of this document. U+I Shareholders' and Scheme 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 of members of U+I at the Voting Record Time or, if such Meetings are adjourned, on the register of members at 6.00 p.m. 48 hours before the time fixed for the holding of the adjourned meeting (excluding any day that is not a Business Day). 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.

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

All references in this document to "attend" and "vote" or "attending" and "voting" in the context of the Meetings include remote attendance via the Virtual Meeting Platform and voting by proxy or remotely via the Virtual Meeting Platform respectively.

Whilst COVID-19 restrictions have been lifted as at the date of publication of this document, the U+I Directors note that the COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures which affect the holding of shareholder meetings. As such, whilst U+I Shareholders and Scheme Shareholders will be permitted to attend the Court Meeting and the General Meeting in person if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), U+I Shareholders and Scheme Shareholders are strongly encouraged to appoint "the Chair of the meeting" as their proxy for the General Meeting and the Court Meeting, respectively.

If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the Meetings, that proxy may not be permitted to attend the relevant Meeting in person (but will be able to remotely attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the relevant Meeting via the Virtual Meeting Platform, further details of which are set out in the opening pages of this document and in the Virtual Meeting Guide).

The Scheme shall lapse if:

- (i) the Court Meeting and the General Meeting are not held on or before the 22nd day after the expected date of such Meetings, as set out in this document (or such later date as may be agreed between Landsec Development and U+I with the consent of the Panel (and that the Court may allow if required));
- (ii) the Scheme Court Hearing is not held on or before the 22nd day after the expected date of the Scheme Court Hearing, which is expected to be on 13 December 2021 (or such later date as may be agreed between Landsec Development and U+I with the consent of the Panel (and that the Court may allow)); or
- (iii) the Scheme does not become unconditional and Effective by the Long Stop Date,

provided, however, that the deadlines for the timing of the Court Meeting, the General Meeting and the Scheme Court Hearing as set out above may be waived by Landsec Development, and the Long Stop Date may be extended by agreement in writing between Landsec Development and U+I (with the Panel's consent and as the Court may allow, if such consent and/or approval is/are required).

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

You will find set out 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 at 10.00 a.m. on 7 December 2021 at the offices of Bryan Cave Leighton Paisner LLP, Governor's House, 5 Laurence Pountney Hill, London EC4R 0BR, United Kingdom. At the Court Meeting, voting will be by poll and not a show of hands and each Scheme Shareholder present in person, remotely (via the Virtual Meeting Platform) 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, remotely (via the Virtual Meeting Platform) or by proxy, representing not less than 75 per cent. of the Scheme Shares voted by such Scheme Shareholders.

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

**It is important that, for the Court Meeting, as many votes as possible are cast (whether in person, remotely (via the Virtual Meeting Platform) or by proxy) so that the Court may be satisfied that there is a fair representation of the opinion of the Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings, you are therefore strongly advised to sign and return your BLUE Forms of Proxy by post or email or to transmit a proxy appointment and voting instruction (electronically, online or through CREST) for the Court Meeting as soon as possible. The completion and return of the BLUE Forms of Proxy by post or email (or transmission of a proxy appointment or voting instruction electronically, online, through CREST or by any other procedure described in this document) will not prevent you from attending and voting at the Court Meeting or the General Meeting or any adjournment thereof in person (including via the Virtual Meeting Platform) if you are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force).**

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

In addition to the Court Meeting, the General Meeting has been convened at the offices of Bryan Cave Leighton Paisner LLP, Governor's House, 5 Laurence Pountney Hill, London EC4R 0BR, United Kingdom at 10.15 a.m. on 7 December 2021 (or as soon thereafter as the Court Meeting is concluded or adjourned) to consider and, if thought fit, pass the Resolution (which requires a



vote in favour of not less than 75 per cent. of the votes cast either in person or by proxy at the General Meeting) to:

- authorise the U+I Directors to take all actions as they may consider necessary or appropriate to give effect to the Scheme; and
- approve certain amendments to the articles of association of U+I in accordance with Scheme as described below.

Voting on the Resolution will be held by poll and not a show of hands and each U+I Shareholder present in person, remotely (via the Virtual Meeting Platform) or by proxy will be entitled to one vote for every ordinary share held. The approval for the Resolution to be passed is at least 75 per cent. of the votes cast at the General Meeting (in person, remotely (via the Virtual Meeting Platform) or by proxy).

U+I will announce the details of the votes at each Meeting via a Regulatory Information Service as soon as practicable after the conclusion of the Meetings and, in any event, by no later than 8.00 a.m. on the Business Day following the Meetings.

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

Under the Companies Act, the Scheme also requires the sanction of the Court. The Scheme Court Hearing to sanction the Scheme is currently expected to be held on 13 December 2021, subject to the prior satisfaction or waiver of the other Conditions set out in Part 4 of this document.

Owing to the uncertainty around COVID-19 (and other relevant guidance) in place at this time, it is not known whether attendance at the Scheme Court Hearing will be in person or by electronic means only. Once details of the Scheme Court Hearing are confirmed, these will be communicated to Scheme Shareholders, including through U+I's website, <https://www.uandiplc.com/> and by announcement through a Regulatory Information Service.

Landsec Development 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 Scheme Court Hearing so as to consent to the Scheme and to undertake to the Court to be bound by the Scheme.

Following sanction of the Scheme by the Court, the Scheme will become Effective in accordance with its terms upon delivery of the Scheme Court Order to the Registrar of Companies. This is presently expected to occur the Business Day after the date of the Scheme Court Hearing, subject to satisfaction (or, where applicable, waiver) of the Conditions.

U+I and/or Landsec Development will make an announcement through a Regulatory Information Service as soon as practicable following the Scheme becoming Effective.

**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.**

If the Scheme does not become effective by the Long Stop Date (or such later date as may be agreed in writing between Landsec Development and U+I (with the Panel's consent and as the Court may allow, if such consent and/or approval is/are required)), the Scheme will lapse and will not proceed.

(d) ***Amendments to the Articles***

It is proposed, in the Resolution, to amend U+I's Articles to ensure that any U+I Shares issued under the U+I Share Plans or otherwise between the time at which the Resolution is passed and the Scheme Record Time will be subject to the Scheme. It is also proposed to amend U+I's Articles of so that any U+I Shares issued to any person other than Landsec Development or its nominee(s) at or after the Scheme Record Time will be automatically acquired by Landsec Development on the same terms as under the Scheme (other than terms as to timing and



formalities). This will avoid any person (other than Landsec Development or its nominee(s)) holding U+I Shares after the Scheme becomes Effective.

The Resolution is set out in the notice of General Meeting in Part 10 of this document and seeks the approval of U+I Shareholders for such amendments.

(e) ***Entitlement to vote at the Meetings***

Each U+I Shareholder who is entered into U+I's register of members at the Voting Record Time (expected to be 6.00 p.m. on 3 December 2021) will be entitled to attend and vote (in person, remotely (via the Virtual Meeting Platform) or by proxy) on all resolutions to be put to the General Meeting and the Court Meeting respectively. If either Meeting is adjourned, only those U+I Shareholders on the register of members at 6.00 p.m. on the day which is two Business Days before the adjourned Meeting will be entitled to attend (in person, remotely (via the Virtual Meeting Platform) or by proxy). Each eligible U+I Shareholder is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him or her. A proxy need not be a U+I Shareholder.

The completion and return of the Forms of Proxy by post or email (or transmission of a proxy appointment or voting instruction electronically, online, through CREST or by any other procedure described in this document) will not prevent you from attending and voting (in person or remotely (via the Virtual Meeting Platform)) at the Court Meeting or the General Meeting if you are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force).

If you are in any doubt as to whether or not you are permitted to vote at the Meetings (in person, remotely (via the Virtual Meeting Platform) or by proxy), please contact the Registrar, Link Group by email at [enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk) or by phone on 0371 664 0300 from inside the UK or +44 (0) 371 664 0300 from outside the UK or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.

Further information on the actions to be taken is set out in paragraph 19 of this Part 2.

(f) ***Modifications to the Scheme***

The Scheme contains a provision for U+I and Landsec Development to consent jointly 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 U+I Directors is of such a nature or importance that it requires the consent of Scheme Shareholders to a further meeting, the U+I Directors will not take the necessary steps to enable the Scheme to become Effective unless and until such consent is obtained.

(g) ***Implementation of the Acquisition by way of a Takeover Offer***

Subject to obtaining the consent of the Panel, Landsec Development has reserved the right to implement the Acquisition by way of a Takeover Offer, in which case additional documents will be despatched to U+I Shareholders. Where a Takeover Offer is being implemented with the consent of U+I, it will be implemented on the same or approved terms as set out in the Announcement (subject to appropriate amendments as may be required by the Panel, including the inclusion of an acceptance condition, set at 75 per cent. (or such other percentage as may be agreed

between Landsec Development and U+I in writing, after consultation with the Panel, being in any case more than 50% of the U+I Shares to which the Takeover Offer relates)).

#### **14. Conditions of the Scheme**

The implementation of the Scheme in full 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 U+I Shareholders read Part 4 in full**. The Conditions include, amongst others:

- the Scheme being approved by a majority in number representing not less than 75 per cent. in value of Scheme Shareholders who are on the register of members of U+I (or the relevant class or classes thereof) at the Voting Record Time, present and voting (and entitled to vote), whether in person, remotely (via the Virtual Meeting Platform) or by proxy, at the Court Meeting and at any separate class meeting which may be required (or any adjournment thereof);
- 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 the Court Meeting set out in this document (or such later date as may be agreed between Landsec Development and U+I with the consent of the Panel (and that the Court may allow if required));
- the Resolution being duly passed not less than 75 per cent. of the votes cast either in person or by proxy at the General Meeting, or at any adjournment thereof;
- the General Meeting being held on or before the 22nd day after the expected date of the General Meeting set out in this document (or such later date as may be agreed between Landsec Development and U+I with the consent of the Panel (and that the Court may allow if required));
- the sanction of the Scheme by the Court and the delivery of a copy of the Scheme Court Order to the Registrar of Companies;
- the Scheme Court Hearing being held on or before the 22nd day after the expected date of the Scheme Court Hearing set out in this document (or such later date as may be agreed between Landsec Development and U+I with the consent of the Panel (and that the Court may allow)); and
- the Scheme becoming unconditional and becoming Effective by the Long Stop Date or such later date as may be agreed in writing between Landsec Development and U+I (with the Panel's consent and as the Court may allow, if such consent and/or approval is/are required).

If the Scheme becomes 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. If the Scheme does not become Effective by the Long Stop Date (or such later date (if any) as U+I and Landsec Development may agree with the Panel's consent and as the Court may allow, if such consent and/or approval is/are required), the Scheme will lapse and will not proceed.

#### **15. De-listing of the U+I Shares**

Subject to the Scheme becoming Effective, U+I intends to make an application to the London Stock Exchange for the cancellation of the admission to trading of the U+I Shares on the London Stock Exchange's Main Market for listed securities and an application to the FCA for the cancellation of the listing of U+I Shares on the Official List, in each case to take effect on or shortly after the Effective Date.

The last day of dealings in U+I Shares on the Main Market for listed securities of the London Stock Exchange is expected to be on the date of the Scheme Court Hearing, being the Business Day immediately prior to the Effective Date, and no transfers shall be registered after 6.30 p.m. on that date.

On the Effective Date, share certificates in respect of U+I Shares shall cease to be valid and entitlements to U+I Shares held within the CREST system shall be cancelled.

Landsec Development intends that, following the Effective Date and after the de-listing and the cancellation of admission to trading of the U+I Shares, U+I shall be re-registered as a private limited company.

## **16. Settlement**

Subject to the Scheme becoming Effective, settlement of the cash consideration to which any Scheme Shareholder is entitled under the Scheme will be effected in the manner set out below.

Except with the consent of the Panel, settlement of cash consideration to which any Scheme Shareholder is entitled under the Scheme 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 rights to which Landsec Development may otherwise be, or claim to be, entitled against such Scheme Shareholder.

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

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

On the Effective Date, share certificates in respect of Scheme Shares will be cancelled and share certificates for such Scheme Shares will cease to be valid and should be destroyed. Following settlement of the consideration to which a Scheme Shareholder is entitled under the Scheme, such Scheme Shareholder will be bound on the request of U+I either: (i) to destroy such certificate(s); or (ii) to return such certificate(s) to U+I, or to any person appointed by U+I, for cancellation.

Where Scheme Shareholders hold Scheme Shares in certificated form, cheques for cash entitlements due under the Scheme will be despatched 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) to such Scheme Shareholders at the addresses appearing in the register of members of U+I as at the Scheme Record Time or, in the case of joint holders, to the holder whose name appears first in such register in respect of the joint holding concerned. All such payments will be made in pounds sterling by cheque drawn on a branch of a UK clearing bank. None of U+I or Landsec Development nor any of their nominees or respective agents shall be responsible for any loss or delay in the transmission or delivery of cheques sent in this way, and such cheques shall be sent at the risk of the person entitled thereto.

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

By no later than 14 days after the Effective Date, entitlements to Scheme Shares held within CREST will be cancelled and Scheme Shareholders who hold their Scheme Shares in CREST will have their cash entitlements paid via CREST by Landsec Development procuring the creation of a CREST payment obligation in favour of the Scheme Shareholder's payment bank in respect of the amount due, in accordance with CREST payment arrangements.

As from the Effective Date, each holding of Scheme Shares credited to any stock account in CREST will be disabled and all Scheme Shares will be removed from CREST in due course thereafter.

Landsec Development reserves the right to settle any consideration due to any Scheme Shareholders holding their U+I Shares in CREST in the manner referred to in the above paragraph "Scheme Shares held in certificated form" if, for any reason, it wishes to do so.

### **(c) *Dividends***

If, on or after the date of the Announcement and before the Effective Date, any dividend, distribution or other return of capital or value is announced, declared, made or paid by U+I or becomes payable by U+I in respect of the U+I Shares, Landsec Development reserves the right to reduce the consideration payable under the terms of the Acquisition of the U+I Shares by an amount up to the amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this document to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Landsec Development of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Acquisition. In such circumstances, U+I Shareholders would be entitled to receive and retain any such dividend and/or other distribution and/or return of capital or value.

## 17. 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 Overseas Shareholders to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

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

This document has been prepared for the purposes of complying with English law, the Takeover Code and the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of any other jurisdiction.

Please refer to Part 6 of this document for further information.

## 18. United Kingdom taxation

A summary of relevant UK taxation, which is intended as a general guide only, is set out in paragraph 15 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, you are strongly advised to consult an appropriate independent professional adviser.

U+I Shareholders who are or may be subject to tax outside the UK, should also consult an appropriate independent professional adviser as to the tax consequences of the Acquisition.

## 19. Action to be taken

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

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

You will find enclosed with this document:

- a BLUE Form of Proxy for use in respect of the Court Meeting;
- a PINK Form of Proxy for use in respect of the General Meeting;
- the Virtual Meeting Guide prepared by Lumi explaining how U+I Shareholders and Scheme Shareholders can remotely access and participate in the Meetings via the Virtual Meeting Platform; and
- a prepaid envelope for use in the United Kingdom for the return of the BLUE Form of Proxy and the PINK Form of Proxy.

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

Whether or not you plan to attend the Meetings, **PLEASE COMPLETE AND SIGN** both the enclosed BLUE and PINK Forms of Proxy and return them in accordance with the instructions provided thereon, as soon as possible to the Registrar, Link Group, PXS 1, Central Square,

29 Wellington Street, Leeds, LS1 4DL, but in any event so as to be received by no later than the relevant times set out below:

BLUE Forms of Proxy for the Court Meeting 10.00 a.m. on 3 December 2021

PINK Forms of Proxy for the General Meeting 10.15 a.m. on 3 December 2021

or, if in either case the Meeting is adjourned, no later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any day that is not a Business Day).

**If the BLUE Form of Proxy for use at the Court Meeting is not lodged by 10.00 a.m. on 3 December 2021 (or, in the case of adjournment, no later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any day that is not a Business Day)), it may be handed to the Chair of the meeting or to the Registrar, Link Group, on behalf of the Chair at the Court Meeting before the taking of the poll. However, in the case of the General Meeting, unless the PINK Form of Proxy is lodged so as to be received by 10.15 a.m. on 3 December 2021 (or, in the case of adjournment, no later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any day that is not a Business Day)), it will be invalid.**

Both Forms of Proxy should be returned in the prepaid envelope provided for use in the United Kingdom for your convenience in returning them.

(b) ***Online appointment of proxies***

As an alternative to completing and returning the printed Forms of Proxy by post, you can submit your proxy vote via the internet through the share portal service at [www.signalshares.com](http://www.signalshares.com). To do so, you will need to log on to your share portal account or register for the share portal if you have not already done so. Once registered, you will immediately be able to vote. Proxies submitted via the share portal service must be received by the Registrar no later than 48 hours (excluding any 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.

(c) ***Electronic appointment of proxies through CREST***

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 RA10) by not later than 48 hours before the time fixed for the holding of the meeting or the adjourned meeting (excluding any part of such 48 hour period falling on a non-Business Day). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CREST does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or,



if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his 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.

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

(d) ***Attendance at the Meetings***

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of the opinion of the Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings (in person, remotely (via the Virtual Meeting Platform) or by proxy), you are therefore strongly advised to sign and return your BLUE Form of Proxy by post or transmit a proxy appointment and voting instruction (electronically, online, or through CREST) for the Court Meeting as soon as possible.

The completion and return of the Forms of Proxy by post (or transmission of a proxy appointment or voting instruction online, through CREST or by any other procedure described in this document) will not prevent you from attending, asking questions and/or raising any objections (in the case of the Court Meeting) and voting at the Court Meeting or the General Meeting, if you are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), in each case in person or remotely (via the Virtual Meeting Platform as described in the opening pages of this document and the Virtual Meeting Guide).

If the BLUE Form of Proxy for use at the Court Meeting is not lodged by 10.00 a.m. on 3 December 2021, it may be handed to the Chair of the meeting or the Registrar on behalf of the Chair at the Court Meeting before the taking of the poll and will still be valid. However, in the case of the General Meeting, unless the PINK Form of Proxy is lodged so as to be received by 10.15 a.m. on 3 December 2021, it will be invalid.

(e) ***Shareholder Helpline***

If you have any queries please contact the Registrar, Link Group by email at [enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk) or by phone on 0371 664 0300 from inside the UK or +44 (0) 371 664 0300 from outside the UK or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.

**20. 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 additional information set out in Part 7 of this document.

Yours truly,

**Alex Midgen**  
For and on behalf of  
**Rothschild & Co**



## PART 3

### SCHEME OF ARRANGEMENT

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

CR-2021-001901

IN THE MATTER OF U AND I GROUP PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT

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

between

U AND I GROUP PLC

and

THE HOLDERS OF THE SCHEME SHARES

*(as hereinafter defined)*

#### PRELIMINARY

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

**“Announcement”** means the announcement by Landsec Development of its firm intention to make an offer to acquire U+I in accordance with Rule 2.7 of the Takeover Code;

**“Business Day”** any day (excluding any Saturday or Sunday or any public holiday in England) on which banks in the City of London are generally open for business;

**“Cash Consideration”** means the cash consideration payable by Landsec Development to the Scheme Shareholders for the Scheme Shares under Clause 2 (*Consideration for the transfer of the Scheme Shares*) of this Scheme;

**“Certificated”** or “in certificated form” means, in relation to a share or other security, a share or other security which is not in uncertificated form (i.e. not in CREST);

**“Clause”** means a clause of this Scheme;

**“Companies Act”** means the Companies Act 2006, as amended from time to time;

**“Court”** means the High Court of Justice in England and Wales;

**“Court Meeting”** means the meeting of the Scheme Shareholders to be convened by an order of the Court pursuant to section 896 of the Companies Act, to be held at the offices of Bryan Cave Leighton Paisner LLP, Governor’s House, 5 Laurence Pountney Hill, London EC4R 0BR, United Kingdom on 7 December 2021 at 10.00 a.m., for the purpose of considering, and if thought fit, approving the Scheme (with or without amendment) and any adjournment thereof;

**“CREST”** the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations) in accordance with which securities may be held and transferred in uncertificated form;

**“CREST Regulations”** means the Uncertificated Securities Regulations 2001 (SI 2001/3755) (including as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018), as amended;

**“Effective Date”** means the date on which this Scheme becomes effective in accordance with Clause 6 (*Effective Time and Effective Date*) of this Scheme;

**“Effective Time”** means the time and date on which this Scheme becomes effective in accordance with Clause paragraph 6 (*Effective Time and Effective Date*) of this Scheme;

**“Euroclear”** means Euroclear UK & Ireland Limited incorporated in England and Wales with company number 02878738, the operator of CREST;

**“Excluded Shares”** means any U+I Shares (i) registered in the name of, or beneficially owned by Landsec Development, Landsec or any member of the Wider Landsec Group which is controlled by any member of the Wider Landsec Group or their respective nominees; (ii) registered in the name of, or beneficially owned by, funds managed by Landsec Development, Landsec or a member of the Wider Landsec Group which is controlled by a member of the Wider Landsec Group or any of their subsidiary undertakings or their respective nominees; or (iii) held by U+I in treasury;

**“Holder”** means, in respect of U+I Shares, a registered holder of such U+I Shares (and **“Holder”** includes any person entitled by transmission);

**“Landsec”** means Land Securities Group PLC, a public limited company incorporated in England and Wales with company number 04369054;

**“Landsec Development”** means LS Development Holdings Limited, a private limited company incorporated in England and Wales with company number 13692104;

**“Latest Practicable Date”** means 12 November 2021, being the latest practicable date before the date of this Scheme;

**“Long Stop Date”** means 1 July 2022, or such later date as may be agreed in writing between Landsec Development and U+I (with the Panel’s consent and as the Court may allow, if such consent and/or approval is/are required);

**“Panel”** means the UK Panel on Takeovers and Mergers;

**“Registrar of Companies”** means the Registrar of Companies of England and Wales;

**“Regulatory Information Service”** means any information service authorised from time to time by the Financial Conduct Authority for the purpose of disseminating regulatory announcements;

**“Scheme”** means this scheme of arrangement under Part 26 of the Companies Act between U+I and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by U+I and Landsec Development;

**“Scheme Court Hearing”** means the hearing of the Court of the application to sanction the Scheme under section 899 of the Companies Act including any adjournment thereof;

**“Scheme Court Order”** means the order of the Court sanctioning the Scheme under section 899 of the Companies Act;

**“Scheme Record Time”** means 6.00 p.m. (London time) on the date of the Scheme Court Hearing;

**“Scheme Shareholders”** means Holders of Scheme Shares at any relevant date or time;

**“Scheme Shares”** means the U+I Shares:

- (i) in issue at the date of this Scheme;
- (ii) (if any) issued after the date of this Scheme and before the Voting Record Time; and
- (iii) (if any) issued at or after the Voting Record Time but before the Scheme Record Time on terms that the holder thereof shall be bound by this Scheme or in respect of which the original or any subsequent holders thereof are, or have agreed in writing to be, bound by this Scheme,

but excluding any Excluded Shares;

**“Substantial Interest”** means a direct or indirect interest in 20 per cent. or more of the voting equity share capital of an undertaking;

**“Takeover Code”** means the UK’s City Code on Takeovers and Acquisitions;

**“UK”** or **“United Kingdom”** means the United Kingdom of Great Britain and Northern Ireland;

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

**“U+I”** means U and I Group PLC, a public limited company incorporated in England and Wales and registered with number 01528784 and whose registered office is at 7a Howick Place, London, United Kingdom SW1P 1DZ;

**“U+I Share Plans”** means the U+I Long-Term Incentive Plan 2014 and the U+I Save As You Earn Option Plan 2005;

**“U+I Shares”** means the ordinary shares of 50 pence each in the capital of U+I;

**“Voting Record Time”** means 6.00 p.m. on the day which is two Business Days prior to the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two Business Days before the date of such adjourned meeting;

**“Wider Landsec Group”** means Landsec, its subsidiary undertakings and its associated undertakings (including any joint venture, partnership, firm or company) in which Landsec and/or such undertakings (aggregating their interests) have a Substantial Interest;

**“£”, “pence”** or **“sterling”** means the lawful currency of the United Kingdom from time to time; and all references to time are to London time.

