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If you sell or otherwise transfer, or have sold or otherwise transferred, all of your Ordinary Shares before 1.00 p.m. on 26 August 2025, please send this document (but not the Tender Form) to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, no such documents should be forwarded or transmitted from, in or into any Restricted Jurisdiction. If you sell or otherwise transfer, or have sold or otherwise transferred, only part of your holding of Ordinary Shares you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected. If you receive this document as a purchaser or transferee, please contact the Registrar for a Tender Form and a Form of Proxy.

PALACE CAPITAL PLC

Incorporated in England and Wales with registered number 05332938

PROPOSED RETURN OF CAPITAL TO SHAREHOLDERS BY WAY OF TENDER OFFER FOR 3 ORDINARY SHARES FOR EVERY 10 ORDINARY SHARES HELD AT 240 PENCE PER ORDINARY SHARE

AND

NOTICE OF GENERAL MEETING

This document should be read in its entirety and as a whole. Your attention is drawn to the letter to the Shareholders from the Executive Chairman of the Company, which is set out in Part II of this Circular. The letter contains a unanimous recommendation by the Board of Directors of the Company that you vote in favour of the Tender Offer Resolution at the General Meeting.

Numis Securities Limited (“**Deutsche Numis**”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority (“**FCA**”), is acting exclusively for the Company and for no one else in connection with the Tender Offer, including any recipient of this document, and Deutsche Numis, its affiliates and its and their respective directors, officers, employees and agents are not, and will not be, responsible to anyone other than the Company for providing the protections afforded to clients of Deutsche Numis or for affording advice in relation to the Tender Offer, the contents of this Circular or any other matter referred to in this Circular.

The Tender Offer will open on 31 July 2025 and will close at 1.00 p.m. on 26 August 2025 (unless extended by the Company by means of an announcement through a Regulatory Information Service). Different procedures for participating in the Tender Offer apply depending on whether

Qualifying Shareholders who wish to participate hold Ordinary Shares in certificated form or uncertificated form respectively.

Qualifying Shareholders who hold their Ordinary Shares in certificated form wishing to tender Ordinary Shares for purchase under the Tender Offer should ensure that their completed Tender Forms are returned by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, by no later than 1.00 p.m. on 26 August 2025. Qualifying Shareholders who hold their Ordinary Shares in certificated form should also return their share certificate(s) and/or other document(s) of title in respect of the Ordinary Shares tendered. Qualifying Shareholders who hold their Ordinary Shares in uncertificated form wishing to tender Ordinary Shares for purchase under the Tender Offer should arrange for a TTE Instruction be sent through CREST as described in paragraph 3.4 of Part VI of this Circular so as to settle by no later than 1.00 p.m. on 26 August 2025.

If you do not wish to tender any of your Ordinary Shares do not complete, sign or return a Tender Form, or send any TTE Instructions through CREST. The Tender Offer is conditional on, among other matters, approval from Shareholders, which is being sought at the General Meeting of the Company to be held at 12.00 p.m. on 26 August 2025 at the offices of CMS Cameron McKenna Nabarro Olswang LLP at Cannon Place, 78 Cannon Street, London EC4N 6AF.

Notice of the General Meeting is set out in Part X of this Circular. Whilst Shareholders will be able to attend the General Meeting in person, Shareholders are encouraged to vote via proxy in advance of the General Meeting, appointing the “Chair of the Meeting” as proxy to ensure that their vote is counted.

Whether or not you intend to attend the General Meeting, you are urged to complete and return a Form of Proxy in accordance with the instructions thereon and the notes to the Notice of General Meeting, either electronically or upon request to the Registrar if you wish for a paper copy.

If you hold Ordinary Shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction (in accordance with the procedures set out in the CREST Manual) to the Registrar, under CREST participant ID number RA19. Proxies appointed electronically must be completed online as soon as possible and, in any event, so as to be received by no later than 12.00 p.m. on 21 August 2025 (or, in the case of an adjournment of the General Meeting, not later than 48 hours, excluding non-Business Days, before the time fixed for the holding of the adjourned meeting).

Alternatively, you can register your proxy appointment and voting instructions by going to Equiniti's Shareview website, www.shareview.co.uk, and logging in to your Shareview Portfolio. To register for a Shareview Portfolio, go to www.shareview.co.uk and enter the requested information. Please refer to the notes to the Notice of General Meeting set out in Part X of this Circular for further details. Proxy votes must be received no later than 12.00 p.m. on 21 August 2025 (or, in the case of an adjournment of the General Meeting, not later than 48 hours, excluding non-Business Days, before the time fixed for the holding of the adjourned meeting).

If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12.00 p.m. on 21 August 2025 in order to be considered valid or, if the General Meeting is adjourned, by the time which is 48 hours (excluding non-Business Days) before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote. Completion and return of a Form of Proxy, appointing a proxy electronically via the Proxymity platform, the giving of a CREST Proxy Instruction or the completion of a Form of Proxy online will not preclude Shareholders from attending and voting in person at the General Meeting, or any adjournment thereof, (in each case, in substitution for their proxy vote) if they wish to do so and are so entitled.