- (B) The issued share capital of U+I as at close of business on the Latest Practicable Date was divided into 125,431,713 U+I Shares, all of which are credited as fully paid and none of which were held in treasury.
- (C) As at close of business on the Latest Practicable Date, options and awards which could require the issue of up to 2,005,409 U+I Shares have been granted pursuant to the U+I Share Schemes.
- (D) Landsec Development was incorporated in England and Wales on 20 October 2021 with registered number 13692104.
- (E) The purpose of this Scheme is to provide for the transfer of the Scheme Shares to Landsec Development in consideration for payment of the Cash Consideration to the Scheme Shareholders.
- (F) As at close of business on the Latest Practicable Date, no member of the Wider Landsec Group is the Holder of or beneficially owns any U+I Shares.
- (G) Landsec Development has agreed, subject to satisfaction or (where applicable) waiver of the conditions set out in Part 4 of the document of which this Scheme forms part, to appear by counsel at the Scheme Court Hearing, to consent to the Scheme, to undertake to be bound thereby and to execute and do, or 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.

## THE SCHEME

### 1. Transfer of Scheme Shares

- (a) Upon and with effect from the Effective Time, Landsec Development (and/or its nominee(s)) shall acquire all the Scheme Shares fully paid up with full title guarantee and free from all liens, equitable interests, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests whatsoever and together with all rights existing at the Effective Time or thereafter attaching thereto, 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 way of reduction of share capital or share premium account or otherwise) made on or after the Effective Date in respect of the Scheme Shares.
- (b) For the purposes of such acquisition, the Scheme Shares shall be transferred to Landsec Development (and/or its nominee(s)) and such transfer shall be effected by means of a form or forms of transfer or other instrument or instruction of transfer and, to give effect to such transfers, any person may be appointed by Landsec Development 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 Holder of Scheme Shares to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer, or procure the transfer by means of CREST, of such Scheme Shares and every form, instrument or instruction of transfer so executed shall be as effective as if it had been executed by the Holder or Holders of the Scheme Shares thereby transferred.
- (c) With effect from the Effective Time and pending the transfer of Scheme Shares pursuant to Clause 1(a) and 1(b) of this Scheme, and the updating of the register of members of U+I to reflect such transfer, each Scheme Shareholder irrevocably:
  - (i) appoints Landsec Development (and/or its nominee(s)) as attorney and/or agent to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to its Scheme Shares and any or all other rights and privileges (including the right to requisition the convening of a general meeting of U+I or of any class of its shareholders) attaching to its Scheme Shares;
  - (ii) appoints Landsec Development (and/or its nominee(s)) and/or any one or more of its directors or agents to sign on behalf of such Scheme Shareholder any such documents, and do such things, as may in the opinion of Landsec Development and/or any one or more of its directors or agents be necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to the relevant Scheme Shares (including, without limitation, an authority to sign any consent to short notice of any general or separate class meeting of U+I 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 such Scheme Shares appointing any person nominated by Landsec Development and/or any one or more of its directors or agents to attend any general and separate class meetings of U+I (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 U+I and/or its agents to send to Landsec Development (and/or its nominee(s)) at its registered office any notice, circular, warrant or other document or communication which may be required to be sent to such Scheme Shareholder as a member of U+I in respect of their Scheme Shares (including any share certificate(s) or other document(s) of title issued as a result of conversion of their Scheme Shares into certificated form),

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 otherwise than in accordance with the directions of Landsec Development.

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

- (a) In consideration for the transfer of the Scheme Shares to Landsec Development and/or its nominee(s) referred to in Clause 1 (*Transfer of Scheme Shares*) of this Scheme, Landsec Development shall, subject as hereinafter provided, pay or procure that there shall be paid to or

for the account of each Scheme Shareholder as appearing on the register of members of U+I at the Scheme Record Time, in accordance with the provisions of Clause 3 (*Settlement*):

**for each Scheme Share**

**149 pence in cash**

- (b) If after the date of the Announcement and prior to the Effective Date, any dividend, distribution or other return of capital or value is announced, declared, made or paid by U+I or becomes payable by U+I in respect of U+I Shares, Landsec Development will have the right to reduce the consideration payable for each Scheme Share by an amount up to the amount of such dividend and/or distribution and/or other return of capital or value so announced, declared, made or paid per Scheme Share. U+I Shareholders will be entitled to receive and retain any such dividend and/or other distribution and/or return of capital or value.
- (c) If Landsec Development exercises the right referred to in Clause 2(b) of this Scheme to reduce the consideration payable by Landsec Development for each Scheme Share by all or part of the amount of dividend (or other distribution or return of value):
  - (i) Scheme Shareholders shall be entitled to receive and retain that dividend, distribution and/or return of value in respect of the Scheme Shares they hold;
  - (ii) any reference in this Scheme to the consideration payable under the Scheme shall be deemed to be a reference to the consideration as so reduced; and
  - (iii) the exercise of such right shall not be regarded as constituting any revision or variation of the terms of this Scheme.
- (d) To the extent that any such dividend, distribution or other return of capital or value is announced, declared, made or paid by U+I or becomes payable and it is (i) transferred pursuant to the Acquisition on a basis which entitles Landsec Development (and/or its nominee(s)) to receive the dividend and/or distribution and/or other return of capital or value and to retain it; or (ii) cancelled, the consideration payable under the terms of this Scheme will not be subject to change in accordance with Clause 2 (*Consideration for the transfer of the Scheme Shares*) of this Scheme.

### **3. Settlement**

- (a) As soon as practicable after the Effective Date, and in any event not more than 14 days after the Effective Date, Landsec Development shall deliver or procure delivery to all Scheme Shareholders of the Cash Consideration due to them as follows:
  - (i) in the case of Scheme Shares which at the Scheme Record Time are in certificated form, Landsec Development shall deliver or procure delivery to each of the relevant Holders of cheques for the sums payable to them in accordance with Clause 2 (*Consideration for the transfer of the Scheme Shares*);
  - (ii) in the case of Scheme Shares which at the Scheme Record Time are in uncertificated form, Landsec Development shall procure that Euroclear is instructed to create a CREST assured payment obligation in accordance with the CREST payment arrangements in respect of the Cash Consideration due to the relevant Holder, provided that Landsec Development may (if, for any reason, it wishes to do so) make payment of the said sums by cheque in accordance with Clause 3(a)(i) above; or
  - (iii) in the case of Scheme Shares issued or transferred pursuant to the U+I Share Plans after the making of the Scheme Court Order and prior to the Scheme Record Time, procure that the sums payable in respect of those Scheme Shares are settled by such method as shall be determined by U+I (including, but not limited to, procuring that payments are made through payroll as soon as possible subject to the deduction of the applicable exercise price, income taxes and social security contributions).
- (b) As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST shall be disabled and all Scheme Shares will be removed from CREST in due course.
- (c) All cheques, notices or statements of entitlement required to be despatched by this Scheme shall be despatched by first-class post by Landsec Development in prepaid envelopes or by

international standard post if overseas (or by such method as may be approved by the Panel) addressed to the relevant Holders entitled thereto at their respective addresses as appearing in the register of members of U+I at the Scheme Record Time (or such other address as may be notified by the relevant Scheme Shareholders to U+I before such time), or, in the case of joint Holders, at the registered address of the joint Holder whose name stands first in such register (except, in their case, as otherwise directed in writing).

- (d) All cheques required to be delivered under this Scheme shall be payable to Scheme Shareholders except that, in the case of joint Holders of Scheme Shares, Landsec Development reserves the right to make such cheques payable to the joint Holder whose name stands first in the register of members of U+I at the Scheme Record Time. All such cash payments shall be made in pounds sterling by cheque drawn on a branch of a clearing bank in the United Kingdom. The cashing of any such cheques or the creation of any such assured payment obligation as is referred to in Clause 3(a)(ii) shall be a complete discharge of Landsec Development's obligations under this Scheme to pay the money represented thereby.
- (e) If any Scheme Shareholders have not cashed the cheques within six months of the Effective Date, Landsec Development and U+I shall procure that the cash consideration due to such Scheme Shareholders under this Scheme shall be held on trust for such Scheme Shareholders for a period of 12 years from the Effective Date, and such Scheme Shareholders may claim the consideration due to them (plus any interest accrued thereon, but net of any expenses and taxes) by written notice to U+I in a form which U+I determines evidences their entitlement to such consideration at any time during the period of 12 years from the Effective Date, and Landsec Development undertakes that neither it nor its nominee(s) will seek, require or accept repayment of the monies so held on trust for the purposes detailed above prior to the first Business Day after the twelfth anniversary of the Effective Date or otherwise with the permission of the Court.
- (f) None of Landsec Development, U+I or their agents or nominees shall be responsible for any loss or delay in the transmission or delivery of cheques and/or share certificates sent in accordance with this Scheme which shall be sent at the risk of the addressee.
- (g) The preceding provisions of this Clause 3 (*Settlement*) shall take effect subject to any prohibition or condition imposed by law.

#### **4. Certificates representing Scheme Shares and cancellation of CREST entitlements**

- (a) With effect from and including the Effective Date:
  - (i) all certificates representing Scheme Shares shall cease to have effect as documents of title to the shares represented thereby and each Scheme Shareholder shall be bound at the request of U+I to deliver up the same to U+I or to any person nominated by U+I for cancellation, or to destroy the same;
  - (ii) in respect of Scheme Shareholders holding their shares in uncertificated form, U+I shall procure that Euroclear is instructed to cancel or transfer such Holders' entitlements to such Scheme Shares;
  - (iii) following the cancellation of the entitlements to Scheme Shares of Scheme Shareholders in uncertificated form and prior to the transfer of the Scheme Shares to Landsec Development and/or its nominee(s) pursuant to Clause 1(b), U+I shall procure (if necessary) that its registrar rematerialises entitlements to such Scheme Shares; and
  - (iv) subject to the delivery of any such form of transfer or other instrument or instruction of transfer as may be required by Clause 1(b), and the payment of any stamp duty thereon, U+I shall procure that appropriate entries are made in the register of members of U+I to reflect the transfer of the Scheme Shares to Landsec Development and/or its nominee(s) pursuant to Clause 1(b) (as applicable).



## **5. 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 U+I by Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

## **6. Effective Time and Effective Date**

- (a) This Scheme shall become effective as soon as a copy of the Scheme Court Order has been delivered to the Registrar of Companies.
- (b) Unless this Scheme has become effective on or before close of business (London time) on the Long Stop Date or such later date, if any, as U+I and Landsec Development may agree with the consent of the Panel and the Court may allow, it shall lapse and no part of this Scheme shall ever become effective.

## **7. Modification**

U+I and Landsec Development 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 think fit to approve or impose. Any such modification or addition may require the consent of the Panel.

## **8. Governing law**

This Scheme is governed by the laws of England and Wales and is subject to the exclusive jurisdiction of the courts of England and Wales. The rules of the Takeover Code apply to this Scheme.

Dated: 15 November 2021

## **PART 4**

### **CONDITIONS TO THE IMPLEMENTATION OF THE SCHEME AND THE ACQUISITION**

#### **Part A: Conditions to the Scheme and the Acquisition**

1. The Acquisition will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Takeover Code, by no later than the Long Stop Date.

#### **Scheme Approval**

2. The Scheme will be conditional upon:
  - (a)
    - (i) its approval by a majority in number representing not less than 75 per cent. in value of Scheme Shareholders who are on the register of members of U+I (or the relevant class or classes thereof) at the Voting Record Time, present and voting (and entitled to vote), whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required (or any adjournment thereof); and
    - (ii) such Court Meeting (and any separate class meeting which may be required) being held on or before the 22nd day after the expected date of the Court Meeting set out in this document in due course (or such later date as may be agreed between Landsec Development and U+I with the consent of the Panel (and that the Court may allow if required));
  - (b)
    - (i) the Resolution required to implement the Scheme being duly passed 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 the General Meeting set out in this document in due course (or such later date as may be agreed between Landsec Development and U+I with the consent of the Panel (and that the Court may allow if required)); and
  - (c)
    - (i) the sanction of the Scheme by the Court (with or without modification but subject to any such modification being acceptable to Landsec Development and U+I) and the delivery of the office copy of the Scheme Court Order to the Registrar of Companies; and
    - (ii) the Scheme Court Hearing being held on or before the 22nd day after the expected date of the Scheme Court Hearing set out in this document (or such later date as may be agreed between Landsec Development and U+I with the consent of the Panel (and the Court may allow)).

#### **General Third Party and regulatory conditions**

3. In addition, subject as stated in Part B below and to the requirements of the Panel, Landsec Development and U+I have agreed that the Acquisition shall be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:
  - (a) all necessary filings or applications having been made, all necessary waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any relevant jurisdiction having been complied with, in each case in connection with the Acquisition or the acquisition by any member of the Wider Landsec Group of any shares or other securities in, or control of, any member of the Wider U+I Group, where the direct consequence of a failure to make such a notification or filing or to wait for the expiry, lapse,

or termination of any such waiting or time period would be unlawful in any relevant jurisdiction;

- (b) no relevant government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade agency, association, institution, any entity owned or controlled by any relevant government or state, or any other body or person whatsoever in any jurisdiction (each a “**Third Party**”) having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and, in each case, not having withdrawn the same), or having enacted, made or proposed any statute, regulation, decision or order, or change to published practice or having taken any other steps, and there not continuing to be outstanding any statute, regulation, decision or order, which in each case would reasonably be expected to:
- (i) require, prevent or materially delay the divestiture, or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Landsec Group or any member of the Wider U+I Group of all or a material part of their respective businesses, assets or property or impose any material limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof;
  - (ii) require, prevent or materially delay the divestiture by any member of the Wider Landsec Group of any shares or other securities in U+I;
  - (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Landsec Group directly or indirectly to acquire or to hold or to exercise effectively any rights of ownership in respect of shares or any other securities in, or to exercise voting or management control over, any member of the Wider U+I Group or the Wider Landsec Group;
  - (iv) make the Scheme or the Acquisition or, in each case, its implementation or the acquisition or proposed acquisition by Landsec Development or any member of the Wider Landsec Group of any shares or other securities in, or control of U+I void, illegal, and/or unenforceable under the laws of any jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit, materially delay or impose additional conditions or obligations with respect thereto;
  - (v) except pursuant to the implementation of the Acquisition or, if applicable, sections 974 to 991 of the Companies Act, require any member of the Wider Landsec Group or the Wider U+I Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider U+I Group or the Wider Landsec Group owned by any third party;
  - (vi) impose any limitation on the ability of any member of the Wider U+I Group to co-ordinate its business, or any part of it, with the businesses of any other members of the Wider U+I Group which is adverse to and material in the context of the Wider U+I Group taken as a whole or in the context of the Acquisition; or
  - (vii) otherwise adversely affect the business, assets, profits or prospects of any member of the Wider Landsec Group or of any member of the Wider U+I Group to an extent which is material in the context of the Wider Landsec Group or the Wider U+I Group in either case taken as a whole;

#### **General other conditions**

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

- (c) save as Disclosed, there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider U+I Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, or any circumstance which in consequence of the Acquisition or the acquisition or proposed acquisition by any member of the Wider Landsec Group of any shares or other securities (or equivalent) in U+I or because of a change in the control of U+I, would, or would

reasonably be expected to, result in any of the following (in any case to an extent which is or would reasonably be expected to be material and adverse in the context of the Wider U+I Group taken as a whole):

- (i) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or grant available to any member of the Wider U+I Group, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow moneys or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- (ii) any asset or interest of any member of the Wider U+I Group being or falling to be disposed of or charged or ceasing to be available to any such member 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 U+I Group otherwise than in the ordinary course of business;
- (iii) other than in the ordinary course of business, the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interest of any member of the Wider U+I Group;
- (iv) the rights, liabilities, obligations or interests of any member of the Wider U+I Group, or the business of any such member with, any person, firm, company or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or affected;
- (v) the value or financial or trading position of any member of the Wider U+I Group being prejudiced or adversely affected; or
- (vi) the creation or acceleration of any material liability, actual or contingent, by any member of the Wider U+I Group other than trade creditors or other liabilities incurred in the ordinary course of business or in connection with the Acquisition,

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

***Certain events occurring since 31 March 2021***

- (d) save as Disclosed, no member of the Wider U+I having since 31 March 2021:
  - (i) save as between U+I and wholly-owned subsidiaries of U+I and/or for U+I Shares issued under or pursuant to the exercise of options and vesting of awards granted under the U+I Share Plans, issued or agreed to issue, authorised or proposed the issue of additional shares of any class;
  - (ii) save as between U+I and wholly-owned subsidiaries of U+I and/or for the grant of options and awards and other rights under the U+I Share Plans, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
  - (iii) other than to another member of the U+I Group, prior to the Acquisition becoming Effective, recommended, declared, paid or made any dividend or other distribution payable in cash or otherwise or made any bonus issue;
  - (iv) save for intra-U+I Group transactions and transactions in the ordinary course of business, merged or demerged with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade

investments) or authorised or announced any intention to effect any merger, demerger, disposal, transfer, mortgage, charge or security interest, in each case, other than in the ordinary course of business and, in each case, to the extent which is material in the context of the Wider U+I Group taken as a whole;

- (v) save for intra-U+I Group transactions, made or authorised or proposed or announced an intention to propose any change in its loan capital in each case, to the extent which is material in the context of the Wider U+I Group taken as a whole;
- (vi) save in the ordinary course of business, issued, authorised or announced its intention for the issue of, or made any change in or to, any debentures or (save for intra-U+I Group transactions), incurred or increased any indebtedness or become subject to any contingent liability to an extent which is material in the context of the Wider U+I Group taken as a whole;
- (vii) purchased, redeemed or repaid or announced its intention to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in sub-paragraphs (i) or (ii) above, made any other change to any part of its share capital in each case, to the extent which is material in the context of the Wider U+I Group taken as a whole;
- (viii) save for intra-U+I Group transactions, implemented, or authorised, or announced its intention to implement, any reconstruction, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business which in any case is material in the context of the Wider U+I Group taken as a whole;
- (ix) entered into, varied or authorised any material agreement, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which:
  - (A) is of a long term, onerous or unusual nature or magnitude or which is reasonably likely to involve an obligation of such nature or magnitude (save in the ordinary course of business); or
  - (B) would or would reasonably be likely to materially restrict the business of any member of the Wider U+I Group other than to a nature and extent which is normal in the context of the business concerned,

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

- (x) (other than in respect of a member which is dormant and was solvent at the relevant time) taken any corporate action or steps or had any legal proceedings started or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, or petition presented or order made for its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of all or any part of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed which in any case is material in the context of the Wider U+I Group taken as a whole;
- (xi) other than claims between U+I and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, waived or compromised any claim otherwise than in the ordinary course of business which is material in the context of the Wider U+I Group taken as a whole;
- (xii) made any alteration to its memorandum or articles of association or other incorporation documents (other than in connection with the Scheme) which is material in the context of the Acquisition;
- (xiii) save as Disclosed, 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 to an extent which is material in the context of the Wider U+I Group taken as a whole;

- (xiv) otherwise than in the ordinary course of business, entered into any contract, commitment, arrangement or agreement or passed any resolution or made any offer (which remains open for acceptance) with respect to, or announced any intention to, effect any of the transactions, matters or events referred to in this paragraph 3(d) which is material in the context of the Wider U+I Group taken as a whole;
- (xv) (except in relation to changes made or agreed as a result of, or arising from, applicable law or changes to applicable law) made or agreed or consented to:
  - (A) any change to:
    - (1) the terms of the trust deeds constituting the pension scheme(s) established by any member of the U+I Group for its directors, employees or their dependents, including the U+I Pension Schemes;
    - (2) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
    - (3) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
    - (4) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made; or
  - (B) any non-ordinary course change to the trustees including the appointment of a trust corporation,

in each case, to the extent which is material in the context of the Wider U+I Group taken as a whole;

- (xvi) save as agreed by the Panel (if required) and by Landsec Development, proposed, agreed to provide or modified the terms of any of the U+I Share Plans or other benefit relating to the employment or termination of employment of a material category of persons employed by the Wider U+I Group or which constitutes a material change to the terms or conditions of employment of any senior executive of the Wider U+I Group, or entered into or changed the terms of or made any offer (which remains open for acceptance) to enter into or change the terms of any contract with any director or senior executive, in each case, in a manner which is material in the context of the Wider U+I Group taken as a whole;
- (xvii) taken any action which requires, or would require, the consent of the Panel or the approval of U+I Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code;

***No adverse change, litigation, regulatory enquiry***

- (e) save as Disclosed, since 31 March 2021:
  - (i) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or operational performance of any member of the Wider U+I Group which, in any such case, is material and adverse in the context of the Wider U+I Group taken as a whole;
  - (ii) (other than as a result of, or in connection with, the Acquisition) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider U+I Group is or may become a party (whether as a plaintiff, defendant or otherwise) and no enquiry or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider U+I Group having been instituted, announced, implemented or threatened in writing by or against or remaining outstanding in respect of any member of the Wider U+I Group

which in any such case has had or would reasonably be expected to have a material adverse effect on the Wider U+I Group taken as a whole;

- (iii) no contingent or other liability of any member of the Wider U+I Group having arisen or become apparent or increased other than in the ordinary course of business, which has had or might reasonably be expected to have an adverse effect on the Wider U+I Group taken as a whole and is material to the Wider U+I Group taken as a whole;
- (iv) no member of the Wider U+I Group having conducted its business in breach of any applicable laws and regulations and which in any case is material in the context of the Wider U+I Group taken as a whole; and
- (v) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence or permit held by any member of the Wider U+I Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which would reasonably be expected to have a material adverse effect on the Wider U+I Group taken as a whole;

***No discovery of certain matters***

(f) except as Disclosed, Landsec not having discovered that:

- (i) any financial, business or other information concerning the Wider U+I Group as contained in the information publicly disclosed at any time by or on behalf of any member of the Wider U+I Group is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which was not subsequently corrected before the date of this announcement by disclosure either publicly or otherwise to Landsec or its professional advisers, in each case, to the extent which is material in the context of the Wider U+I Group taken as a whole;
- (ii) any member of the Wider U+I Group is subject to any liability (contingent or otherwise), other than in the ordinary course of business, which, in any case, is material in the context of the Wider U+I Group taken as a whole; or
- (iii) any past or present member of the Wider U+I Group has failed to comply with any and/or all applicable legislation or regulation, of any jurisdiction with regard to the use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health or animal health or otherwise relating to environmental matters or the health and safety of humans, or that there has otherwise been any such use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations, and wherever the same may have taken place) which non-compliance would be likely to give rise to any material liability (actual or contingent) or cost on the part of any member of the Wider U+I Group and which is material in the context of the Wider U+I Group taken as a whole;
- (iv) there is any material liability (actual or contingent) to make good, repair, reinstate or clean up any property now or previously owned, occupied or made use of by any past or present member of the Wider U+I Group under any environmental legislation, regulation, notice, circular or order of any government, governmental, quasi-governmental, state or local government, supranational, statutory or other regulatory body, agency, court, association or body in any jurisdiction, which in any case is material in the context of the Wider U+I Group taken as a whole;

***Anti-corruption, economic sanctions, criminal property and money laundering***

(g) except as Disclosed, Landsec not having discovered that:

(i) any:

- (A) past or present member, director, officer or employee of the Wider U+I Group is or has at any time, in connection with their position in the Wider U+I Group, engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery legislation; or
- (B) any person that performs or has performed services for or on behalf of the Wider U+I Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery legislation; or

(ii) any asset of any member of the Wider U+I 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

(iii) any past or present member, director, officer or employee of the Wider U+I Group, or any other person for whom any such person may be liable or responsible, is or has engaged in any business with, made any investments in, made any funds or assets available to or received any funds or assets from:

- (A) any government, entity or individual in respect of which US, UK or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by US, UK or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, or Her Majesty's Revenue and Customs; or
- (B) any government, entity or individual targeted by any of the economic sanctions of the United Nations or the European Union or any of their respective member states,

which in each case, would cause any member of the Wider U+I Group to be in breach of any economic sanctions law applicable to the Wider U+I Group; or

(iv) any member of the Wider U+I Group is or has been engaged in any transaction which would cause the Wider U+I Group to be in breach of any law or regulation prior to completion of the Acquisition, including but not limited to the economic sanctions of the United States Office of Foreign Assets Control, or Her Majesty's Revenue and Customs, or any other relevant government authority which in any case is material in the context of the Wider U+I Group taken as a whole.

## **Part B: Further terms of the Acquisition**

1. Conditions 2(a)(i), 2(b)(i) and 3(a) to 3(g) (inclusive) must be fulfilled, be determined by Landsec Development to be or remain satisfied or (if capable of waiver) be waived prior to the commencement of the Scheme Court Hearing, failing which the Scheme will lapse.
2. Notwithstanding the paragraph above and subject to the requirements of the Panel and the Takeover Code, Landsec Development reserves the right in its sole discretion to waive:
  - (i) the deadline set out in paragraph 1 of Part A of this Part 4, and any of the deadlines set out in paragraph 2 of Part A of this Part 4 for the timing of the Court Meeting, the General Meeting and the Scheme Court Hearing. If any such deadline is not met, Landsec Development shall make an announcement by 8.00 am on the Business Day following such deadline confirming whether it has invoked or waived the relevant Condition or agreed with U+I to extend the deadline in relation to the relevant Condition; and
  - (ii) in whole or in part, all or any of the Conditions set out in paragraphs 3(a) to 3(g) (inclusive) of Part A of this Part 4.
3. Landsec Development shall be under no obligation to waive or treat as satisfied any of the Conditions set out in paragraphs 3(a) to 3(g) (inclusive) of Part A of this Part 4 that it is entitled (with the consent of the Panel and subject to the requirements of the Takeover Code) 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.
4. Under Rule 13.5(a) of the Takeover Code and subject to paragraph 5, Landsec Development may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Landsec Development 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 set out in paragraphs 2(a)(i), 2(b)(i) and 2(c)(i) of Part A of this Part 4 and, if applicable, any acceptance condition if the Acquisition is implemented by means of a Takeover Offer, are not subject to Rule 13.5(a) of the Takeover Code.
5. Any Condition that is subject to Rule 13.5(a) of the Takeover Code may be waived by Landsec Development.
6. If Landsec Development is required by the Panel to make an offer for U+I Shares under the provisions of Rule 9 of the Takeover Code, Landsec Development may make such alterations to any of the above Conditions and the terms of the Acquisition as are necessary to comply with the provisions of Rule 9.
7. Landsec Development reserves the right to elect to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme (subject to the Panel's consent and the terms of the Co-operation Agreement). In such event, the Acquisition will be implemented on the same terms and conditions (subject to appropriate amendments including (without limitation) the inclusion of an acceptance condition set at 75 per cent. of the U+I Shares (or such other percentage as Landsec Development may, subject to the rules of the Takeover Code and the terms of the Co-operation Agreement and with the consent of the Panel, decide, being in any case more than 50 per cent. of the U+I Shares), or any amendments required by applicable law or any amendments necessary to reflect the Takeover Offer) as those which would apply to the Scheme.
8. The U+I Shares will be acquired pursuant to the Acquisition with full title guarantee, fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights now or hereafter attaching or accruing to them, including 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 or value (whether by reduction of share capital or share premium account or otherwise) made on or after the Effective Date.

9. If, on or after the date of the Announcement and before the Acquisition becomes Effective, any dividend, distribution or other return of capital or value is announced, declared, made or paid by U+I or becomes payable by U+I in respect of the U+I Shares, Landsec Development reserves the right (without prejudice to any right of Landsec Development, with the consent of the Panel, to invoke the Condition set out in paragraph 3(d)(iii) of Part A of this Part 4) to reduce the consideration payable under the terms of the Acquisition of the U+I Shares by an amount equal to the aggregate amount of such dividend, distribution or other return of capital or value. In such circumstances, U+I Shareholders would be entitled to receive and retain any such dividend, distribution or return of capital or value. Any exercise by Landsec Development of its rights referred to in this paragraph 9 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.
10. The Acquisition will be subject, *inter alia*, to the Conditions and certain further terms which are set out in this Part 4 and such further terms as may be required to comply with the provisions of the Listing Rules and the provisions of the Takeover Code.
11. This document, any rights or liabilities arising hereunder are, and the Acquisition, the Scheme and any Forms of Proxy will be, governed by English law and subject to the jurisdiction of the courts of England and Wales. The Acquisition will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the FCA.
12. The Acquisition is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction.
13. The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements.
14. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.



## PART 5

### FINANCIAL INFORMATION ON U+I, LANDSEC DEVELOPMENT AND LANDSEC

#### Part A: Financial Information relating to U+I

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

- the audited accounts of U+I for the financial year ended 31 March 2021 are set on pages 163 to 218 (inclusive) of U+I's Annual Report 2021 available from U+I's website at <https://www.uandiplc.com/investors/results-and-presentations>; and
- the audited accounts of U+I for the financial year ended 31 March 2020 are set out on pages 181 to 240 (inclusive) of U+I's Annual Report 2020 available from U+I's website at <https://www.uandiplc.com/investors/results-and-presentations>.

#### Part B: U+I ratings information

There are no current public ratings or outlooks accorded to U+I by any rating agencies.

#### Part C: Financial Information relating to Landsec Development and Landsec

##### *Landsec Development*

Landsec Development was incorporated on 20 October 2021 and has not traded or paid any dividends since its date of incorporation. Accordingly, no financial information is available or has been published in respect of it. As at the Latest Practicable Date, Landsec Development has no material assets or liabilities, in each case other than those described in this document in connection with the Acquisition.

##### *Landsec*

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

- the audited accounts of Landsec for the financial year ended 31 March 2021 are set on pages 145 to 204 (inclusive) of Landsec's Annual Report 2021 available from Landsec's website at <https://landsec.com/annual-report-2021>; and
- the audited accounts of Landsec for the financial year ended 31 March 2020 are set on pages 108 to 164 (inclusive) of Landsec's Annual Report 2020 available from Landsec's website at <https://landsec.com/annual-report-2020>.

#### Part D: Landsec Development ratings information

As Landsec Development was incorporated on 20 October 2021 and has not traded since the date of incorporation and is being utilised for the sole purpose of carrying out the Acquisition, there are no current ratings or outlooks publicly accorded to Landsec Development by ratings agencies.

**Part E: Landsec ratings information**

Landsec has the following credit ratings:

| <i>Rating agency</i>              | <i>Debt type</i>                              | <i>Date last reviewed</i> | <i>Short-term credit rating</i> |
|-----------------------------------|---|---------------------------|---------------------------------|
| Moody's Investor Services Limited | £1.75 million Euro Commercial Paper Programme | 25 July 2019              | P-1                             |
| Fitch Ratings Ltd                 | £1.75 million Euro Commercial Paper Programme | 6 September 2019          | F-1                             |

In the interests of completeness, Land Securities Capital Markets PLC, a wholly owned subsidiary of Landsec, also has the following credit ratings:

| <i>Rating agency</i>              | <i>Debt type</i>             | <i>Date last reviewed</i> | <i>Long-term credit rating</i> |
|-----------------------------------|------------------------------|---------------------------|--------------------------------|
| Fitch Ratings Ltd                 | Priority 1 Medium Term Notes | 25 March 2019             | AA-                            |
| Standard & Poor's Rating Services | Priority 1 Medium Term Notes | 28 March 2018             | AA                             |

**Part F: No incorporation of website information**

Save as expressly referred to herein, neither the content of U+I's or Landsec's websites, nor the content of any website accessible from hyperlinks on U+I's or Landsec's websites is incorporated into, or forms part of, this document.

## PART 6

### ADDITIONAL INFORMATION FOR OVERSEAS SHAREHOLDERS

#### 1. General

This document has been prepared in accordance with, and for the purpose of complying with, the laws of England and Wales and the Takeover Code, and 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 jurisdictions outside England.

The publication or distribution of this document in or into certain jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe any applicable requirements of their jurisdictions.

The availability of the Acquisition to U+I Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their U+I Shares with respect to the Scheme at the Court Meeting, or to execute and deliver Forms of Proxy appointing another to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions 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.

Unless otherwise determined by Landsec Development or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will 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 in that jurisdiction, and no person may vote in favour of the Acquisition by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that 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 distribute or send them in, into or from any Restricted Jurisdictions where to do so would violate the laws in that jurisdiction and may render invalid any related purported vote in respect of the Acquisition. Any person (including, without limitation, any custodian, nominee and trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this document and/or any other related document to any jurisdiction other than the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction.

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

**OVERSEAS SHAREHOLDERS SHOULD CONSULT THEIR OWN LEGAL AND TAX ADVISERS WITH RESPECT TO THE LEGAL AND TAX CONSEQUENCES OF THE SCHEME.**

#### 2. U+I Shareholders in the United States

Shareholders in the US should note that the Acquisition relates to the shares of an English company and is being made by means of a scheme of arrangement provided for under English company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the U.S. Securities Exchange Act of 1934 (the “**U.S. Exchange Act**”).

Accordingly, the Acquisition is subject to the disclosure and procedural requirements and practices applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of US tender offer and proxy solicitation rules.

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

However, if, in the future, Landsec Development exercises the right to implement the Acquisition by way of a Takeover Offer and determines to extend the offer into the United States, the Takeover Offer will be made in compliance with applicable US tender offer and securities laws and regulations. The receipt of cash pursuant to the Acquisition by an U+I Shareholder in the US as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each U+I Shareholder is therefore urged to consult with legal, tax and financial advisers in connection with making a decision regarding the Acquisition.

It may be difficult for U+I Shareholders in the US to enforce their rights and any claims arising out of US federal laws, since Landsec and U+I are each located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. U+I Shareholder in the US 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.

To the extent permitted by applicable law, in accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, Landsec, certain affiliated companies and their nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, U+I Shares 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. Also, in accordance with Rule 14e-5(b) of the US Exchange Act, each of Rothschild & Co and UBS will continue to act as an exempt principal trader in U+I Shares on the London Stock Exchange. 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 comply with applicable law, including the US Exchange Act. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

## PART 7

### ADDITIONAL INFORMATION

#### 1. Responsibility

- (a) The U+I Directors, whose names are set out in paragraph 2(a) 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 Wider U+I Group which has been incorporated by reference into this document), except for that information for which the Landsec Responsible Persons accept responsibility in accordance with paragraph 1(b) below. To the best of the knowledge and belief of the U+I 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 Landsec Responsible Persons, who are listed in paragraph 2(c) of this Part 7, accept responsibility for the information contained (including any expressions of opinion) in this document relating to Landsec, Landsec Development, themselves, their close relatives, related trusts and other connected persons and persons acting in concert with Landsec Development (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).

To the best of the knowledge and belief of the Landsec 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 U+I Directors and their respective functions are:

|                   |                         |
|-------------------|-------------------------|
| Peter Williams    | Non-Executive Chairman  |
| Richard Upton     | Chief Executive Officer |
| Jamie Christmas   | Chief Financial Officer |
| Lynette Krige     | Non-Executive Director  |
| Barry Bennett     | Non-Executive Director  |
| Rosaleen Kerslake | Non-Executive Director  |
| Sadie Morgan      | Non-Executive Director  |

- (b) The registered office of U+I, which is also the business address of each of the U+I Directors, is 7a Howick Place, London, United Kingdom, SW1P 1DZ.
- (c) For the purposes of the Acquisition, the Landsec Responsible Persons are Elizabeth Miles (as director of Landsec Development) and the Landsec Directors.
- (d) Elizabeth Miles, Land Securities Management Services Limited and LS Director Limited are, as at the Latest Practicable Date, the Landsec Development Directors. However, neither Land Securities Management Services Limited nor LS Director Limited are Landsec Responsible Persons for the purposes of this document and the Acquisition on the basis that: (i) Elizabeth Miles is a director of both entities; (ii) Elizabeth Miles is a Landsec Responsible Person; and (iii) the Landsec Directors are each Landsec Responsible Persons.
- (e) The registered office of Landsec Development, which is also the business address of Elizabeth Miles and the Landsec Directors, is 100 Victoria Street, London, United Kingdom, SW1E 5JL.

#### 3. Disclosure of interests and dealings

- (a) In this Part 7 the following definitions apply:
- (i) “**acting in concert**” has the meaning given in the Takeover Code;



- (ii) **“arrangement”** means any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant U+I securities and/or relevant Landsec Development securities which may be an inducement to deal or refrain from dealing;
  - (iii) **“derivative”** has the meaning given in the Takeover Code;
  - (iv) **“Disclosure Period”** means the period commencing on 1 November 2020, being the date twelve months prior to the commencement of the Offer Period and ending on the Latest Practicable Date;
  - (v) **“interests in securities”** has the meaning given in the Takeover Code, and references to a person having an interest in securities shall be construed accordingly;
  - (vi) **“Immediate Relations”** means, in relation to a director, his spouse or civil partner and any child or step-child of his under the age of 18 years;
  - (vii) **“Interested Persons”** means, in relation to a director, his Immediate Relations and other persons (including, without limit, bodies corporate) whose interests that director is taken or treated as having by virtue of the application of Part 22 of the Companies Act 2006;
  - (viii) **“relevant Landsec Development securities”** means relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeror) of Landsec Development including equity share capital in Landsec Development (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof;
  - (ix) **“relevant U+I securities”** means relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeree) of U+I including equity share capital in U+I (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof; and
  - (x) **“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 obligations or right to require another person to purchase or take delivery.
- (b) At the close of business on the Latest Practicable Date, the U+I Directors (together with their Interested Persons) were interested in, or had a right to subscribe for, the following relevant U+I securities:

***Interests other than options***

| <i>U+I Director</i> | <i>Number of relevant U+I securities</i> | <i>% of U+I total issued share capital</i> | <i>Nature of interest or right</i> |
|---------------------|--|--|------------------------------------|
| Peter Williams      | 175,941 <sup>(1)</sup>                   | 0.14%                                      | Ordinary Shares of 50 pence each   |
| Richard Upton       | 4,254,384                                | 3.39%                                      | Ordinary Shares of 50 pence each   |
| Jamie Christmas     | 20,860                                   | 0.02%                                      | Ordinary Shares of 50 pence each   |
| Lynette Krige       | 12,605                                   | 0.01%                                      | Ordinary Shares of 50 pence each   |
| Barry Bennett       | 53,352                                   | 0.04%                                      | Ordinary Shares of 50 pence each   |
| Rosaleen Kerslake   | 13,031                                   | 0.01%                                      | Ordinary Shares of 50 pence each   |
| Sadie Morgan        | 25,441                                   | 0.02%                                      | Ordinary Shares of 50 pence each   |

(1) Includes 48,000 U+I Shares held by Gwendolen Anita Knight, an Immediate Relation of Peter Williams.

- (c) At the close of business on the Latest Practicable Date, the following U+I Directors held the following outstanding options and awards over U+I Shares under the U+I Share Plans:

| <i>Name</i>            | <i>Scheme</i>                | <i>Date of grant</i> | <i>Number of relevant U+I securities</i> | <i>Exercise period/ vesting date</i> | <i>Exercise price (pence)</i> |
|------------------------|------------------------------|----------------------|--|--------------------------------------|-------------------------------|
| <b>Richard Upton</b>   | U+I Long Term Incentive Plan | 28 June 2021         | 179,598                                  | 3 years                              | Nil cost option               |
|                        | U+I Long Term Incentive Plan | 28 June 2021         | 179,597                                  | 4 years                              | Nil cost option               |
|                        | U+I Long Term Incentive Plan | 5 August 2020        | 577,008                                  | 3 years                              | Nil cost option               |
|                        | U+I Long Term Incentive Plan | 5 August 2020        | 577,007                                  | 4 years                              | Nil cost option               |
|                        | U+I Long Term Incentive Plan | 21 November 2019     | 365,091                                  | 3 years                              | Nil cost option               |
|                        | U+I Long Term Incentive Plan | 21 November 2019     | 365,090                                  | 4 years                              | Nil cost option               |
|                        | U+I Long Term Incentive Plan | 7 June 2018          | 214,724                                  | 4 years                              | Nil cost option               |
|                        | U+I Long Term Incentive Plan | 28 June 2021         | 153,941                                  | 3 years                              | Nil cost option               |
| <b>Jamie Christmas</b> | U+I Long Term Incentive Plan | 28 June 2021         | 153,940                                  | 4 years                              | Nil cost option               |
|                        | U+I Long Term Incentive Plan | 28 June 2021         | 153,940                                  | 4 years                              | Nil cost option               |

- (d) At close of business on the Latest Practicable Date, no person acting in concert with U+I held any interests in relevant U+I securities.
- (e) At close of business on the Latest Practicable Date, no person acting in concert with U+I held any short positions relating to relevant U+I securities.

#### **4. Interests and Dealings – General**

- (a) As at the Latest Practicable Date, none of:

- Landsec Development; nor
- Landsec; nor
- the Landsec Development Directors or the Landsec Directors; nor
- any persons acting in concert with Landsec Development or Landsec; nor
- any of the close relatives or related trusts or other Interested Persons of the Landsec Development Directors or the Landsec Directors,

are interested in, or have a right to subscribe for, or holds a short position in relation to:

- any relevant U+I securities, save as disclosed in paragraph 3 above; nor
- during the Disclosure Period, has any such person dealt in any relevant U+I securities.

- (b) Neither U+I nor any of the U+I Directors are interested in, or has a right to subscribe for, or holds a short position in relation to, any relevant Landsec Development securities, nor has any such person dealt in any relevant Landsec Development securities during the Offer Period.
- (c) Neither Landsec Development or Landsec nor any person acting in concert with Landsec Development and/or Landsec has borrowed or lent any relevant U+I securities (save for any borrowed shares which have been either on-lent or sold).

- (d) No person with whom Landsec Development or Landsec, or any person acting in concert with Landsec Development and/or Landsec, has any arrangement relating to relevant U+I securities, is interested in, or has a right to subscribe for, or holds a short position in relation to, any relevant U+I securities, nor has any such person dealt in any relevant U+I securities during the Disclosure Period.
- (e) Save as disclosed in paragraphs 3(b) and 3(c) above, neither U+I nor any of the U+I Directors nor any person acting in concert with U+I is interested in, or has a right to subscribe for, or holds a short position in relation to, relevant U+I securities, nor has any such person dealt in any relevant U+I securities during the Offer Period.
- (f) No person with whom U+I, or any person acting in concert with U+I, has any arrangement relating to the relevant U+I securities, is interested in, or has a right to subscribe for, or holds a short position in relation to any relevant U+I securities, nor has any such person dealt in any relevant U+I securities during the Offer Period.
- (g) Neither U+I nor any of the U+I Directors nor any person acting in concert with U+I has borrowed or lent any relevant U+I securities (save for any borrowed shares which have been either on-lent or sold).

## 5. Irrevocable undertakings and letters of intent

- (a) Landsec and Landsec Development have received irrevocable undertakings or letters of intent, including those irrevocable undertakings from the U+I Directors who own U+I Shares, in respect of, in aggregate, 26,677,081 U+I Shares, representing approximately 21 per cent. of the issued ordinary share capital of U+I as at the Latest Practicable Date.
- (b) Copies of the irrevocable undertakings and letters of intent are available at the U+I website at <https://www.uandiplc.com/> and will remain on display until the end of the Offer Period.