Please read the whole of this document. In particular, your attention is drawn to the risk factors set out in Part V of this Circular. A summary of the action to be taken by Shareholders is set out

in Part II of this Circular and in the accompanying Notice of General Meeting in Part X of this Circular.

The Tender Offer will be implemented by means of on-market purchases by Deutsche Numis, who will, as principal, and not as agent, nominee or trustee, purchase the Ordinary Shares tendered (subject to the terms and conditions of the Tender Offer including the overall limit of the Tender Offer) at the Tender Price. If either the put option or call option under the Repurchase Agreement is exercised following completion of those purchases and in accordance with the Repurchase Agreement, Deutsche Numis shall sell the tendered Ordinary Shares to the Company at the Tender Price by way of an on-market transaction. It is intended that any Ordinary Shares that the Company purchases from Deutsche Numis will be cancelled and the number of Ordinary Shares in issue carrying voting rights reduced accordingly. The Company will fund that purchase from cash resources available for use by the Company.

The availability of the Tender Offer to Shareholders who are not resident in, or citizens or nationals of the United Kingdom, and the distribution of this document and accompanying documents into jurisdictions other than the United Kingdom may be restricted or affected by the laws of the relevant jurisdiction. Persons who are not resident in, or citizens or nationals of the United Kingdom should read paragraph 6 headed "Overseas Shareholders" set out in Part VI of this Circular and should inform themselves about, and observe, any applicable legal or regulatory requirements. This Circular does not constitute or form part of any offer to purchase, or invitation to sell, Ordinary Shares in any jurisdiction in which such offer or invitation is unlawful. Without prejudice to the foregoing generality, the Tender Offer is not being made, directly or indirectly, in, into or from the United States or any other Restricted Jurisdiction or any other jurisdiction where to do so would violate the laws in that jurisdiction, and no person may accept the Tender Offer by use of the mails or, or by any means or instrumentality (including, without limitation, facsimile transmission, e-mail or other electronic transmission or telephone) of interstate or foreign commerce of, or any facilities of a national, state or local securities exchange of, the United States or any other Restricted Jurisdiction, and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility or from within the United States or any other Restricted Jurisdiction. Accordingly, unless otherwise determined by the Company and permitted by applicable law and regulation, neither this Circular nor the Tender Form nor any related document is being, nor may it be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed, or sent in, into or from the United States or any other Restricted Jurisdiction, and any persons receiving this Circular, the Tender Form and/or any related document (including, without limitation, trustees, nominees or custodians) must not mail or otherwise forward, distribute or send such document(s) in, into or from the United States or any other Restricted Jurisdiction. In addition, persons into whose possession such documents come should inform themselves about and observe any such restrictions or requirements. Any failure to comply with these restrictions or requirements may constitute a violation of the securities or other laws of such jurisdiction.

Forward Looking Statements

This Circular contains indications of likely future developments and other forward-looking statements that are subject to risk factors associated with, among other things, the economic, markets, and business circumstances occurring from time to time in the UK and the real estate sectors in which the Group operates as further described in Part V (Risk Factors) and Section B of Part VII (The UK REIT Regime and UK Taxation) of this Circular. These factors include, but are not limited to, those discussed in Part V of this Circular. These and other factors could adversely affect the Company and/or the Group's results, strategy and prospects. Forward looking statements involve risks, uncertainties and assumptions. They relate to events and/or depend on circumstances in the future which could cause actual results and outcomes to differ materially from those currently anticipated. No obligation or duty is assumed (except as may be required by the UK Listing Rules, MAR, the Disclosure and Transparency Rules, the rules of the London Stock Exchange and by law) to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Apart from the responsibilities and liabilities, if any, which may be imposed on Deutsche Numis by FSMA or the regulatory regime established under FSMA, or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Deutsche Numis nor any of its affiliates, and its and their directors, officers, employees or advisers accept any responsibility whatsoever for, or makes any representation or warranty, express or implied, as to the contents of this document, including its accuracy or completeness, or for any other statement made or purported to be made by it or on behalf of it, the Company, the Directors or any other person, in connection

with the Company or the Tender Offer and nothing in this Circular should be relied upon as a promise or representation in this respect, whether to the past or the future. Deutsche Numis and its affiliates, and its and their directors, officers, employees and advisers accordingly disclaim to the fullest extent permitted by law all and any liability whatsoever, whether arising in tort or contract or otherwise (save as referred to earlier in this paragraph), which it might otherwise have in respect of this document or any such statement.

No person has been authorised to give any information or make any representations other than those contained in this Circular and, if given or made, such information or representations must not be relied on as having been so authorised. The delivery of this Circular shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Circular or that the information in it is correct as of any subsequent time. The contents of the website of the Company, and any website directly or indirectly linked to that website, do not form part of this Circular and should not be relied upon.

Dated 31 July 2025.

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WHERE TO FIND HELP

You will find answers to some of the questions most frequently asked by shareholders about tender offers and the procedure for participating in the Tender Offer in Part III of this Circular.

If you have any further questions about the Tender Offer, please telephone the Shareholder Helpline on +44 (0)371 384 2050.

Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 8.30 a.m. – 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes.

Please note that for legal reasons the Shareholder Helpline will only be able to provide information contained in this