### Director's irrevocable undertakings

- (c) The U+I Directors who hold U+I Shares have irrevocably undertaken to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept such Takeover Offer) in respect of the following U+I Shares:

| <i>Name of U+I Director</i> | <i>Number of U+I Shares</i> | <i>% of U+I Shares in issue</i> |
|-----------------------------|-----------------------------|---------------------------------|
| Peter Williams              | 127,941                     | 0.10%                           |
| Richard Upton               | 4,254,384                   | 3.39%                           |
| Jamie Christmas             | 20,860                      | 0.02%                           |
| Lynette Krige               | 12,605                      | 0.01%                           |
| Barry Bennett               | 53,352                      | 0.04%                           |
| Rosaleen Kerslake           | 13,031                      | 0.01%                           |
| Sadie Morgan                | 25,441                      | 0.02%                           |
| <b>TOTAL</b>                | <b>4,507,614</b>            | <b>3.6%</b>                     |

- (d) The irrevocable undertakings from the U+I Directors will cease to be binding only:
  - (i) if Landsec Development shall not have announced a firm intention to proceed with the Acquisition by 8.00 am on 1 November 2021 or on such other date as U+I and Landsec Development may agree on the terms and conditions set out or referred to in the Co-operation Agreement;
  - (ii) if Landsec Development announces that it does not intend to proceed with the Acquisition and no new revised or replacement Scheme or Takeover Offer is announced by Landsec Development in accordance with Rule 2.7 of the Takeover Code at the same time;
  - (iii) if the Scheme Document or Offer Document is not dispatched to U+I Shareholders within 28 days of the Announcement (or such longer period, in the case of the Scheme Document, as Landsec Development and U+I agree with the consent of the Panel or, in

the case of an Offer Document, such longer period as Landsec Development, with the consent of the Panel, determines), provided that if the Acquisition was initially being implemented by way of a Scheme and Landsec Development elects to exercise its right to implement the Acquisition by way of a Takeover Offer, or vice versa, the time period is to be extended to refer to within 28 days of the issue of the press announcement announcing the change in structure (or such other date for the posting of the Offer Document or Scheme Document (as applicable) as the Panel may require);

- (iv) if any competing offer for the entire issued and to be issued ordinary share capital of U+I becomes or is declared unconditional or, if proceeding by way of scheme of arrangement, becomes effective; or
- (v) on the earlier of:
  - (A) the Long Stop Date; or
  - (B) the date on which the Acquisition (whether implemented by way of a Scheme or a Takeover Offer) is withdrawn or lapses in accordance with its terms, unless the Acquisition is withdrawn or lapses as a result of Landsec Development exercising its right to implement the Acquisition by way of a Takeover Offer in accordance with the Co-operation Agreement and the Takeover Code rather than by way of a Scheme or vice versa.

#### **Letters of Intent from U+I Shareholders**

- (e) In addition, Landsec and Landsec Development received letters of intent to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept such Takeover Offer) from Aberforth, J O Hambro Capital Management Limited, Jupiter Asset Management Limited and Ennismore Fund Management Limited, in respect of a total of 39,754,171 U+I Shares, representing in aggregate approximately 32 per cent. of the issued ordinary share capital of U+I as at the Latest Practicable Date.
- (f) On 8 November 2021, Landsec announced that Aberforth had since informed Landsec that it had disposed of a total of 23,723,357 U+I Shares, including the 17,584,704 U+I Shares referred to in the letter of intent given by Aberforth. In accordance with Rule 2.10(c) of the Takeover Code, Aberforth is therefore no longer in a position to vote in relation to these shares.
- (g) Details of these letters of intent, excluding the letter of intent provided by Aberforth, are as follows:

| <i>Name of U+I Shareholder</i>        | <i>Number of U+I Shares in respect of which undertaking is given</i> | <i>% of U+I Shares in issue</i> |
|---------------------------------------|--|---------------------------------|
| J O Hambro Capital Management Limited | 11,007,500   | 8.78%                           |
| Jupiter Asset Management Limited      | 3,349,000  | 2.67%                           |
| Ennismore Fund Management Limited     | 7,812,967  | 6.23%                           |
| <b>TOTAL</b>                          | <b>22,169,467</b>  | <b>17.7%</b>                    |

#### **6. Service contracts of U+I Directors**

##### **Executive Directors' service contracts**

- (a) Each of the Executive Directors has entered into a service contract with U+I. Their respective salaries and notice periods (which may be given by either party) are as follows:

| <i>Name</i>     | <i>Date of service contract</i> | <i>Annual Salary</i> | <i>Notice Period</i> |
|-----------------|---------------------------------|----------------------|----------------------|
| Richard Upton   | 19 May 2014                     | £350,000             | 12 months            |
| Jamie Christmas | 7 May 2021                      | £300,000             | 9 months             |

- (b) Each of the service contracts provide for the Executive Director's salary to be reviewed annually. The Executive Directors are also entitled to other benefits commensurate with their position including pension contributions, bonus, life assurance, private medical insurance and car allowance.

#### **Service Agreement of Richard Upton**

- (c) Richard Upton is the co-founder of U+I and was appointed as Chief Executive Officer on 19 January 2021. He is currently engaged under a service agreement dated 19 May 2014. Richard Upton's service agreement is terminable by either party on 12 months' written notice or immediately by U+I if there is an event of default. Richard Upton's service agreement has no express provision for the payment of compensation in the event of early termination. In the event of termination of an executive director's service contract, when determining the compensation payable to the executive director, it is the policy of the committee to take account of the principles of mitigation of loss.

With effect from 1 April 2021, Richard Upton is entitled to a base salary of £350,000 per annum. Richard Upton declined a salary increase on his appointment as CEO. Thus, prior to this date Richard Upton was entitled to a base salary of £350,000. Richard Upton is also eligible to receive a pension contribution which, as at 1 April 2021, is equal to 15.5 per cent. of his salary. He is also eligible to participate in U+I's discretionary annual bonus scheme.

#### **Service Agreement of Jamie Christmas**

- (d) Jamie Christmas joined U+I on 17 May 2021 as an executive director and was appointed as Chief Financial Officer on 19 June 2021. He is currently engaged under a service agreement dated 7 May 2021. Jamie Christmas's service agreement can be terminated by either party on not less than nine months' written notice. U+I may, in its sole discretion, terminate Jamie Christmas's employment with immediate effect and provide payment in lieu of notice in either a lump sum or monthly instalments. U+I is also entitled to terminate Jamie Christmas's employment without notice or payment in lieu of notice in certain circumstances.

Jamie Christmas is entitled to a base salary of £300,000 per annum which is reviewed annual by the U+I Remuneration Committee. Jamie Christmas is also eligible to receive a pension contribution equal to 14 per cent. of his salary. He is also eligible to participate in U+I's discretionary annual bonus scheme.

#### **Chairman and other non-executive directors**

- (e) Each of the non-executive directors has entered into letters of appointment with U+I. Their respective salaries are as follows:

| <i>Name of Director</i> | <i>Date Appointed as Director</i> | <i>Original Letter of Appointment Date</i> | <i>Fees and Salary<sup>(1)(2)</sup> £'000</i> |
|-------------------------|-----------------------------------|--|---|
| Peter Williams          | 4 January 2016                    | 18 December 2015                           | 112   |
| Lynette Krige           | 10 March 2016                     | 10 March 2016                              | 51  |
| Barry Bennett           | 19 May 2014                       | 19 May 2014                                | 39  |
| Rosaleen Kerslake       | 1 September 2017                  | 31 August 2017                             | 49  |
| Sadie Morgan            | 3 April 2019                      | 3 April 2019                               | 53  |

(1) The non-executive directors took a voluntary reduction in pay for a three month period. Base fee for the non-executive directors of U+I (except for the Chairman) is £42,000. Fees include additional fees for chairmanship and/or membership of committees of U+I.

(2) U+I also maintains directors' and officers' liability insurance for the benefit of each non-executive director of U+I. In accordance with the Articles and to the extent permitted by law, U+I Directors are granted an indemnity from U+I in respect of liability incurred as a result of the execution or discharge of their duties as U+I Directors.



- (f) Save as disclosed in this paragraph 6, no contract of service between any U+I Director and U+I or any of its subsidiaries has been amended or replaced within the six months preceding the date of this document.

***Letter of Appointment of Peter Williams***

Peter Williams was appointed as an independent non-executive director with effect from 4 January 2016 pursuant to a letter of appointment dated 18 December 2015. The initial term of appointment commenced 4 January 2016 and expired 14 July 2016 subject to re-election by shareholders at the 2016 annual general meeting.

Subject to typical summary termination provisions and the Articles, and contingent on satisfactory performance and re-election, the appointment is terminable on two months' prior written notice by either party.

Peter Williams' initial fee as a non-executive director was £40,000 per annum and £5,000 per annum for his appointment as a member of the U+I Remuneration Committee. Since 14 July 2016, Peter Williams has taken the role as Chairman of U+I for a fee of £112,000 per annum. Peter Williams is also a member of the U+I Nomination Committee but receives no fee in respect of this role. He is entitled to directors' and officers' liability insurance. The current indemnity limit is £20 million. He is also entitled to reimbursement of properly incurred expenses.

In the event of termination of his appointment, Peter Williams will be entitled to the fees that have accrued up until the date of termination and reimbursement of properly incurred expenses prior to the termination date.

***Letter of Appointment of Lynette Krige***

Lynette Krige was appointed as an independent non-executive director with effect from 10 March 2016 pursuant to a letter of appointment dated 10 March 2016. The initial term of appointment was until the first annual general meeting in 2016, following the date of the appointment. Subject to typical summary termination provisions and the Articles and contingent on satisfactory performance and re-election, the appointment is terminable on six months' written notice by either party.

Lynette Krige's current fee as a non-executive director is £42,000 per annum, £7,500 per annum for her appointment as Chair of the U+I Audit and Risk Committee and £5,000 per annum for her appointment as a member of the U+I Remuneration Committee. Lynette Krige is also a member of the U+I Nomination Committee but receives no fee in respect of this role. She is entitled to directors' and officers' liability insurance. The current indemnity limit is £20 million. She is also entitled to reimbursement of properly incurred expenses.

In the event of termination of her appointment, Lynette Krige will be entitled to the fees that have accrued up until the date of termination and reimbursement of properly incurred expenses prior to the termination date.

***Letter of Appointment of Barry Bennett***

Barry Bennett was appointed as an independent non-executive director with effect from 19 May 2014 pursuant to a letter of appointment dated 19 May 2014. The initial term of appointment was until the first annual general meeting in 2015, following the date of the appointment. Subject to typical summary termination provisions, the Articles and contingent on satisfactory performance and re-election, the appointment is terminable on six months' written notice by either party.

Barry Bennett's current fee as a non-executive director is £42,000 per annum and he is entitled to directors' and officers' liability insurance. The current indemnity limit is £20 million. He is also entitled to reimbursement of properly incurred expenses.

In the event of termination of his appointment, Barry Bennett will be entitled to the fees that have accrued up until the date of termination and reimbursement of properly incurred expenses prior to the termination date.

### ***Letter of Appointment of Rosaleen Kerslake***

Rosaleen Kerslake was appointed as an independent non-executive director with effect from 1 September 2017 pursuant to a letter of appointment dated 31 August 2017. The initial term of appointment was until the first annual general meeting in 2018, following the date of the appointment. Subject to typical summary termination provisions and the Articles and contingent on satisfactory performance and re-election, the appointment is terminable on six months' written notice by either party.

Rosaleen Kerslake's current fee as a non-executive director is £42,000 per annum, and £5,000 per annum for each of her appointment as a member of the U+I Audit and Risk Committee and £7,500 for her appointment as Chair of the U+I Remuneration Committee. Rosaleen Kerslake is also a member of the U+I Nomination Committee but receives no fee in respect of this role. She is entitled to directors' and officers' liability insurance. The current indemnity limit is £20 million. She is also entitled to reimbursement of properly incurred expenses.

In the event of termination of her appointment, Rosaleen Kerslake will be entitled to the fees that have accrued up until the date of termination and reimbursement of properly incurred expenses prior to the termination date.

### ***Letter of Appointment of Sadie Morgan***

Sadie Morgan was appointed as an independent non-executive director with effect from 3 April 2019 pursuant to a letter of appointment dated 3 April 2019. The initial term of appointment was until the first annual general meeting in 2019, following the date of the appointment. Subject to typical summary termination provisions and the Articles and contingent on satisfactory performance and re-election, the appointment is terminable on six months' written notice by either party.

Sadie Morgan's current fee as a non-executive director is £42,000 per annum, and £5,000 per annum for her appointment as a member of the U+I Remuneration Committee. Sadie Morgan is also a member of the U+I Nomination Committee but receives no fee in respect of this role. In addition, Sadie Morgan receives fees of £7,500 per annum and £2,500 per annum for her additional responsibilities with regards to the PPP Challenge Panel and Workforce Engagement Panel.

Sadie Morgan is also entitled to directors' and officers' liability insurance. The current indemnity limit is £20 million. She is also entitled to reimbursement of properly incurred expenses.

In the event of termination of her appointment, Sadie Morgan will be entitled to the fees that have accrued up until the date of termination and reimbursement of properly incurred expenses prior to the termination date.

### ***Other service agreements***

- (g) Save as disclosed above there are no service contracts or letters of appointment, between any U+I Director or proposed director of U+I and any member of the U+I Group and no such contract or letter of appointment has been entered into or amended within the six months preceding the date of this document.
- (h) Save as set out in paragraph 10 of Part 2 of this document, the effect of the Scheme on the interests of the U+I Directors does not differ from its effect on the like interests of any other holder of Scheme Shares.

### ***Further information***

Save as disclosed above, no U+I Director is entitled to commission or profit sharing arrangements.

## 7. Market quotations

The following table sets out the middle market quotations for U+I Shares derived from the Daily Official List, for the first Business Day in each of the six months before the date of this document, for 29 October 2021 (the last Business Day before the commencement of the Offer Period) and the Latest Practicable Date prior to the publication of this document:

| <i>Relevant date</i> | <i>U+I Share price (p)</i> |
|----------------------|----------------------------|
| 1 April 2021         | 93.60                      |
| 3 May 2021           | 92.00                      |
| 1 June 2021          | 95.10                      |
| 1 July 2021          | 93.00                      |
| 2 August 2021        | 92.00                      |
| 1 September 2021     | 87.00                      |
| 29 October 2021      | 86.00                      |
| 12 November 2021     | 148.50                     |

## 8. Material contracts

### (a) **U+I**

Save as disclosed below, neither U+I nor any of its subsidiaries has, during the period beginning on 1 November 2019 and ending on the Latest Practicable Date, entered into any material contract otherwise than in the ordinary course of business.

#### ***Aviva Commercial Finance Limited facility agreement dated 4 December 2017***

U and I IPA Limited (the “**Borrower**”) is borrower under a facility agreement dated 4 December 2017 between, among others, it and Aviva Commercial Finance Limited as agent, security agent and original lender (the “**Lender**”) (as amended from time to time, including pursuant to an amendment and restatement deed dated 14 May 2021) (the “**Aviva Facility Agreement**”). The Aviva Facility Agreement is governed by English law.

Under the Aviva Facility Agreement, the Lender made available to the Borrower a term loan facility in an amount of £66,666,457.39, for the purposes of (a) refinancing the cost of acquisition of certain original real property assets, (b) funding the cost of acquisition of additional real property assets in accordance with the terms of the Aviva Facility Agreement and (c) funding payment of certain fees, costs and expenses, stamp registration and other taxes incurred in connection with the acquisition of such real property assets.

The term loan is guaranteed by U and I IPB Ltd, U and I IPA SC Limited, Furlong Shopping Centre Limited, The Deptford Project Limited, The Deptford Project 2 Limited and U and I Retail Limited and is expressed to benefit from security, including over those various real property assets.

The principal amount outstanding under the term loan facility accrues interest at a rate of 5.15 per cent. per annum. Such interest is payable on the interest payment dates of 12 January, 12 April, 12 July and 12 October in each year and on the termination date (as referred to below), or if any such date is not a business day, on the next business day in the same calendar month (if there is one) or the preceding business day (if there is not).

Repayment instalments fall due under the term loan in accordance with an agreed amortisation schedule. The term loan then also falls due to be repaid in full on the termination date, being the fifteenth anniversary of the date of the Aviva Facility Agreement (or if such date is not a business day, on the next business day in the same calendar month (if there is one) or the preceding business day (if there is not)).

The term loan facility may be voluntarily prepaid by the Borrower at any time (in a minimum amount of £5,000,000), upon the Borrower giving not less than 3 months’ notice to the agent. Upon a prepayment of the term loan facility being made (whether voluntarily or otherwise), the Borrower must pay a prepayment fee equal to an amount sufficient to indemnify the Lender against any reduction in the rate of return that the Lender expects to receive on its investment in the term loan facility as a direct or indirect result of the prepayment, as ascertained in accordance with the Lender’s usual method of calculation. However, in the case of a prepayment on or prior

to the fourteenth anniversary of the date of utilisation of the term loan facility, that calculation will be on the assumption that reinvestment of such sums is only available in gilts plus 50 basis points.

If any person or group of persons acting in concert gains control of U+I, a lender under the Aviva Facility Agreement may (by requiring the agent to give not less than 10 days' notice to the Borrower) cancel its commitment under, and require repayment of, its participation in the term loan facility. For this purpose, "control" means the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise (and includes control within the meaning of sections 450 and 451 of the Corporation Tax Act 2010) and "acting in concert" has the meaning given to it in the Takeover Code.

The Aviva Facility Agreement contains provisions requiring mandatory prepayment of the term loan facility in various other circumstances, as well as provisions entitling the lenders to demand repayment of the term loan facility following the occurrence of certain events of default.

The Aviva Facility Agreement also contains various undertakings given by the Borrower and guarantors, including the following financial covenants of the Borrower:

- (a) "Historical Debt Service Cover" (as defined in the Aviva Facility Agreement) of at least 125 per cent.;
- (b) "Projected Debt Service Cover" (as defined in the Aviva Facility Agreement) of at least 125 per cent.; and
- (c) "Loan to Value" (as defined in the Aviva Facility Agreement) not to exceed (i) from the date of the Aviva Facility Agreement to (and including) the fifth anniversary of the date of the Aviva Facility Agreement, 70 per cent.; (ii) from the date following the fifth anniversary of the date of the Aviva Facility Agreement to (and including) the tenth anniversary of the date of the Aviva Facility Agreement, 67.5 per cent.; and (iii) thereafter, 60 per cent.

#### ***Euro 47,000,000 Senior Fixed Rate Unsecured Notes due 2023***

U+I is issuer under a loan note instrument dated 31 March 2014 (as amended and restated pursuant to an amendment agreement dated 24 July 2020), constituting U+I's euro 47,000,000 Senior Fixed Rate Unsecured Notes due 2023 (the "**Notes**"). The Notes are governed by English law.

The Notes are held by Taberna Europe CDO I P.L.C (as to a principal amount of euro 20,000,000 of the Notes) and Taberna Europe II P.L.C. (as to a principal amount of euro 27,000,000 of the Notes).

Interest under the Notes is payable quarterly in arrears on the interest payment dates of 25 January, 25 April, 25 July and 25 October of each year (or, if such date is not a business day, on the next business day).

Interest accrues under the Notes at a rate equal to:

- (a) from (and including) 31 March 2014 to (but excluding) the interest payment date in April 2014, 3.65 per cent. per annum;
- (b) from (and including) the interest payment date in April 2014 to (but excluding) the interest payment date in July 2020, 3 month EURIBOR plus a margin of 3.35 per cent. per annum; and
- (c) from (and including) the interest payment date in July 2020, either:
  - (i) 8 per cent. per annum; or
  - (ii) with effect from the next interest payment date following receipt by the holders of the Notes of a single instalment under the Notes of not less than euro 11,750,000 (the "**Instalment**"), 4.75 per cent. per annum, provided that, as at such interest payment date, no event of default (or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination under the

terms and conditions of the Notes or any combination of any of the foregoing) be an event of default) under the Notes is outstanding.

U+I may, on any of the interest payment dates referred to above, voluntarily redeem all or part of the Notes (in a minimum amount of euro 100,000 and in an integral multiple of euro 1,000), provided that not less than 15 days' and not more than 30 days' notice is given to the holders of the Notes.

The Instalment was required to be paid by U+I to the holders of the Notes on any interest payment date falling during or prior to April 2021.

The Notes fall due to be redeemed in full on the interest payment date in April 2023. However, U+I may, by giving not less than 30 business days' prior irrevocable notice to the holders of the Notes, extend such maturity date to the interest payment date in April 2024, provided that:

- (a) not later than the interest payment date in April 2023, U+I has paid an extension fee of euro 94,000; and
- (b) no event of default (or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination under the terms and conditions of the Notes or any combination of any of the foregoing) be an event of default) under the Notes is outstanding on the date of such notice, on the interest payment date in April 2023 or immediately after the interest payment date in April 2023.

Under the terms and conditions of the Notes, the Noteholders are entitled to require a mandatory early redemption of the Notes following the occurrence of various events of default.

The terms and conditions of the Notes also include:

- (a) undertakings of U+I, requiring it to deliver to the holders of the Notes its latest financial statements; and
- (b) a financial covenant, requiring that the ratio of certain liabilities of U+I to "Equity Attributable to Equity Shareholders of the Parent Company" (as defined in the terms and conditions of the Notes) does not exceed 150 per cent.

#### ***National Westminster Bank plc facility agreement dated 2 July 2020***

U+I is borrower under a facility agreement dated 2 July 2020 between, among others, it and National Westminster Bank plc as agent, security agent and original lender ("**NatWest**") (as amended by an amendment letter dated 29 October 2020, an amendment letter dated 31 December 2020 and an amendment letter dated 26 May 2021) (the "**NatWest Facility Agreement**"). The NatWest Facility Agreement is governed by English law.

Under the NatWest Facility Agreement, NatWest makes available to U+I (as borrower) a sterling revolving loan facility in an amount of £13,500,000, for its general corporate purposes (but not towards funding the payment of any dividend or distribution or the return of any share capital). The revolving loan facility is expressed to be available for drawing until one month prior to the date falling 2 years after the date of the NatWest Facility Agreement.

The revolving loan facility is guaranteed by U and I (Harwell) Limited and U and I (Innovation Hubs) Limited. Security for the revolving loan facility is expressed to be granted (a) by each guarantor over all its assets (which includes, in the case of U and I (Innovation Hubs) Limited, its interest in certain leasehold property), (b) by U+I (as borrower) over a settlement account held by it and over its shares and other interests in U and I (Harwell) Limited, and (c) by U and I Plus X TC Limited over its shares and other interests in U and I (Innovation Hubs) Limited.

Loans under the revolving loan facility accrue interest at a rate equal to the aggregate of (a) London Interbank Offered Rate ("**LIBOR**"), and (b) a margin of 3 per cent. per annum. If LIBOR is unavailable for the purposes of setting that rate, LIBOR is replaced with the aggregate of (a) compounded Sterling Overnight Indexed Average ("**SONIA**"), and (b) a percentage rate calculated by the agent as the median difference between LIBOR and SONIA over a five year period ending on the date on which LIBOR became unavailable.



Interest on each revolving loan is payable on the interest payment dates of 20 January, 20 April, 20 July and 20 October in each year and on the date falling 2 years from the date of the NatWest Facility Agreement, or if any such date is not a business day, on the next business day in the same calendar month (if there is one) or the preceding business day (if there is not).

A commitment fee is payable by U+I (as borrower) quarterly in arrears on each interest payment date under the NatWest Facility Agreement. The commitment fee accrues at a rate equal to 1.50 per cent. per annum on the undrawn portion of the revolving loan facility.

Each loan drawn under the revolving loan facility falls due to be repaid in cash on the first interest payment date to fall after that loan is drawn (unless such loan is rolled over on a cashless basis into a new loan drawn under the revolving facility on that date). Each loan drawn under the revolving loan facility also falls due to be repaid on the date falling 2 years from the date of the NatWest Facility Agreement, or if such date is not a business day, on the next business day in the same calendar month (if there is one) or the preceding business day (if there is not).

A loan drawn under the revolving loan facility may be voluntarily prepaid by U+I (as borrower) at any time (in a minimum amount of £1,000,000), upon U+I (as borrower) giving not less than 10 business days' notice to the agent. If U+I (as borrower) prepays on a day other than an interest payment date, it will also be required to pay break costs to the lender (being the amount, if any, by which (i) the interest the lender should have received on the amount prepaid for the period from the date of prepayment until the next interest payment date exceeds; and (ii) the amount the lender would be able to obtain by placing an amount equal to the amount prepaid on deposit with a leading bank for a period starting on the business day following receipt of the amount prepaid and ending on the next interest payment date).

The undrawn portion of the revolving loan facility may be cancelled (in a minimum amount of £1,000,000) at any time, upon U+I (as borrower) giving not less than 10 business days' notice to the agent.

If (1) U+I ceases to beneficially own the entire issued share capital of U and I Plus X TC Limited or U and I (Harwell) Limited, (2) U and I Plus X TC Limited ceases to beneficially own the entire issued share capital of U and I (Innovation Hubs) Limited, or (3) any person or group of persons acting in concert gains control of U+I, a lender under the NatWest Facility Agreement may (by requiring the agent to give not less than 10 days' notice to the borrower) cancel its commitment under, and require repayment of, its participation in the revolving loan facility. For this purpose, "control" means (i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to, among other things, (A) cast, or control the casting of, more than 25 per cent. of the maximum number of votes that might be cast at a general meeting of U+I, (B) appoint or remove all, or the majority, of the directors or other equivalent officers of U+I, or (C) give directions with respect to the operating and financial policies of U+I with which its directors or other equivalent officers are obliged to comply; or (ii) the holding beneficially of more than 25 per cent. of the issued share capital of U+I (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital); and "acting in concert" means that a group of persons, pursuant to an agreement or understanding (whether formal or informal), actively cooperate, through the acquisition directly or indirectly of shares in U+I by any of them, either directly or indirectly, to obtain or consolidate control of it.

The revolving loan facility may be declared by the agent to be payable on demand following the occurrence of an "Early Repayment Event", as defined in the NatWest Facility Agreement. An "Early Repayment Event" includes, among other things, that certain unsecured B loan notes issued by Triple Helix Bidco S.à.r.l. and held by U and I (Harwell) Limited are not redeemed in accordance with their terms within 30 days of 31 March 2022.

The NatWest Facility Agreement contains provisions requiring mandatory prepayment of the loans drawn under the revolving loan facility out of various cash proceeds received by U+I (as borrower) or a guarantor. Furthermore, proceeds received by U+I (as borrower) or guarantor from a repayment of certain unsecured loan notes issued by Triple Helix Bidco S.à.r.l. and held by U and I (Harwell) Limited are required to be applied in mandatory prepayment and cancellation of the revolving loan facility.

The NatWest Facility Agreement includes provisions entitling the lenders to demand repayment of the term loan facility following the occurrence of certain events of default.

The NatWest Facility Agreement also contains various undertakings given by the borrower and guarantors, including a financial covenant of U+I (as borrower) requiring that its consolidated “Net Asset Value” (as defined in the NatWest Facility Agreement) is at all times from and including 26 May 2021 to and including 31 March 2022 not less than £180,000,000 and at all other times not less than £240,000,000.

***Sale and Purchase Agreement relating to Harwell Oxford Developments Limited dated 1 April 2020***

On 1 April 2020, U and I (Projects) Limited and its joint venture partner, Harwell Oxford Partners Limited (together, the “**Sellers**”), entered into a sale and purchase agreement (the “**SPA**”) with Triple Helix Bidco S.à.r.l. (the “**Buyer**”). The Buyer was ultimately controlled by Brookfield Capital Partners, on behalf of Brookfield Strategic Real Estate Partners III. Under the SPA, the Sellers agreed to sell and the Buyer agreed to buy the entire issued share capital of each of Harwell Oxford Developments Limited, Harwell Oxford Developments (GP) Limited and Harwell Oxford Management Limited.

The gross proceeds receivable by U and I (Projects) Limited in connection with the sale were approximately £42.8 million. Initial net proceeds of approximately £28.8 million were received in cash in April 2020 with a further £14.0 million of unconditional deferred consideration due through the repayment of consideration loan notes. The consideration loan notes were repayable in equal instalments over the following four years. The first instalment of £3.5 million was received in April 2021 with further payments of £3.5 million falling due on each of 31 March 2022, 31 March 2023 and 31 March 2024.

The SPA contained customary warranties given severally by the Sellers and a tax covenant given on a several and proportionate basis by the Sellers. Save in the case of fraud or fraudulent misrepresentation, the liability of the Sellers under the warranties and tax covenant was capped at £1, except in the case of certain specific claims arising under the tax covenant. Save in the case of fraud or fraudulent misrepresentation, the maximum aggregate liability of the Sellers in relation to such specific claims under the tax covenant is £3,750,000. The SPA contains other customary limitations and exclusions, including a requirement that warranty claims (other than under the tax warranties) be notified within two years of completion and that claims under the tax covenant (including tax warranty claims) be notified to the Sellers on or prior to 31 March 2027.

The Sellers also agreed to indemnify the Buyer and certain other members of the target group of companies on an after tax basis from and against 50 per cent. of liabilities for capital contributions not paid to occupational tenants prior to the effective time of the SPA (being the close of business on 31 March 2020) or which the relevant member of the target group of companies is required to make after the effective time of the SPA, in each case pursuant to agreements to lease entered into prior to 1 April 2020. This obligation is for period of five years and the liability of the Sellers is capped at £250,000.

(b) ***Landsec Development***

Save as disclosed below in paragraph 9, Landsec Development has not, during the period beginning on 1 November 2019 and ending on the Latest Practicable Date, entered into any material contract otherwise than in the ordinary course of business.

**9. Offer-related arrangements**

Please refer to the summaries of the Confidentiality Agreement and Co-Operation Agreement paragraph 11 of Part 2 of this document.

## 10. Concert parties

- (a) The persons who, for the purposes of the Takeover Code, are acting in concert with Landsec or Landsec Development, in addition to their respective directors and members of the Wider Landsec Group are:

| <i>Name</i>                     | <i>Registered office</i>       | <i>Relationship with Landsec</i>                       |
|---------------------------------|--------------------------------|--|
| UBS                             | 5 Broadgate, London, EC2M 2QS  | Sole financial adviser and corporate broker to Landsec |
| Equiniti Trust (Jersey) Limited | 26 New Street, Jersey, JE2 3RA | Landsec's employee benefit trust                       |

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

| <i>Name</i>             | <i>Registered office</i>                               | <i>Relationship with U+I</i>                     |
|-------------------------|--|--|
| Rothschild & Co         | New Court, St Swithin's Lane London EC4N 8AL           | Sole financial adviser and Rule 3 adviser to U+I |
| Liberum Capital Limited | Ropemaker Place, 25 Ropemaker Street, London, EC2Y 9LY | Connected adviser to U+I                         |
| Peel Hunt LLP           | 100 Liverpool Street, London, EC2M 2AT                 | Connected advisor to U+I                         |

## 11. Governing law

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

## 12. 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.

## 13. Fees and Expenses

- (a) The aggregate fees and expenses expected to be incurred by Landsec Development in connection with the Acquisition are estimated to amount to between £6,347,000 and £6,847,000 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 | £3,000,000 to £3,500,000 <sup>(1)</sup> |
| (ii)  | Legal advice                           | £1,798,000 <sup>(2)</sup>               |
| (iii) | Accounting advice                      | nil                                     |
| (iv)  | Public relations advice                | £500,000                                |
| (v)   | Other professional services            | £100,000                                |
| (vi)  | Other costs and expenses               | £949,000 <sup>(3)</sup>                 |

(1) *The total amount payable in respect of the aggregate fees and expenses for these services depends on whether certain discretionary fees are paid. These discretionary fees are reflected in the amount provided for above. The total does not include disbursements.*

(2) *Certain legal fees are charged by reference to hourly rates (or, as applicable, the duration of the provision of the relevant services). The total does not include disbursements, VAT or other taxes.*

(3) *This figure includes an estimate of the UK stamp duty payable by Landsec Development.*

- (b) The aggregate fees and expenses expected to be incurred by U+I in connection with the Acquisition are estimated to amount to £4,648,650 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 | £3,750,000              |
| (ii)  | Legal advice                           | £657,800 <sup>(1)</sup> |
| (iii) | Accounting advice                      | nil                     |
| (iv)  | Public relations advice                | nil                     |
| (v)   | Other professional services            | £61,500                 |
| (vi)  | Other costs and expenses               | £179,350 <sup>(2)</sup> |

(1) Amount includes counsel's fees for services in connection with the court process relating to the Scheme. The total does not include disbursements. Legal fees are charged by reference to hourly rates (or, as applicable, the duration of the provision of the relevant services) and the residual amount of advisory work required in connection with the Acquisition (or, as applicable, the duration of the provision of the relevant services) is uncertain.

(2) Amount includes costs of printing, use of the Virtual Meeting Platform, data room costs and fees relating to the advertisement of the Notice of Court Meeting in The Times newspaper.

#### 14. General

- (a) Save as disclosed elsewhere in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Landsec Development, Landsec, or any party acting in concert with Landsec Development or Landsec and any of the directors, recent directors, shareholders or recent shareholders of U+I or any person interested or recently interested in shares of U+I, having any connection with or dependence on the Acquisition.
- (b) Landsec Development has not entered into any agreement, arrangement or understanding under which any securities acquired pursuant to the Acquisition will be transferred to any other person, save that Landsec Development reserves the right to transfer any such securities to any other member of the Wider Landsec Group.
- (c) Save for the irrevocable undertakings and letters of intent described in paragraph 5 of Part 7 of this document neither:
- (i) Landsec Development, Landsec, nor any person acting in concert with Landsec Development or Landsec; nor
- (ii) U+I, nor any person acting in concert with U+I,
- has any arrangement relating to relevant U+I securities or relevant Landsec Development securities with any other person.
- (d) There is no agreement to which Landsec Development is a party which relates to the circumstances in which it may, or may not, invoke a Condition to the Acquisition.
- (e) The financial information on Landsec Development, Landsec and U+I contained in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the years ended 31 March 2020 and 31 March 2021 in the case of U+I have been delivered to the Registrar of Companies for England and Wales. U+I's auditors have made a report under section 495 of the Companies Act 2006 on each of those statutory accounts that was not qualified within the meaning of section 539 of the Companies Act 2006 and did not contain any statements made under section 498(2) or (3) of the Companies Act 2006.

#### 15. Taxation

**The summary information on taxation in this document is intended as a guide only and is not a substitute for detailed tax advice. Any U+I Shareholders who are in any doubt about their tax position, or who are resident for tax purposes outside the UK, are strongly advised to contact an appropriate independent professional adviser immediately.**

The comments set out below summarise certain limited aspects of the UK tax treatment of certain U+I Shareholders under the Scheme and do not purport to be a complete analysis of all tax considerations relating to the Scheme. They are based on current UK legislation and current published HMRC practice (which may not be binding on HMRC), in each case as at the Latest Practicable Date, both of which are subject to change, possibly with retrospective effect.

The comments are intended as a general guide and do not deal with certain types of U+I Shareholder such as charities, trustees, dealers in securities, persons who have or could be treated for tax purposes as having acquired their U+I Shares by reason of their employment or as carried interest, collective investment schemes, persons subject to UK tax on the remittance basis and insurance companies.

References below to “**UK Holders**” are to U+I Shareholders who are resident (and, in the case of individuals, domiciled) for tax purposes in, and only in, the United Kingdom (and to whom split-year treatment does not apply), who hold their U+I Shares as an investment (other than under a self-invested personal pension plan or individual savings account) and who are the absolute beneficial owners of their U+I Shares.

(a) ***UK taxation of chargeable gains***

The transfer of U+I Shares under the Scheme in return for cash should be treated as a disposal of the UK Holder’s U+I Shares for the purposes of UK capital gains tax (“**CGT**”) or corporation tax on chargeable gains (as applicable) and therefore may, depending on the UK Holder’s particular circumstances (including the availability of exemptions, reliefs and/or allowable losses), give rise to a liability to UK taxation on chargeable gains or, alternatively, an allowable capital loss.

*Individual U+I Shareholders*

Subject to available reliefs or allowances, chargeable gains arising on a disposal of U+I Shares by an individual UK Holder will be subject to CGT at the rate of (for the 2021/2022 tax year) 10 per cent. or 20 per cent. depending on the individual’s personal circumstances, including other taxable income and gains in the relevant tax year.

No indexation allowance will be available to an individual U+I Shareholder in respect of any disposal of U+I Shares. The CGT annual exemption may, however, be available to individual UK Holders to offset against chargeable gains realised on the disposal of their U+I Shares.

*Corporate U+I Shareholders*

Subject to available exemptions, reliefs or allowances, chargeable gains arising on a disposal of U+I Shares by a UK Holder within the charge to UK corporation tax will be subject to UK corporation tax.

For UK Holders within the charge to UK corporation tax (but which do not qualify for the substantial shareholding exemption in respect of their U+I Shares), indexation allowance may be available where the U+I Shares were acquired prior to 31 December 2017 in respect of the period of ownership of the U+I Shares up to and including 31 December 2017 to reduce any chargeable gain arising (but not to create or increase any allowable loss) on the transfer of their U+I Shares under the Scheme in return for cash.

The substantial shareholding exemption may apply to exempt from corporation tax any gain arising to UK Holders within the charge to UK corporation tax where a number of conditions are satisfied, including that the corporate UK Holder (together with certain associated companies) is regarded for the purposes of this exemption as having held not less than 10 per cent. of the ordinary issued share capital of U+I for a continuous period of at least 12 months beginning not more than six years prior to the date of disposal.

(b) ***UK stamp duty and stamp duty reserve tax (“SDRT”)***

UK stamp duty is expected to arise on the transfer of the U+I Shares acquired pursuant to the Acquisition, at a rate of 0.5 per cent. (rounded up to the nearest £5) of the purchase price for those U+I Shares. As noted in paragraph 13 of this Part 7, this amount of UK stamp duty will be



paid by Landsec Development. As a result, no UK stamp duty or SDRT should generally be payable by U+I Shareholders on the transfer of their U+I Shares under the Scheme.

## **16. No significant change**

Other than the updated net asset value of U+I as disclosed in paragraph 18(h) in this Part 7, there has been no significant change in the financial or trading position of U+I since 31 March 2021, being the date to which the latest results for the financial year, published by U+I were prepared.

## **17. Consent**

Rothschild & Co has given and has 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.

UBS has given and has 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.

CBRE has given and has 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.

## **18. Bases and Sources**

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

- (a) As at close of business on the Latest Practicable Date, there were 125,431,713 U+I Shares in issue. The legal entity identifier for the U+I Shares is 213800HTEQQEIOGR5A58.
- (b) As at the Latest Practicable Date, there were 2,005,409 U+I Shares that may be issued pursuant to U+I Share Plans. The additional number of U+I Shares has been calculated on the basis that there are 588,869 U+I Shares held by the U+I Employee Benefit Trust that will be used to satisfy awards under the U+I Share Plans.
- (c) Any references to the issued and to be issued ordinary share capital of U+I are each based on:
  - (i) the 125,431,713 U+I Shares referred to in paragraph 18(a) above; and
  - (ii) the 2,005,409 U+I Shares that may be issued pursuant to U+I Share Plans referred to in paragraph 18(b) above.
- (d) The Closing Price of the U+I Shares on 29 October 2021 (being the last day prior to commencement of the Offer Period).
- (e) Certain figures included in this announcement have been subject to rounding adjustments.
- (f) Unless otherwise stated, the financial information of U+I is extracted (without material adjustment) from U+I's annual report and financial statements for the 12 months ended 31 March 2021, which were released on 26 May 2021 or, where applicable, U+I's annual report and financial statements for the 12 months ended 31 March 2020, which were released on 8 July 2020.
- (g) Volume-weighted average prices have been derived from Bloomberg and have been rounded to the nearest tenth of a penny.
- (h) For the purposes of Rule 29.1(d) of the Takeover Code, the following adjustments have been made to the value of U+I's investment properties in order to calculate U+I's estimated basic net asset value per share and adjusted net asset value per share as at 30 September 2021:



## Summary Balance Sheet

30 Sept 2021<sup>(1)</sup>

|  | Net assets<br>£'m | No. of<br>shares<br>million | Net assets<br>per share<br>pence |
|--|-------------------|-----------------------------|----------------------------------|
| Investment properties <sup>(2)</sup>         | 90.2              |                             |                                  |
| Inventories & WIP                            | 66.3              |                             |                                  |
| Right-of-use assets                          | 33.1              |                             |                                  |
| Other non-current assets <sup>(3)</sup>      | 102.2             |                             |                                  |
| Other current assets <sup>(4)</sup>          | 44.9              |                             |                                  |
| Net borrowings                               | (68.6)            |                             |                                  |
| Lease liabilities                            | (37.4)            |                             |                                  |
| Other liabilities <sup>(5)</sup>             | (49.7)            |                             |                                  |
| Basic net assets                             | 181.0             | 124.8                       | 1.45                             |
| Fair value of debt                           | (18.9)            |                             |                                  |
| Adjusted net assets                          | 162.1             | 124.8                       | 1.30                             |
| Effect of dilutive potential Ordinary shares | 0.2               |                             |                                  |
| Diluted net assets                           | 181.2             | 125.4                       | 1.44                             |
| Adjusted diluted net assets                  | 162.3             | 125.4                       | 1.29                             |

(1) Estimated figures

(2) Investment property value is presented in accordance with U+I's accounting policies and previous disclosures. The difference between this figure and the CBRE valuation of wholly owned investment properties of £91.2m is made up of the following items; the accounting treatment of lease incentives (-£2.5m), International Financial Reporting Standards (IFRS) adjustments (£2.1m) and the reclassification of operating properties (£-0.7m) and miscellaneous items of (£0.1m)

(3) Other non-current assets includes: investments in joint ventures and associates, other fixed assets, trade and other receivables, financial assets and deferred tax

(4) Other current assets includes: trade and other receivables and financial assets

(5) Other liabilities includes: trade and other payables, income and deferred tax liabilities and provisions

The estimated basic net assets as at 30 September 2021 and the adjustments referred to above have been derived from management's estimate of the financial position of U+I as at 30 September 2021. The estimated basic and adjusted net assets per share has been calculated on the basis of shares in issue as at 31 March 2021 and 30 September 2021, excluding shares held by the U+I Employee Benefit Trust. The diluted share capital does not take into account the effect of the Acquisition.

## 19. Documents available on website

Copies of the following documents will be made available on U+I's website at <https://www.uandiplc.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 U+I in connection with the Scheme;
- (iii) the memorandum and articles of association of U+I;
- (iv) the memorandum and articles of association of Landsec Development;
- (v) a draft of the articles of association of U+I as proposed to be amended by the Resolution;
- (vi) the published audited consolidated accounts of U+I for the two financial years ended 31 March 2021 and 31 March 2020. 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 17 of this document;
- (viii) the material contracts referred to in Part 7, paragraph 8 of this document;

- (ix) the irrevocable undertakings and letters of intent referred to in Part 7, paragraph 5 of this document; and
- (x) the offer related arrangements or other agreements or commitments permitted under or excluded from Rule 21.2 referred to in Part 2, paragraph 11 of this document.

## PART 8

### DEFINITIONS

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

|   |  |
|---|--|
| <b>Aberforth</b>                            | Aberforth Partners LLP   |
| <b>Acquisition</b>                          | the recommended cash acquisition of the entire issued, and to be issued, ordinary share capital of U+I by Landsec Development (other than the Excluded Shares) to be implemented by way of the Scheme or, should Landsec Development so elect (with the consent of the Panel and subject to the terms of the Co-operation Agreement) by way of the Takeover Offer, and, where the context admits, any subsequent revision, variation, extension or renewal thereof |
| <b>Announcement</b>                         | the announcement by Landsec Development on 1 November 2021 of its firm intention to make an offer to acquire U+I in accordance with Rule 2.7 of the Takeover Code  |
| <b>Articles</b>                             | the articles of association of U+I from time to time   |
| <b>Business Day</b>                         | any day (excluding any Saturday or Sunday or any public holiday in England) on which banks in the City of London are generally open for business   |
| <b>Cash Consideration</b>                   | the cash consideration payable by Landsec Development in connection with the Acquisition, being 149 pence for each U+I Share   |
| <b>CBRE</b>                                 | CBRE Limited   |
| <b>certificated or in certificated form</b> | in relation to a share or other security, a share or other security which is not in uncertificated form (i.e. not in CREST)  |
| <b>Chair</b>                                | the chair of the Court Meeting as appointed by the Scheme Court Order  |
| <b>Closing Price</b>                        | the closing middle market price of an U+I Share as derived from the Daily Official List on any particular date   |
| <b>Companies Act</b>                        | the Companies Act 2006, as amended from time to time   |
| <b>Conditions</b>                           | the conditions to the Acquisition as set out in Part 4 of this document  |
| <b>Confidentiality Agreement</b>            | the confidentiality agreement entered into between Landsec and U+I in relation to the Acquisition dated 4 October 2021, a summary of which is set out in Part 2 of this document   |
| <b>Co-operation Agreement</b>               | the co-operation agreement entered into between Landsec Development, U+I and Landsec dated 1 November 2021, a summary of which is set out in Part 2 of this document   |
| <b>Court</b>                                | the High Court of Justice of England and Wales   |
| <b>Court Meeting</b>                        | the meeting of the Scheme Shareholders convened by order of the Court pursuant to section 896 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment) and any adjournment thereof  |

|                            |  |
|----------------------------|--|
| <b>CREST</b>               | the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the CREST Regulations) in accordance with which securities may be held and transferred in uncertificated form  |
| <b>CREST Manual</b>        | the CREST Manual published by Euroclear, as amended from time to time  |
| <b>CREST Regulations</b>   | the Uncertificated Securities Regulations 2001 (SI 2001/3755) (including as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018), as amended   |
| <b>Daily Official List</b> | the daily official list of the London Stock Exchange   |
| <b>Dealing Disclosure</b>  | an announcement pursuant to Rule 8 of the Takeover Code containing details of dealings in interests in relevant securities of a party to an offer  |
| <b>Disclosed</b>           | <ul style="list-style-type: none"> <li>(i) information disclosed by, or on behalf of, U+I in U+I's annual report and financial statements for the 12 months ended 31 March 2021 and 31 March 2020 or in the Announcement; or</li> <li>(ii) information fairly disclosed in writing or as discussed in the scheduled due diligence meetings between Landsec Development, Landsec and U+I and their respective professional advisers, prior to the date of the Announcement by, or on behalf of, U+I to Landsec Development or Landsec (or their respective officers, employees, agents or advisers in their capacity as such), including in the virtual data room operated on behalf of U+I and which Landsec Development and its advisers are able to access in respect of the Acquisition; or</li> <li>(iii) as otherwise publicly announced by U+I prior to the date of the Announcement (by the delivery of an announcement to a Regulatory Information Service)</li> </ul> |
| <b>Effective Date</b>      | <p>either:</p> <ul style="list-style-type: none"> <li>(i) the date on which the Scheme becomes effective pursuant to its terms, or</li> <li>(ii) if Landsec Development elects, and the Panel consents, to implement the Acquisition by way of a Takeover Offer in accordance with the Co-operation Agreement, the date on which such Takeover Offer becomes or is declared unconditional in all respects in accordance with the requirements of the Takeover Code</li> </ul>  |
| <b>Euroclear</b>           | Euroclear UK & Ireland Limited, incorporated in England and Wales with registered number 02878738, the operator of CREST   |
| <b>Excluded Shares</b>     | any U+I Shares: (a) registered in the name of, or beneficially owned by Landsec Development, Landsec or any member of the Wider Landsec Group which is controlled by any member of the Wider Landsec Group or their respective nominees; (b) registered in the name of, or beneficially owned by, funds managed by Landsec Development, Landsec or a member of the Wider Landsec Group which is controlled by a member of the Wider Landsec Group or any of their subsidiary undertakings or their respective nominees; or (c) held by U+I in treasury   |

|                                      |   |
|--------------------------------------|---|
| <b>Explanatory Statement</b>         | the explanatory statement provided by Rothschild & Co in compliance with section 897 of the Companies Act and as set out in Part 2 of this document   |
| <b>FCA</b>                           | the Financial Conduct Authority   |
| <b>Forms of Proxy</b>                | the blue and pink forms of proxy enclosed with this document for use in connection with (i) the Court Meeting; and (ii) the General Meeting, respectively, and <b>Form of Proxy</b> means either of them                                    |
| <b>FSMA</b>                          | the Financial Services and Markets Act 2000, as amended from time to time   |
| <b>General Meeting</b>               | the general meeting of U+I Shareholders to be convened in connection with the Scheme to consider and, if thought fit, to approve the Resolution (with or without amendment), including any adjournment, postponement or reconvening thereof |
| <b>HMRC</b>                          | Her Majesty's Revenue and Customs   |
| <b>Landsec</b>                       | Land Securities Group PLC, a public limited company incorporated in England and Wales with registered number 04369054 and whose registered office is at 100 Victoria Street, London United Kingdom, SW1E 5JL                                |
| <b>Landsec Development</b>           | LS Development Holdings Limited, a private limited company incorporated in England and Wales with registered number 13692104 and whose registered office is at 100 Victoria Street, London, United Kingdom, SW1E 5JL                        |
| <b>Landsec Development Directors</b> | the directors of Landsec Development  |
| <b>Landsec Directors</b>             | the directors of Landsec from time to time  |
| <b>Landsec Responsible Persons</b>   | Elizabeth Miles (as director of Landsec Development) and the Landsec Directors  |
| <b>Latest Practicable Date</b>       | 12 November 2021 (being the latest practicable date prior to publication of this document)  |
| <b>Listing Rules</b>                 | the listing rules made by the FCA pursuant to Part 6 of the Financial Services and Markets Act 2000, referred to in section 73A(2) of the same, and contained in the FCA's publication of the same name                                     |
| <b>London Stock Exchange</b>         | London Stock Exchange plc   |
| <b>Long Stop Date</b>                | 1 July 2022, or such later date as may be agreed in writing between Landsec Development and U+I (with the Panel's consent and as the Court may allow, if such consent and/or approval is/are required)                                      |
| <b>Lumi</b>                          | Lumi AGM UK Limited   |
| <b>Meetings</b>                      | the Court Meeting and the General Meeting   |
| <b>Notices of the Meetings</b>       | the notice of the Court Meeting set out in Part 9 of this document and the notice of the General Meeting set out in Part 10 of this document  |
| <b>Offer Document</b>                | if (with the consent of the Panel and subject to the terms of the Co-operation Agreement, as applicable) Landsec Development elects to implement the Acquisition by way of the Takeover Offer,  |

|  |   |
|--|---|
|  | the document to be sent to U+I Shareholders which will contain, <i>inter alia</i> , the terms and conditions of the Takeover Offer  |
| <b>Offer Period</b>                    | the offer period (as defined in the Takeover Code) relating to U+I, which commenced on 1 November 2021 and ending on the earlier of the Effective Date and/or the date on which the Scheme lapses or is withdrawn (or such other date as the Panel may decide)  |
| <b>Official List</b>                   | the Official List of the FCA  |
| <b>Opening Position Disclosure</b>     | has the same meaning as in Rule 8 of the Takeover Code  |
| <b>Overseas Shareholders</b>           | U+I Shareholders (or nominees of, or custodians or trustees for U+I Shareholders) who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom   |
| <b>Panel</b>                           | the Panel on Takeovers and Mergers  |
| <b>PRA</b>                             | the Prudential Regulation Authority   |
| <b>Registrar</b>                       | Link Market Services Limited, a company registered in England with registered number 2605568 and having its registered office situated at 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, trading under the name Link Group  |
| <b>Registrar of Companies</b>          | the Registrar of Companies of England and Wales   |
| <b>Regulatory Information Service</b>  | any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements   |
| <b>Resolution</b>                      | the resolution(s) to be proposed at the General Meeting necessary to approve and implement the Scheme, including, amongst other things, a resolution to amend the Articles by the adoption and inclusion of a new article under which any U+I Shares issued or transferred after the Scheme Record Time (other than to Landsec Development and/or its nominees) shall be automatically transferred to Landsec Development (and, where applicable, for consideration to be paid to the transferee or to the original recipient of the U+I Shares so transferred or issued) on the same terms as the Acquisition (other than terms as to timings and formalities) |
| <b>Restricted Jurisdiction</b>         | any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to U+I Shareholders in that jurisdiction  |
| <b>Rothschild &amp; Co</b>             | N.M. Rothschild & Sons Limited  |
| <b>Scheme or Scheme of Arrangement</b> | the scheme of arrangement proposed to be made under Part 26 of the Companies Act between U+I and the Scheme Shareholders to implement the Acquisition, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by U+I and Landsec Development   |
| <b>Scheme Court Hearing</b>            | the hearing of the Court to sanction the Scheme under section 899 of the Companies Act, including any adjournment thereof   |
| <b>Scheme Court Order</b>              | the order of the Court sanctioning the Scheme under section 899 of the Companies Act  |
| <b>Scheme Document</b>                 | this document   |



|   |   |
|---|---|
| <b>Scheme Record Time</b>                       | the time and date specified as such in the Scheme Document, expected to be 6.00 pm on the date of the Scheme Court Hearing, or such later time as Landsec Development and U+I may agree   |
| <b>Scheme Shareholders</b>                      | the holder of the Scheme Shares   |
| <b>Scheme Shares</b>                            | all U+I Shares: <ul style="list-style-type: none"> <li>(i) in issue at the date of the Scheme Document;</li> <li>(ii) (if any) issued after the date of the Scheme Document and prior to the Voting Record Time; and</li> <li>(iii) (if any) issued at or after the Voting Record Time and prior to the Scheme Record Time in respect of which the original or any subsequent holder thereof is bound by the Scheme, or shall by such time have agreed in writing to be bound by the Scheme,</li> </ul> but excluding any Excluded Shares |
| <b>SEC</b>                                      | the United States Securities and Exchange Commission  |
| <b>Short position</b>                           | a short position 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 obligations or right to require another person to purchase or take delivery   |
| <b>Substantial Interest</b>                     | a direct or indirect interest in 20 per cent. or more of the voting equity share capital of an undertaking  |
| <b>Takeover Code</b>                            | the City Code on Takeovers and Mergers, as issued from time to time by or on behalf of the Panel  |
| <b>Takeover Offer</b>                           | if (with the consent of the Panel and subject to the terms of the Co-operation Agreement, as applicable) Landsec Development elects to implement the Acquisition by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of Landsec Development to acquire the entire issued and to be issued share capital of U+I and, where the context admits, any subsequent revision, variation, extension or renewal of such offer   |
| <b>Uncertificated or in uncertificated form</b> | 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   |
| <b>UK or United Kingdom</b>                     | the United Kingdom of Great Britain and Northern Ireland  |
| <b>U+I</b>                                      | U and I Group PLC, a public limited company incorporated in England and Wales with registered number 01528784 and whose registered office is at 7a Howick Place, London United Kingdom, SW1P 1DZ  |
| <b>U+I Board</b>                                | the board of U+I Directors  |
| <b>U+I Audit and Risk Committee</b>             | the audit and risk committee of U+I from time to time   |
| <b>U+I Directors or Directors</b>               | the directors of U+I at the time of this document   |
| <b>U+I Employee Benefit Trust</b>               | the U and I Group PLC Employee Benefit Trust  |

|   |   |
|---|---|
| <b>U+I Group</b>                        | U+I and its subsidiary undertakings and, where the context permits, each of them  |
| <b>U+I Nomination Committee</b>         | the nomination committee of U+I from time to time   |
| <b>U+I Pension Scheme</b>               | the U+I defined contribution pension scheme   |
| <b>U+I Remuneration Committee</b>       | the remuneration committee of U+I from time to time   |
| <b>U+I Share Plans</b>                  | the U+I Long-Term Incentive Plan and the U+I Save As You Earn Option Plan   |
| <b>U+I Shareholders or Shareholders</b> | the registered holders of U+I Shares from time to time  |
| <b>U+I Shares</b>                       | the existing unconditionally allotted or issued and fully paid ordinary shares of 50 pence in the capital of U+I and any further such ordinary shares which are unconditionally allotted or issued before the Scheme becomes effective, but in both cases excluding any such shares held or which become held in treasury |
| <b>UK Government</b>                    | the government of the United Kingdom of Great Britain and Northern Ireland  |
| <b>US or United States</b>              | the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia   |
| <b>U.S. Exchange Act</b>                | the United States Securities Exchange Act 1934 as amended, and the rules and regulations promulgated thereunder   |
| <b>Virtual Meeting Guide</b>            | the guide prepared by Lumi explaining how the U+I Shareholders and Scheme Shareholders can remotely access and participate in the Meetings via the Virtual Meeting Platform   |
| <b>Virtual Meeting Platform</b>         | the Lumi virtual meeting platform   |
| <b>Voting Record Time</b>               | 6.00 p.m. on the day which is two Business Days prior to the date of the Court Meeting and the General Meeting or, if the Court Meeting and/or the General Meeting is adjourned, 6.00 p.m. on the day which is two Business Days before the date of such adjourned Meeting  |
| <b>Wider Landsec Group</b>              | Landsec, its subsidiary undertakings and associated undertakings (including any joint venture, partnership, firm or company) in which Landsec and/or such undertakings (aggregating their interests) have a Substantial Interest  |
| <b>Wider U+I Group</b>                  | U+I, its subsidiary undertakings and associated undertakings (including any joint venture, partnership, firm or company) in which U+I and/or such undertakings (aggregating their interests) have a Substantial Interest  |

## PART 9

### NOTICE OF COURT MEETING

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

CR-2021-001901

Insolvency and Companies Court Judge Barber

IN THE MATTER OF U AND I GROUP PLC

– and –

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an order dated 10 November 2021 made in the above matters (the “**Order**”), the High Court of Justice of England and Wales (the “**Court**”) has given permission for 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**”) proposed to be made between U and I Group PLC (“**U+I**”) and the Scheme Shareholders and that such meeting will be held at the offices of Bryan Cave Leighton Paisner LLP, Governor’s House, 5 Laurence Pountney Hill, London EC4R 0BR, United Kingdom on Tuesday 7 December 2021 at 10.00 a.m. 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 26 of the Companies Act 2006 are incorporated in the Scheme Document of which this notice forms part.

Unless the context requires otherwise, any capitalised term used but not defined in this notice shall have the meaning given to such term in the document of which this notice forms part.

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

#### COVID-19 Restrictions

Whilst COVID-19 restrictions have been lifted as at the date of publication of this notice, the U+I Directors note that the COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures which affect the holding of shareholder meetings. As such, whilst shareholders will be permitted to attend the Court Meeting in person if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), Scheme Shareholders are strongly encouraged to appoint “the Chair of the meeting” as their proxy for the Court Meeting. If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the Court Meeting, that proxy may not be permitted to attend the Court Meeting in person (but will be able to remotely attend, ask questions and/or raise any objections and vote at the Court Meeting via the Virtual Meeting Platform, further details of which are set out below and in the Virtual Meeting Guide).

Scheme Shareholders are also reminded that they can remotely attend, ask questions and/or raise any objections and vote at the Court Meeting via the Virtual Meeting Platform, as described in the Virtual Meeting Guide. Scheme Shareholders may also submit questions to be considered at the Court Meeting at any time up to 48 hours before the Court Meeting by emailing [info@uandiplc.com](mailto:info@uandiplc.com) or on the day via the Virtual Meeting Platform.

Any changes to the arrangements for the Court Meeting will be communicated to Scheme Shareholders before the Court Meeting, including through U+I’s website at [www.uandiplc.com](http://www.uandiplc.com) and by announcement through a Regulatory Information Service.

All references in this notice to “attend” and “vote” or “attending” and “voting” in the context of the Court Meeting include remote attendance via the Virtual Meeting Platform and voting by proxy or remotely via the Virtual Meeting Platform respectively.

### Instructions for accessing the Virtual Meeting Platform

In addition to being able to attend, ask questions and/or raise any objections and vote at the Court Meeting in person, Scheme Shareholders will be given the opportunity instead to remotely attend, ask questions and/or raise any objections and vote at the Court Meeting via the Virtual Meeting Platform provided by Lumi. Scheme Shareholders may also submit questions to be considered at the Court Meeting at any time up to 48 hours before the Court Meeting by emailing [info@uandiplc.com](mailto:info@uandiplc.com).

Scheme Shareholders can access the Virtual Meeting Platform via a mobile web client, which is compatible with the latest browser versions of Chrome, Firefox, Edge and Safari and can be accessed using any web browser, on a PC or smartphone device. To remotely attend, ask questions and/or raise any objections and vote using this method, please go to <https://web.lumiagm.com>.

Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID which is 131-223-111. You will then be prompted to enter your unique 11 digit Investor Code (“**IVC**”) including any leading zeros and ‘PIN’. The IVC can be found printed on your Forms of Proxy, share certificate, or Signal Shares users will find this under ‘Manage your account’ when logged in to the Signal Shares portal ([www.signalshares.com](http://www.signalshares.com)). Your PIN is the last four digits of your IVC. This will authenticate you as a shareholder. If you are unable to access your IVC or PIN please contact the Registrar, Link Group on 0371 277 1020 from inside the UK or +44 (0) 371 277 1020 from outside the UK or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.

Access to the Court Meeting via the website will be available from 9.00 a.m. on 7 December 2021, as further detailed below. However, voting functionality will not be enabled until the Chair of the Court Meeting declares the poll open. Scheme Shareholders will be permitted to ask questions (via the Virtual Meeting Platform) during the course of the Court Meeting. Scheme Shareholders can use the same function to raise any objections they may have to the Scheme. Scheme Shareholders may also submit questions to be considered at the Court Meeting at any time up to 48 hours before the Court Meeting by emailing [info@uandiplc.com](mailto:info@uandiplc.com). The Chair of the Court Meeting will ensure that all such questions and/or any objections relating to the formal business of the Court Meeting are addressed during the Court Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair’s discretion, otherwise be undesirable or inappropriate in the interests of U+I or the good order of the Court Meeting.

During the Court Meeting, you must ensure you are connected to the internet at all times in order to ask questions and/or raise any objections and vote when the Chair commences polling. **Therefore, it is your responsibility to ensure connectivity for the duration of the Court Meeting via your wireless or other internet connection.** The Virtual Meeting Guide contains further information on remotely accessing and participating in the Court Meeting via the Virtual Meeting Platform, <https://web.lumiagm.com> and is available on U+I’s website at [www.uandiplc.com](http://www.uandiplc.com).

If you wish to appoint a proxy and for the proxy to attend the virtual meeting on your behalf, please contact the Registrar, Link Group on 0371 277 1020 from inside the UK or +44 (0) 371 277 1020 from outside the UK or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.

If your shares are held within a nominee and you wish to access the electronic meeting, you will need to contact your nominee immediately. If your shares are held within a nominee and you wish to access

the electronic meeting, you will need to contact your nominee immediately. Nominees will need to present a corporate letter of representation to the Registrar, Link Group as soon as possible and at least 72 hours (excluding any day that is not a Business Day) before the start of the relevant Meeting, in order to obtain a unique IVC and PIN to use to access the electronic meeting.

#### **Right to appoint a proxy, procedure for appointment**

Voting at the Court Meeting will be by poll. Scheme Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting as soon as possible, using any of the methods (by post, online or electronically through CREST) set out below. In particular, given the ongoing uncertainty regarding the COVID-19 situation, Scheme Shareholders are strongly encouraged to appoint “the Chair of the meeting” as proxy for the Court Meeting. If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the Court Meeting, that proxy may not be permitted to attend the Court Meeting in person (but will be able to remotely attend, ask questions and/or raise any objections and vote at the Court Meeting via the Virtual Meeting Platform).

The completion and return of the BLUE Form of Proxy by post (or transmission of a proxy appointment or voting instruction electronically, online, through CREST or by any other procedure described below) will not prevent Scheme Shareholders from attending and voting at the Court Meeting (in person or remotely via the Virtual Meeting Platform) if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force).

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

A BLUE Form of Proxy, for use at the Court Meeting, has been provided with this notice. Instructions for its use are set out on the Form of Proxy. It is requested that the BLUE Form of Proxy (together with any power of attorney or other authority, if any, under which it is signed, or a duly certified copy thereof) be returned to the Registrar, Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, so as to be received as soon as possible and ideally not later than 10.00 a.m. on 3 December 2021 (or, in the case of adjournment, no later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any day that is not a Business Day)).

If the BLUE Form of Proxy for use at the Court Meeting is not lodged by 10.00 a.m. on 3 December 2021 (or, in the case of adjournment, no later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any day that is not a Business Day)), it may be handed to the Chair of the meeting or to the Registrar, Link Group, on behalf of the Chair at the Court Meeting before the taking of the poll.

##### **(b) *Online appointment of proxies***

As an alternative to completing and returning the printed Forms of Proxy by post, you can submit your proxy vote via the internet through the share portal service at [www.signalshares.com](http://www.signalshares.com). To do so, you will need to log on to your share portal account or register for the share portal if you have not already done so. Once registered, you will immediately be able to vote. Proxies submitted via the share portal service must be received by the Registrar no later than 48 hours (excluding any 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.

##### **(c) *Electronic appointment of proxies through CREST***

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 RA10) by not later than 48 hours before the time fixed for the holding of the meeting or the adjourned meeting (excluding any part of such 48 hour period falling on a non-Business Day). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CREST does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his 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.

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

#### **Other matters**

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

It is requested that Forms of Proxy (and any power of attorney or other authority under which the same are signed) and CREST proxy instructions be lodged with the Registrar, Link Group, and CREST proxy instructions be submitted in each case not less than 48 hours (excluding any day that is not a Business Day) before the time appointed for the Court Meeting or any adjournment thereof. Forms of Proxy not so lodged may be handed to the Chair of the Court Meeting or the Registrar at the Court Meeting before the taking of the poll.

In the case of joint holders of the Scheme Shares, the vote of the senior holder who tenders a vote, whether in person, remotely (via the Virtual Meeting Platform) 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 U+I in respect of the joint holding.

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

By the said Order, the Court has appointed Peter Williams or, failing him, Richard Upton or, failing him, Jamie Christmas, or failing him, any other director of U+I to act as chair of the Court Meeting and has directed the Chair to report the result of the Court Meeting to the Court.

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

Dated 15 November 2021

#### **Bryan Cave Leighton Paisner LLP**

Governor's House  
5 Laurence Pountney Hill  
London  
EC4R 0BR

Solicitors for U and I Group PLC



## PART 10

### NOTICE OF GENERAL MEETING

#### U AND I GROUP PLC

*(incorporated in England and Wales with registered number 01528784)*

Notice is hereby given that a general meeting (the “**General Meeting**”) of U and I Group PLC (the “**Company**”) will be held at the offices of Bryan Cave Leighton Paisner LLP, Governor’s House, 5 Laurence Pountney Hill, London EC4R 0BR, United Kingdom on Tuesday 7 December 2021 at 10.15 a.m. (or as soon thereafter as the Court Meeting shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolution 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

1. **THAT:**

- (a) for the purpose of giving effect to the scheme of arrangement dated 15 November 2021 (the “**Scheme**”), in its original form or subject to any modification, addition or condition agreed between the Company and LS Development Holdings Limited and approved or imposed by the Court, proposed to be made between the Company and the Scheme Shareholders (as defined in the Scheme), a print of which has been produced to the General Meeting and (for the purpose of identification only) signed by the chair of the General Meeting, the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect;
- (b) with effect from the passing of this resolution, the articles of association of the Company be amended by including the following new article as Article 154 (and amending the remainder of the articles and any cross-references thereto accordingly):

**“154 Scheme of Arrangement**

- (1) In this Article, references to the “Scheme” are to the scheme of arrangement dated 15 November 2021 under section 899 of the Companies Act 2006, between the Company and the Scheme Shareholders, as it may be modified or amended in accordance with its terms, and expressions defined in the Scheme shall have the same meanings in this Article.
- (2) Notwithstanding any other provision of these Articles, if the Company issues any ordinary shares after the adoption of this Article 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 shall be bound by the Scheme accordingly.
- (3) Notwithstanding any other provision of these Articles and subject to the Scheme becoming effective, if any ordinary shares are issued to any person (other than to LS Development Holdings Limited or its nominee(s)) (a “**New Member**”) at or after the Scheme Record Time, such ordinary shares (the “**Disposal Shares**”) shall be immediately transferred to LS Development Holdings Limited (or to such person as LS Development Holdings Limited may otherwise direct) (the “**Purchaser**”) who shall be obliged to acquire all of the Disposal Shares. The consideration payable by the Purchaser for each Disposal Share transferred to it shall be the amount of Cash Consideration per ordinary share as would have been payable to the holder of Scheme Shares at the Scheme Record Time under the Scheme.
- (4) On any reorganisation of, or material alteration to, the share capital of either the Company or the Purchaser (including, without limitation, any subdivision and/or consolidation) effected after the Effective Date, the value of the cash payment per share to be paid under paragraph (3) of this Article may be adjusted by the Directors in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganisation or

alteration. References in this Article to ordinary shares shall, following such adjustment, be construed accordingly.

- (5) To give effect to any transfer required by this Article 154, the Company may appoint any person as attorney or agent for the New Member to transfer the Disposal Shares to the Purchaser and do all such other things and execute and deliver all such documents as may in the opinion of the attorney or agent be necessary or desirable to vest the Disposal Shares in the Purchaser 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 shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Disposal Shares unless so agreed by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form or forms of transfer or instruction or instructions of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of the Purchaser and the Company may give a good receipt for the purchase price of the Disposal Shares and may register the Purchaser as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member for the 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 any nominee of such New Member or any such subsequent holder) for the purchase price of such Disposal Shares within 14 days of the date on which the Disposal Shares are issued to the New Member.
- (6) Notwithstanding any other provision of these Articles, neither the Company nor the Directors shall register the transfer of any Scheme Shares between the Scheme Record Time and the Effective Date.
- (7) If the Scheme shall not have become effective by the Long Stop Date of the Scheme, this Article 154 shall be of no effect.”

*By Order of the Board*

**Chris Barton**  
*Company Secretary*

15 November 2021

*Registered Office*

7a Howick Place  
London  
United Kingdom  
SW1P 1DZ

Registered in England and Wales  
No. 01528784

## NOTES TO THE NOTICE OF GENERAL MEETING

1. **Attendance at the Meeting:** Whilst COVID-19 restrictions have been lifted as at the date of publication of this notice, the U+I Directors note that the COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures which affect the holding of shareholder meetings. As such, whilst shareholders will be permitted to attend the General Meeting in person if they are entitled to and wish to do so (subject to any applicable COVID-19 restrictions then in force), U+I Shareholders are strongly encouraged to appoint “the Chair of the meeting” as their proxy for the General Meeting. If any other person is appointed as proxy and COVID-19 restrictions are introduced which affect the holding of the General Meeting, that proxy may not be permitted to attend the General Meeting in person (but will be able to remotely attend, ask questions and vote at the General Meeting via the Virtual Meeting Platform, further details of which are set out below and in the Virtual Meeting Guide). U+I Shareholders are also reminded that they can remotely attend, ask questions and vote at the General Meeting via the Virtual Meeting Platform, as described in the Virtual Meeting Guide. U+I Shareholders may also submit questions to be considered at the General Meeting at any time up to 48 hours before the General Meeting by emailing [info@uandiplc.com](mailto:info@uandiplc.com) or on the day via the Virtual Meeting Platform. Any changes to the arrangements for the General Meeting will be communicated to U+I Shareholders before the General Meeting, including through U+I’s website at [www.uandiplc.com](http://www.uandiplc.com) and by announcement through a Regulatory Information Service. All references in this notice to “attend” and “vote” or “attending” and “voting” in the context of the General Meeting include remote attendance via the Virtual Meeting Platform and voting by proxy or remotely via the Virtual Meeting Platform respectively.
2. **Instructions for accessing the Virtual Meeting Platform:** In addition to being able to attend, ask questions and vote at the General Meeting in person, U+I Shareholders will be given the opportunity instead to remotely attend, ask questions and vote at the General Meeting via the Virtual Meeting Platform provided by Lumi. U+I Shareholders may also submit questions to be considered at the General Meeting at any time up to 48 hours before the General Meeting by emailing [info@uandiplc.com](mailto:info@uandiplc.com). U+I Shareholders can access the Virtual Meeting Platform via a mobile web client, which is compatible with the latest browser versions of Chrome, Firefox, Edge and Safari and can be accessed using any web browser, on a PC or smartphone device. To remotely attend, ask questions and vote using this method, please go to <https://web.lumiagm.com>. Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID which is 131-223-111. You will then be prompted to enter your unique 11 digit Investor Code (“IVC”) including any leading zeros and ‘PIN’. The IVC can be found printed on your Forms of Proxy, share certificate, or Signal Shares users will find this under ‘Manage your account’ when logged in to the Signal Shares portal ([www.signalshares.com](http://www.signalshares.com)). Your PIN is the last four digits of your IVC. This will authenticate you as a shareholder. If you are unable to access your IVC or PIN please contact the Registrar, Link Group on 0371 277 1020 from inside the UK or +44 (0) 371 277 1020 from outside the UK or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice. Access to the General Meeting via the website will be available from 9.00 a.m. on 7 December 2021, as further detailed below. However, voting functionality will not be enabled until the Chair of the General Meeting declares the poll open. U+I Shareholders will be permitted to ask questions (via the Virtual Meeting Platform) during the course of the General Meeting. U+I Shareholders may also submit questions to be considered at the General Meeting at any time up to 48 hours before the General Meeting by emailing [info@uandiplc.com](mailto:info@uandiplc.com). The Chair of the General Meeting will ensure that all such questions and/or any objections relating to the formal business of the General Meeting are addressed during the General Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair’s discretion, otherwise be undesirable or inappropriate in the interests of the U+I or the good order of the General Meeting.

During the General Meeting, you must ensure you are connected to the internet at all times in order to ask questions and vote when the Chair commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the General Meeting via your wireless or other internet connection. The Virtual Meeting Guide contains further information on remotely accessing and participating in the General Meeting via the Virtual Meeting Platform, <https://web.lumiagm.com> and is available on U+I’s website at [www.uandiplc.com](http://www.uandiplc.com). If you wish to appoint a proxy and for the proxy to attend the virtual meeting on your behalf, please contact the Registrar, Link Group on 0371 277 1020 from inside the UK or +44 (0) 371 277 1020 from outside the UK or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice. If your shares are held within a nominee and you wish to access the electronic meeting, you will need to contact your nominee immediately. Nominees will need to present a corporate letter of representation to the Registrar, Link Group as soon as possible and at least 72 hours (excluding any day that is not a Business Day) before the start of the relevant Meeting, in order to obtain a unique IVC and PIN to use to access the electronic meeting.
3. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the General Meeting. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A PINK Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this document.
4. The return of a completed Form of Proxy, or any electronic or CREST proxy instruction (as described in paragraph 6 below), will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so and is so entitled.

5. Proxy appointments submitted via the internet at [www.signalshares.com](http://www.signalshares.com) must be received not later than 10.15 a.m. on 3 December 2021 (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).
6. If you are a user of the CREST system (including a CREST personal member), you may appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. To appoint a proxy or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, the CREST message must be received by the Registrar (CREST participant ID RA10) not later than 10.15 a.m. on 3 December 2021 (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). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the Registrar is able to retrieve the message.
7. CREST Personal Members or other CREST sponsored members should contact their CREST sponsor for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and systems timings, please refer to the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in the Uncertified Securities Regulation 2006.
8. Alternatively, you may request a hard copy Form of Proxy directly from the Registrar. A hard copy Form of Proxy together with any power of attorney or other authority under which it is signed, or a duly certified copy thereof, must be received by the Registrar at Link Group PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL not later than 10.15 a.m. on 3 December 2021 (or, in the case of an adjournment, not later than 48 hours (excluding any day that is not a Business Day) before the time fixed for the holding of the adjourned meeting).
9. Entitlement to attend and vote at the meeting and the number of votes which may be cast at the meeting will members of the Company as at 6.00 p.m. on 3 December 2021.
10. If the meeting is adjourned, entitlement to attend and vote will be determined by reference to the register of members of the Company as at 6.00 p.m. on the date two days prior to the adjourned meeting (excluding any day that is not a Business Day). Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
11. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
12. If they have no such right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights. Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.
13. In the case of joint holders, where more than one of the joint holders purports to vote (including voting by proxy), the only vote which will count is the vote of the person whose name is listed before the other joint holder(s) on the register of members of the Company for the share.
14. Any shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting, but no such answer need be given if: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable or inappropriate in the interests of the Company or the good order of the meeting that the question be answered.
15. A copy of this Notice of General Meeting can be found at <https://www.uandplc.com/>. Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, these notes.
16. Shareholders should only use any electronic address provided in either this Notice of General Meeting or any related documents (including the Chairman's letter and the Form of Proxy) to communicate with the Company for the purposes expressly stated.
17. At the close of business on 12 November 2021, being the latest practicable date prior to the publication of this notice, the Company had 125,431,713 ordinary shares in issue. Therefore, the total number of voting rights in the Company was 125,431,713. The ordinary shares have a nominal value of £0.50 each. On a poll, each holder of ordinary shares has one vote per share.

**PART 11**

**VALUATION REPORT**



# VALUATION REPORT

Valuation Date: 30 September 2021

In respect of:

U and I Investment Portfolio

On behalf of:

**U + I GROUP PLC**

**and**

**N.M. ROTHSCHILD & SONS LTD (in their capacity as  
Rule 3 and Financial adviser to U+I Group plc)**

**(and the above collectively referred to as "the  
Addressees")**



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01

# VALUATION REPORT

# Introduction

**Report Date** 11 November 2021

**Valuation Date** 30 September 2021

**Addressee** The Directors  
U and I Group plc  
7a Howick Place  
London  
SW1P 1DZ  
(referred to as “the Company”)

and

N.M. Rothschild & Sons Limited  
New Court  
St Swithin’s Lane  
London  
EC4N 8AL  
(in their capacity as Rule 3 and Financial adviser to U+I Group plc)

(and the above collectively referred to as “the Addressees”)

|                                       |  |
|---------------------------------------|--|
| <b>The Properties</b>                 | Properties held in the U and I Investment Portfolio, as set out in the Schedule of Values.   |
| <b>Instruction</b>                    | To value without re-inspecting the unencumbered freehold and leasehold interests of the Properties on the basis of Market Value as at the Valuation Date in accordance with the Terms of Engagement entered into between CBRE and the Addressees dated 11 November 2021.   |
| <b>Status of Valuer</b>               | <p>You have instructed us to act as an External valuer as defined in the current version of the RICS Valuation – Global Standards.</p> <p>Please note that the Valuation may be investigated by the RICS for the purposes of the administration of the Institution’s conduct and disciplinary regulations in order to ensure compliance with the Valuation Standards.</p>  |
| <b>Purpose and Basis of Valuation</b> | <p>The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2020) (the “Red Book”). We understand that this Valuation Report (the “Valuation Report”) is required for the purpose of inclusion in a scheme document (the “Scheme Document”) to be published by the Company in connection with the recommended offer by LS Development Holdings Limited, owned by Land Securities Group plc (“Landsec”) (“Offeror”), for the entire issued ordinary share capital of the Company in accordance with the City Code on Takeovers and Mergers (“the Code”).</p> <ul style="list-style-type: none"> <li>The Valuation is on the basis of <b>Market Value</b> as defined in the current edition of the RICS Valuation – Global Standards.</li> </ul> <p>In accordance with the RICS Valuation Global Standards (2020) (“Red Book”) we have made certain disclosures in connection with this valuation instruction and our relationship with the Company.</p> |

**Market Value of the Properties as at 30 September 2021 (100%)**

£111,200,000 (ONE HUNDRED AND ELEVEN MILLION, TWO HUNDRED THOUSAND POUNDS) exclusive of VAT, as shown in the Schedule of Capital Values set out below.

Our opinion of Market Value is based upon the Scope of Work and Valuation Assumptions attached and has been primarily derived using comparable recent market transactions on arm's length terms.

The Properties are all held for Investment.

We are required to show the split of values between freehold, long leasehold and short leasehold properties.

For the avoidance of doubt, we have valued the Properties as real estate and the values reported above represent 100% of the market values of the assets.

There are no negative values to report.

**Portfolio split by Tenure 30 September 2021 – 100% Interest**

| Property Type         | Freehold<br>£ | Leasehold of over<br>50 years<br>£ | Leasehold of 50<br>years and under<br>£ | Total<br>£   |
|-----------------------|---------------|------------------------------------|---|--------------|
| Investment Properties | £65,335,000   | £44,720,000                        | £1,145,000                              | £111,200,000 |

The Company has expressly instructed us not to disclose the individual values of the Properties which it considers commercially sensitive.

**Portfolios and Aggregation**

We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

**Market Value of the Properties as at 30 September 2021 (at share)**

The Company has advised us that they have a joint venture share in one of the properties and the total arithmetical apportionment of the value taking into account the relevant ownership on a pro-rata basis is as follows:

£95,200,000 (NINETY FIVE MILLION, TWO HUNDRED THOUSAND POUNDS) exclusive of VAT.

Where a property is owned through an indirect investment structure or a joint tenancy in a trust for sale, our Valuation represents a purely arithmetic apportionment of the value and does not take into account other factors such as a lack of full management control. Our Valuation therefore is unlikely to represent the value of the interests in the indirect investment structure through which the property is held.

**Portfolio split by Tenure 30 September 2021 – Relevant Ownership Interest**

| Property Type         | Freehold<br>£ | Leasehold of over<br>50 years<br>£ | Leasehold of 50<br>years and under<br>£ | Total<br>£  |
|-----------------------|---------------|------------------------------------|---|-------------|
| Investment Properties | £49,335,000   | £44,720,000                        | £1,145,000                              | £95,200,000 |

**Report Format**

Appendix A of this Valuation Report provides the Schedule of Properties and inspection dates along with the relevant details of the Properties. Appendix B provides the details and Market Values of those Properties which have an individual Market Value in excess of 5% of the total aggregate Market Value of the Portfolio. Appendix C gives breakdowns of the aggregate Market Value of the portfolio by asset class. Appendix D gives breakdowns of the aggregate Market Value of the portfolio by geography. This Valuation Report consists of a total of 24 pages.

**Novel Coronavirus (COVID-19)**

The outbreak of Novel Coronavirus (COVID-19), which was declared by the World Health Organisation as a “Global Pandemic” on the 11 March 2020, continues to affect economies and real estate markets globally. Nevertheless, as at the Valuation Date, property markets are mostly functioning again, with transaction volumes and other relevant evidence at levels where enough market evidence exists upon which to base opinions of value. Accordingly – and for the avoidance of doubt – our Valuation is not reported as being subject to ‘material valuation uncertainty’, as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

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

In the case of **development** valuations, we would draw your attention to the fact that, even in normal market conditions, the residual method of valuation is very sensitive to changes in key inputs, with small changes in variables (such as the timing of the development, finance/construction costs and sales rates) having a disproportionate effect on land value. Consequently, in the current market conditions – with the potential for cost inflation, supply and timing issues, fluctuating finance rates, liquidity issues and reduced transactional volumes – it is inevitable that there is even greater uncertainty, with site values being susceptible to much more variance than normal.

**Rental Income**

The Valuation we have provided reflects the rental income as at the Date of Valuation, as set out within this report, which you have confirmed to be correct and comprehensive. It also reflects any issues concerning the anticipated cash-flow that you have advised us of, as set out within this report. Given the uncertainties relating to the COVID-19 virus and the current restrictions on business activities, it is possible that there will be significant rental defaults and/or insolvencies leading to voids and a resulting shortfall in rental income. Should this occur, there will be a negative impact on the value of the subject property.

**Retail and Leisure Market Comment**

Prior to the first national lockdown in the UK in March 2020, there was increasing concern about the state of the retail occupational market. The structural change in the retail occupational market has been ongoing in the UK for at least 3 years, in particular from the growth of on-line purchases leading to changing consumer behaviour, which has led to a number of retailers and food and beverage operators finding their margins under pressure as occupational costs rose. The COVID-19 situation has only accelerated this situation.

During the three national lockdowns, only essential retailers were allowed to be open, putting increased pressure on other retail and leisure operators resulting in a number resorting to CVA, administrations or pre-pack administrations in order to reduce their outgoings and future rental obligations. We anticipate there to be further corrections in the retail sector as numerous rents are renegotiated and move towards a turnover rent model or a combination of base rent and turnover rent. There are winning and losing categories with food and convenience retail performing better whilst fashion, leisure and Food & Beverage continue to struggle. In the main, shopping centres and leisure parks are seeing less footfall/sales with retail warehousing less affected; this will continue to evolve and there will be some sub sectors or occupiers that weather the storm better. It is difficult to assess which operators will survive and government intervention will undoubtedly have an impact.

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|   | <p>Apart from well let supermarkets and some out-of-town investments, the retail and leisure investment market remains subdued with limited debt available to support any acquisitions resulting in a low level of transactions. There is evidence of some investor confidence, however most Investors and lenders are likely to wait for further clarity on the impact of the trade deal between the United Kingdom and the EU and for the occupational markets to stabilise before committing to future purchases.</p>  |
| <b>Property changes since 30 September 2021</b> | <p>The valuations of the Properties exclude any capital expenditure incurred since 30 September 2021.</p>   |
| <b>Compliance with Valuation Standards</b>      | <p>The Valuation has been prepared in accordance with the latest version of the RICS Valuation – Global Standards (incorporating the International Valuation Standards) and the UK national supplement (the “Red Book”) current as the Valuation Date.</p> <p>The valuations are compliant with the International Valuation Standards and Rule 29 of the Code.</p> <p>The Properties have been valued by a valuer who is qualified for the purpose of the Valuation in accordance with the Red Book. We confirm that we have sufficient local and national knowledge of the particular property market involved and have the skills and understanding to undertake the Valuation competently.</p> <p>Where the knowledge and skill requirements of the Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of the Red Book.</p> <p>This Valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of the subject Properties. Other valuers may reach different conclusions as to the value of the subject Properties. This Valuation is for the sole purpose of providing the intended user with the valuer’s independent professional opinion of the value of the subject Properties as at the Valuation Date.</p> |
| <b>Sustainability Considerations</b>            | <p>Wherever appropriate, sustainability and environmental matters are an integral part of the valuation approach. ‘Sustainability’ is taken to mean the consideration of such matters as environment and climate change, health and well-being and corporate responsibility that can or do impact on the valuation of an asset. In a valuation context, sustainability encompasses a wide range of physical, social, environmental, and economic factors that can affect value. The range of issues includes key environmental risks, such as flooding, energy efficiency and climate, as well as matters of design, configuration, accessibility, legislation, management, and fiscal considerations – and current and historic land use.</p> <p>Sustainability has an impact on the value of an asset, even if not explicitly recognised. Valuers reflect markets, they do not lead them. Where we recognise the value impacts of sustainability, we are reflecting our understanding of how market participants include sustainability requirements in their bids and the impact on market valuations.</p>   |
| <b>Climate Risk Legislation</b>                 | <p>The UK Government is currently producing legislation which enforces the transition to net zero by 2050, and the stated 78% reduction of greenhouse gases by 2035 (based on a 1990 baseline).</p> <p>We understand this to include an update to the Minimum Energy Efficiency Standards, stated to increase the minimum requirements from an E (since 2018) to a B in 2030. The government also intends to introduce an operational rating. It is not yet clear how this will be legislated, but fossil fuels used in building, such as natural gas for heating, are incompatible with the UK’s commitment to be Net Zero Carbon by 2050.</p> <p>This upcoming legislation could have a potential impact to future asset value.</p> <p>We also note that the UK’s introduction of mandatory climate related disclosures (reporting climate risks and opportunities consistent with recommendations by the “Task Force for Climate Related Financial Disclosure” (TCFD)), including the assessment of so-called physical</p>   |



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|   | <p>and transition climate risks, will potentially have an impact on how the market views such risks and incorporates them into the sale of letting of assets.</p> <p>The European Union's "Sustainable Finance Disclosure Regulations" (SFDR) may impact on UK asset values due to the requirements in reporting to European investors.</p>  |
| <b>Assumptions</b>  | <p>The Properties details on which each Valuation are based are as set out in this report. We have made various assumptions as to tenure, letting, taxation, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below.</p> <p>If any of the information or assumptions on which the Valuation is based are subsequently found to be incorrect, the Valuation figures may also be incorrect and should be reconsidered.</p>   |
| <b>Variations and/or Departures from Standard Assumptions</b> | None.  |
| <b>Independence</b>   | <p>The total fees, including the fee for this assignment, earned by CBRE Ltd (or other companies forming part of the same group of companies within the UK) from the Addressee (or other companies forming part of the same group of companies) is less than 5.0% of the total UK revenues.</p> <p>It is not anticipated this situation will vary in the financial year to 31 December 2021.</p> <p>We confirm that we do not have any material interest in the Company or the Properties.</p> <p>See "Previous Involvement and Conflicts of Interest" below for CBRE's independence in respect of Rule 29.3(i) of the Code.</p>   |
| <b>Previous Involvement and Conflicts of Interest</b>         | <p>We confirm that we value the majority of the Properties on behalf of the Company on a six monthly basis for financial reporting purposes since 31 August 2015, the most recent valuation being 30 September 2021. We have not valued Plus X in Brighton, the Mecca Bingo in Wood Green or the additional properties in Ringwood that are held for disposal previously.</p> <p>From time to time, CBRE provides agency or professional services to the Company. We are currently acting as the joint selling agents for The Company on the proposed disposal of the Mecca Bingo in Wood Green.</p> <p>We do not consider that this previous involvement represents a conflict of interest and the Company have confirmed to us that it also considers this to be the case.</p> <p>CBRE has undertaken valuations for Land Securities Group plc for the purposes of financial reporting since September 2015. We confirm that none of the signatories to the valuations under this present instruction are, or have ever been, signatories to the valuation reports undertaken for Land Securities Group plc. Land Securities Group plc and you have both confirmed in writing their agreement to CBRE acting as the valuer for the purposes of the Scheme Document. We further understand that, in accordance with Rules 29.3(i) of the Code the Takeover Panel have given their approval to CBRE acting as valuer for the purposes of the Scheme Document</p> <p>We confirm that we do not have any personal interest in the outcome of the valuation – nor are we aware of any conflicts of interest that would prevent us from exercising the required levels of independency and objectivity.</p> <p>Copies of our conflict of interest checks have been retained within the working papers.</p> |

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| <b>Disclosure</b>     | The principal signatory of this valuation instruction has continuously been the signatory of valuations for the Company since August 2015. CBRE Ltd has continuously been carrying out valuation instructions for the Company since August 2015.   |
| <b>Responsibility</b> | <p>We are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that to the best of our knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Valuation Report is in accordance with the facts and contains no omissions likely to affect its import. This Valuation Report complies with Rule 29 of the Code.</p> <p>Save for any responsibility arising under the Code to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with this Valuation Report or our statement above.</p> |
| <b>Reliance</b>       | <p>The contents of this Report may only be relied upon by:</p> <ul style="list-style-type: none"> <li>i) Addressees of the Report; and</li> <li>ii) The shareholders of the Company;</li> </ul> <p>for the specific purpose set out herein and no responsibility is accepted to any third party for the whole or any part of its contents.</p> <p>No reliance may be placed upon the contents of this Valuation Report by any party for any purpose other than in connection with the Purpose of Valuation.</p>  |
| <b>Publication</b>    | <p>Neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear.</p> <p>Such publication of, or reference to this report will not be permitted unless it contains a sufficient contemporaneous reference to any departure from the Red Book or the incorporation of the special assumptions referred to herein.</p>  |
|                       | <p>Yours faithfully</p> <p>Yours faithfully</p>  |

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## Source of Information and Scope of Works

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| <b>Sources of Information</b>       | <p>We have carried out our work based upon information supplied to us by the Company and professional advisors, as set out within this report, which we have assumed to be correct and comprehensive.</p> <p>We have been provided with:</p> <ul style="list-style-type: none"> <li>• Asset management update by email received from the Company on 13 September 2021;</li> <li>• Tenancy Schedule received from the Company titled “Tenancy Schedule – MASTERv14.2”;</li> <li>• Pricing and Marketing Strategy for Caxton Works provided by the Company and titled “2021 09 15 Caxton WorksPricing Schedule”;</li> <li>• Valuation Reports prepared by Savills plc and dated 24 April 2020 and 27 October 2020 on the Plus X Building in Brighton.</li> </ul>   |
| <b>The Properties</b>               | Our report contains a brief summary of the Property details on which our Valuation has been based.   |
| <b>Inspection</b>                   | <p>As part of our valuation instruction from the Company for financial reporting purposes the majority of the Properties have been subject to internal inspections on a three year rolling basis. As instructed, we have not re-inspected all the Properties for the purpose of this valuation. With regard to those Properties which have not been subject to re-inspection, the Company has confirmed that they are not aware of any material changes to the physical attributes of the properties, or the nature of their location, since the last inspection. We have assumed this advice to be correct.</p> <p>This is our first valuation of the additional properties in Ringwood that adjoin the Furlong Centre, which is a property we have not inspected and so the valuation has been completed on a desktop basis</p> <p>Where valuations are undertaken on a desktop basis, the valuer will not carry out the usual range of enquiries performed during an inspection of these properties and will make the appropriate assumptions based on the information provided or available that, without inspection, cannot be verified. There are heightened and inherent uncertainty and risks relying upon a valuation prepared on a desktop basis.</p> <p>Plus X in Brighton and the Mecca Bingo in Wood Green were inspected in November 2021.</p> |
| <b>Areas</b>                        | We have not measured the Properties but have relied upon the floor areas provided to us by you or your professional advisors, which we have assumed to be correct and comprehensive, and which you have advised us have been calculated using the: Gross Internal Area (GIA), Net Internal Area (NIA) or International Property Measurement Standard (IPMS) 3 – Office, measurement methodology as set out in the latest edition of the RICS Property Measurement Standards.   |
| <b>Environmental Considerations</b> | <p>We have not been instructed to make any investigations in relation to the presence or potential presence of contamination in land or buildings or the potential presence of other environmental risk factors and to assume that if investigations were made to an appropriate extent then nothing would be discovered sufficient to affect value.</p> <p>We have not carried out investigation into past uses, either of the property or of any adjacent lands, to establish whether there is any potential for contamination from such uses or sites, or other environmental risk factors and have therefore assumed that none exists.</p>   |
| <b>Services and Amenities</b>       | <p>We understand that the Properties are located in an area served by mains gas, electricity, water and drainage.</p> <p>None of the services have been tested by us.</p>  |

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| <b>Repair and Condition</b>         | We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Properties. We are unable, therefore, to give any assurance that the Properties are free from defect.   |
| <b>Town Planning</b>                | We have not undertaken planning enquiries.   |
| <b>Titles, Tenures and Lettings</b> | <p>Details of title/tenure under which the Properties are held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser.</p> <p>We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants</p> |

## Valuation Assumptions

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

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|   | <p>for other purposes, nor do they necessarily accord with the definition of Market Rent in the Red Book, which is as follows:</p> <p>"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."</p>  |
| <b>Fixtures, Fittings and Equipment</b> | <p>Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building.</p> <p>Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our Valuations.</p> <p>Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our Valuations.</p> <p>All measurements, areas and ages quoted in our report are approximate.</p>  |
| <b>Environmental Matters</b>            | <p>In the absence of any information to the contrary, we have assumed that:</p> <ol style="list-style-type: none"> <li>the Properties are not contaminated and is not adversely affected by any existing or proposed environmental law;</li> <li>any processes which are carried out on the Properties which are regulated by environmental legislation are properly licensed by the appropriate authorities;</li> <li>in England and Wales, the Properties possesses current Energy Performance Certificates (EPCs) as required under the Government's Energy Performance of Buildings Directive – and that they have an energy efficient standard of 'E', or better. We would draw your attention to the fact that under the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 it became unlawful for landlords to rent out a business premise from 1st April 2018 – unless the site has reached a minimum EPC rating of an 'E', or secured a relevant exemption. In Scotland, we have assumed that the Properties possesses current EPCs as required under the Scottish Government's Energy Performance of Buildings (Scotland) Regulations – and that they meet energy standards equivalent to those introduced by the 2002 building regulations. We would draw your attention to the fact the Assessment of Energy Performance of Non-Domestic Buildings (Scotland) Regulations 2016 came into force on 1st September 2016. From this date, building owners are required to commission an EPC and Action Plan for sale or new rental of non-domestic buildings bigger than 1,000 sq m that do not meet 2002 building regulations energy standards. Action Plans contain building improvement measures that must be implemented within 3.5 years, subject to certain exemptions;</li> <li>In January 2021 the Government closed the consultation period that focused on its latest proposals in England and Wales for 'improving the energy performance of privately rented homes'. The key tenets of the proposals are to; reduce emissions; tackle fuel poverty; improve asset quality; reduce energy bills; enhance energy security; and support associated employment. The proposals are wide ranging and they introduce new demands on residential landlords through Energy Performance Certificates ('EPCs'). Existing PRS Regulations set a minimum standard of EPC Band E for residential units to be lettable. The Government proposals see this threshold being raised to EPC Band C for all new tenancies created from 01 April 2025 and for all existing tenancies by 01 April 2028. The principle for relevant building works is to be 'fabric first' meaning maximisation of components and materials that make up the building fabric to enhance, for example, insulation, ventilation and air-tightness. The proposals also cite; compliance measures and penalties for landlords, letting agents and local authorities; and affordability support for carrying out necessary works. The implication is (as with the existing EPC Band E requirement) that private rented units may effectively be rendered unlettable if they fail to meet or exceed the minimum EPC</li> </ol> |



requirement. It is expected that the Government will respond to the consultation process in Q2/Q3 2021 with any new regulations taking effect in Q3/Q4 2021. At present it is not clear how the market would respond to these proposals were they to be implemented as currently drafted; neither do we have any visibility of changes that may be made to the proposals following the consultation process. Our Valuation reflects market conditions and regulations effective at the Valuation date; we make no additional allowances for any future works that may be required in order to ensure that the subject assets would remain lettable under revised regulations;

- e) the Properties are either not subject to flooding risk or, if it is, that sufficient flood defences are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value; and
- f) invasive species such as Japanese Knotweed are not present on the Properties.

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

#### **Repair and Condition**

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

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

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

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

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

- a) the Properties possesses a good and marketable title free from any onerous or hampering restrictions or conditions;
- b) the building has been erected either prior to planning control, or in accordance with planning permissions, and has the benefit of permanent planning consents or existing use rights for their current use;
- c) the Properties is not adversely affected by town planning or road proposals;
- d) the building complies with all statutory and local authority requirements including building, fire and health and safety regulations, and that a fire risk assessment and emergency plan are in place;
- e) only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of the Properties to comply with the provisions of the Disability Discrimination Act 1995 (in Northern Ireland) or the Equality Act 2010 (in the rest of the UK);
- f) all rent reviews are upward only and are to be assessed by reference to full current market rents;

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- g) there are no tenant's improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;
  - h) tenants will meet their obligations under their leases, and are responsible for insurance, payment of business rates, and all repairs, whether directly or by means of a service charge;
  - i) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;
  - j) where more than 50% of the floorspace of the Properties is in residential use, the Landlord and Tenant Act 1987 (the "Act") gives certain rights to defined residential tenants to acquire the freehold/head leasehold interest in the Properties. Where this is applicable, we have assumed that necessary notices have been given to the residential tenants under the provisions of the Act, and that such tenants have elected not to acquire the freehold/head leasehold interest. Disposal on the open market is therefore unrestricted;
  - k) where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required;
  - l) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy; and
  - m) Land Transfer Tax (or the local equivalent) will apply at the rate currently applicable. In the UK, Stamp Duty Land Tax (SDLT) in England and Northern Ireland, Land and Buildings Transaction Tax (LBTT) in Scotland or Land Transaction Tax (LTT) in Wales, will apply at the rate currently applicable
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## Appendices

## Appendix A: Schedule of Properties as at 30 September 2021 – 100% Ownership

| ADDRESS  | INSPECTION DATE | TENURE   | DESCRIPTION  |
|--|-----------------|--|--|
| The Mall, The Mall West, Armagh                    | 24/02/2021      | Freehold.  | <p>The subject property is a shopping centre and car park. It comprises an anchor store, let to Sainsbury's, located off a central mall of 6 retail units. An additional 4 retail units are located on The Mall West at lower ground level.</p> <p>The property was constructed in 1998. Sainsburys are the primary tenant, with a passing rent of approximately 70% of the total gross income from the scheme.</p>  |
| Vancouver House, 111 Hagley Road, Birmingham       | 10/11/2021      | Short Leasehold until 2063 at an assumed ground rent of £292 per annum.  | <p>An office building in Edgbaston in Birmingham, run as a serviced office. It is on a site that forms part of a large proposed development by U and I and Calthorpe Estates, New Square Garden.</p> <p>The office totals 9,376 sq ft.</p>   |
| St Peter's Quarter, Bournemouth                    | 04/03/2021      | Freehold.  | <p>St Peter's Quarter is a small mixed-use shopping centre with both retail and leisure occupiers combined with office, educational learning facilities and some residential space located on the first, second and third floors. The premises comprise a collection of historic properties which appear to be dated from the late 19th century, built of traditional construction which have been converted and combined over its history to provide eight retail units, two commercial office spaces, an upper level student and educational accommodation and facilities. Main tenants include JD Wetherspoon (23% of gross income) on a lease until 2036, TK Maxx (21% of gross income) on a lease until 2024 and C-Retail Ltd (trading as Superdry) (17% of gross income) on a lease until 2025.</p>  |
| Plus X Building, Former Preston Barracks, Brighton | 08/11/2021      | Leasehold – a 250 year lease at a peppercorn rent.   | <p>The Plus X building forms a detached office/ innovation building extending to circa 41,195 sq ft which achieved practical completion in early 2020. The property offers contemporary office accommodation aimed at attracting a range of SME businesses together with large companies, and is arranged over ground and six upper floors, with average floorplates in the order of circa 6,000 to 6,600 sq ft, albeit reducing to circa 3,000 sq ft (279 sq m) on the first floor.</p> <p>The majority of the property is occupied by Plus X by means of a management agreement, excluding the top two floors which are vacant, with the intention of being let on conventional leases. The property is not yet income producing.</p>  |
| Borough Parade Centre, Chippenham                  | 19/02/2021      | Long Leasehold, under three separate leases, expiring between 2146 and 2148. Two of the leases are at a peppercorn rent and the other on is at 7.50% of the net passing rents. | <p>Borough Parade is a small open-air scheme comprising 26 retail units and a pub laid out in a T shape with the main run leading to High Street and the other parade leading to the river frontage and the Wetherspoons pub. It has a good quality appearance with stone effect elevations to match the period high street and traditional style shopfronts. The units are under pitched tile roofs, providing a mix of single and two storey units. The New Look unit is the largest and includes a prominent glazed entrance. The Wetherspoon pub is standalone brick built with river frontage and access to the scheme service yard. The largest tenants are Waitrose on a lease to 2036 (13% of current rent), JD Wetherspoon on a lease to 2039 with a break option in 2024 (10% of current rent), New Look on a lease to 2036 with a break option in 2023 and Specsavers on a lease to 2027.</p> |

|  |            |  |  |
|--|------------|--|--|
| Sidcup World of Golf, Chislehurst        | 26/02/2021 | Long Leasehold until 2092 at a peppercorn rent.  | <p>The property consists of a driving range, putting green, crazy golf course and 3 supporting buildings. The site is situated on a duel carriageway, with a driveway entrance leading to a circa 80 space car park. To the south of the site is a putting green. The first building to the west of the site is the American Golf retail store, with sales space on the ground floor and office space on the first floor. Further to the west of the site is the 2-course crazy golf course, along with a small single-storey ticket office kiosk. The third building consists of café/coffee shop, small kitchen and guest toilet facilities. Taking up the majority of the site to the south is a driving range with 46 standard bays along with 5 larger family bays. Single let at a current passing rent of until September 2034.</p> <p>The property is a purpose-built retail warehouse of approximately 73,644 sq. ft arranged as five retail units in a single terrace, forming part of a wider retail park, outside of the ownership of the Company. The tenants are B&amp;M, Iceland, Halfords, Carpetright and Next, with leases expiring between 2023 and 2030. The Halfords lease is currently in a rent free period.</p>  |
| Waterglade Retail Park, Clacton-on-Sea   | 25/02/2021 | Long Leasehold - The subject property is held under four separate long leasehold interests for 999 years from 24 June 1988 at a peppercorn rent. |  |
| Airport House, Purley Way, Croydon       | 19/02/2021 | Freehold   | <p>Airport House was originally built in the early 1900s and formed the terminal building of Britain's first international airport. The Grade II* Listed building comprises three-storeys of steel-frame faced with concrete blocks with reinforced concrete floors and roofs. Fenestration is a combination of single-glazed metal framed and uPVC framed replacements in part. To the rear of the building there is the original control tower which now forms part of the airport museum.</p> <p>The internal layout is centred around the original double-height booking hall (now reception) which extends to corridors to the rear, left and right and are accessible by key fob entry and lead to the office accommodation.</p> <p>The remainder of the building has been heavily partitioned to form offices and meeting rooms of varying sizes, the majority of which have been refurbished in the last 5 years to a good standard including carpeted flooring, perimeter trunking, suspended ceilings, recessed category II lighting, air conditioning and electric heating. The common parts have been more recently modernised to provide high quality kitchen/breakout areas and new dedicated male and female toilets on each floor.</p> <p>The building does benefit from a single passenger lift and there is level access to the front and rear doors.</p> <p>The property is run as a serviced office, with a current net income of approximately £805,000 per annum, which is lower than historic levels as the income has been impacted by COVID occupancy restrictions. The historic stabilised income was in the region of £1.2 million per annum.</p> |
| The Deptford Project (Studios), Deptford | 10/11/2021 | Freehold   | <p>Deptford Market Yard sits adjacent to Deptford Railway Station, creating a new and vibrant part of the town centre with shops, workshops arch-space and restaurants. All these offerings sit around a central market yard. Deptford Market Yard is a new development and is approximately five years old.</p> <p>The total property, including both the studios and the remaining units totals 23 commercial units and a market yard. The site extends to 0.72 ha (1.77 acres) and forms part of a larger redevelopment including residential townhouses and the St Pauls House building.</p> <p>There are 14 arches, measuring between approximately 273 to 311 sq ft NIA, located under the Grade II listed carriage ramp, accessed from the market yard.</p>   |

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|--|------------|---|---|
| The Deptford Project, Deptford                       | 10/11/2021 | Freehold  | <p>Above the arches and adjacent to the carriage ramp are 7 studios measuring between 877 to 1,841 sq ft GIA. Unit 1 is arranged over ground and first floor and can be accessed off Octavius Street, whilst units 2-7 are accessed from the carriage ramp only.</p> <p>Deptford Market Yard sits adjacent to Deptford Railway Station, creating a new and vibrant part of the town centre with shops, workshops arch-space and restaurants. All these offerings sit around a central market yard. Deptford Market Yard is a new development and is approximately five years old.</p> <p>The total property, including both the studios and the remaining units totals 23 commercial units and a market yard. The site extends to 0.72 ha (1.77 acres) and forms part of a larger redevelopment including residential townhouses and the St Pauls House building.</p> <p>There are 14 arches, measuring between approximately 273 to 311 sq ft NIA, located under the Grade II listed carriage ramp, accessed from the market yard.</p> |
| Finchley Pure Gym, The Academy East End Road, London | 23/02/2021 | Long Leasehold from to London Borough of Barnet - 150 years from 29 April 1992 at a peppercorn rent | <p>The Subject site contains a large, detached building constructed with mix of brick, concrete and steel, with part steel sheet cladding. The roof is a mix of tiled and flat. The Property is set over two floors totalling 32,269 sq ft. It is largely open plan, with gym equipment and workout areas spread across both floors. The ground floor extends 16,479 sq ft, and includes reception, back of house areas, changing rooms, along with gym and studio space. The first floor covers 14,962 sq ft and consists of gym and studio space, along with storage rooms. The first floor is split level, with a mezzanine level providing further floor space.</p> <p>The property is single let to Pure Gym Limited on a lease expiring in 2036.</p>  |
| Boiler House, The Old Vinyl Factory, London          | 22/02/2018 | Long Leasehold for a term of 999 years from 24 July 2018.   | <p>The property is located within a large-scale mixed-use development located adjacent to the railway line and approximately five minutes' walk west of Hayes and Harlington national rail station. The units are situated underneath residential units located at the eastern side of the development area. The Boiler House units front on to Blyth Road, the pre-existing road that runs along the northern side of the development towards the station.</p> <p>There are two units in the Boiler House, one of which is let on a lease until 2036, with a break option in 2031.</p>   |
| Material Store, The Old Vinyl Factory, London        | 22/02/2018 | Long Leasehold for a term of 999 years from 24 July 2018.   | <p>The property is located within a large-scale mixed-use development located adjacent to the railway line and approximately five minutes' walk west of Hayes and Harlington national rail station. The units are situated underneath residential units located at the eastern side of the development area. The Material Store unit is located behind this and accessed via a new road, constructed as part of the wider development.</p> <p>The unit is let and used as a climbing wall.</p>  |
| Caxton Works, Hoy Street & Caxton Mews, London       | 10/01/2021 | Long Leasehold  | <p>13 commercial units totalling 25,739 sq ft, on the ground and mezzanine floor of recently developed residential units located in Canning Town. The units are required to be let at rents of £6 per sq ft per annum for the first three years that the property is available and then can revert to a market rent after this date. This was a requirement of the planning consent that was obtained. There is currently one vacant unit.</p>  |



|   |                         |  |  |
|---|-------------------------|--|--|
| 70 High Street, Ringwood                            | 27/02/2021              | Freehold   | A single retail unit totalling in the region of 1,100 sq ft let until 2029 to a local occupier.  |
| Furlong Shopping Centre, Ringwood                   | 27/02/2021              | Freehold   | <p>A 1990s built open air shopping centre comprising a collection of single, two and three storey buildings of traditional construction with brick elevations beneath a multi-pitched tiled roof. Individual retail units have been fitted out commensurate with the incumbent tenant's branding and operational requirements.</p> <p>The scheme totals 37,535 sq ft and is currently let to national covenants alongside a number of local occupiers. Waterstones have a lease until 2024 accounting for 10% of the current income, Joules have a lease until 2027 with a break option in 2022 at a current rent of 9% of the current income. The other larger tenants are Nero Holdings Ltd, Crew Clothing Limited and Specsavers.</p> |
| Additional Properties at Ringwood                   | Desktop – Not inspected | Freehold, with a small element of leasehold  | <p>A mixture of retail and office units and the old Town Hall, with two residential flats that are part let and part vacant. The units were purchased as part of a historic proposal by the Company to redevelop a site in close proximity to the Furlong Shopping Centre. A sale on the majority of the site exchanged in December 2020 conditional on the receipt of planning consent. The potential purchasers have recently (September 2021) completed a public consultation exhibition of their proposed development.</p>   |
| Pearl Assurance House, 27-57 King Street, Sheffield | 14/05/2021              | Short Leasehold on a lease expiring in 2059 at an assumed rent of £10,000 per annum. | A multi-let retail property over basement ground and first floor totalling 27,465 sq ft. The property is let to 5 tenants on leases expiring between 2022 and 2028, with 2 vacant units. The upper floors, above the first floor are let in their entirety until 2029 at a rent of £1 per annum.   |
| Remaining land at Swanley Shopping Centre           | May 2017                | Freehold   | Two plots of land, totalling, 0.7 acres that were retained by the Company when they sold the adjoining shopping centre / retail parade. The site benefits from a residential development consent, however an offer has been received from a local occupier, subject to them obtaining planning consent for an extension to their retail store and some additional car parking. This offer has been accepted and the remaining land will be transferred to the purchasers of the shopping centre at the same time.  |

### Schedule of Properties – 20% JV Ownership with PSSF Drum BV

| ADDRESS  | INSPECTION DATE | TENURE   | DESCRIPTION   |
|--|-----------------|----------|---|
| Mecca Bingo, 707-715 Lordship Lane, Wood Green, London | 10/11/2021      | Freehold | <p>The property, totalling approximately 40,000 sq ft on a site of 2.16 acres, is currently used as a bingo hall, being occupied under a lease to Mecca Bingo Limited until September 2026.</p> <p>The property is identified as an Opportunity Site for Regeneration in the London Borough of Haringey's Site Allocations (2017) and a DLA feasibility study indicated the site was suitable for 310 residential units and 7,650 sq ft of flexible working space following a pre planning application discussion with the local authority in September 2020 where a 282 unit scheme was presented.</p> <p>The property has recently been marketed and a sale has been agreed and the contract is currently being negotiated between the Company and the potential purchaser.</p> |

**Appendix B: Schedule of Properties as at 30 September 2021 with a value in excess of 5% of the Portfolio Value**

| ADDRESS  | TENURE   | CURRENT ANNUAL RENT                              | ESTIMATED RENTAL VALUE (PER ANNUM) | MARKET VALUE AS AT 30 SEPTEMBER 2021 |
|--|--|--|------------------------------------|--------------------------------------|
| Plus X Building, Former Preston Barracks, Brighton | Long Leasehold — 250 year lease from February 2018 at a peppercorn rent  | -£64,560 (estimate of current vacant shortfalls) | £1,268,900                         | £15,300,000                          |
| Waterglade Retail Park, Clacton-on-Sea             | Long Leasehold - The subject property is held under four separate long leasehold interests for 999 years from 24 June 1988 at a peppercorn rent.                               | £973,590   | £952,600                           | £12,600,000                          |
| Airport House, Purley Way, Croydon                 | Freehold   | £805,447   | £1,237,000                         | £13,850,000                          |
| Furlong Shopping Centre, Ringwood                  | Freehold   | £913,978   | £934,850                           | £8,350,000                           |
| St Peter's Quarter, Bournemouth                    | Freehold   | £693,444   | £864,340                           | £8,700,000                           |
| The Mall, Armagh                                   | Freehold   | £640,575   | £704,434                           | £5,000,000                           |
| Borough Parade Centre, Chippenham                  | Long Leasehold, under three separate leases, expiring between 2146 and 2148. Two of the leases are at a peppercorn rent and the other on is at 7.50% of the net passing rents. | £583,486   | £793,640                           | £4,800,000                           |

**Appendix C: Market Value of the Properties as at 30 September 2021 split by property type– assuming the 20% interest in the Mecca Bingo in Wood Green and 100% interest in the remaining properties.**

| PROPERTY TYPE | MARKET VALUE £     |
|---------------|--------------------|
| Office        | £30,295,000        |
| Retail        | £44,640,000        |
| Leisure       | £15,420,000        |
| Other         | £4,845,000         |
| <b>TOTAL</b>  | <b>£95,200,000</b> |

**Appendix D: Market Value of the Properties as at 30 September 2021 split by property location – assuming the 20% interest in the Mecca Bingo in Wood Green and 100% interest in the remaining properties.**

| PROPERTY LOCATION | MARKET VALUE<br>£  |
|-------------------|--------------------|
| Greater London    | £32,055,000        |
| South East        | £31,660,000        |
| Rest of UK        | £31,485,000        |
| <b>TOTAL</b>      | <b>£95,200,000</b> |





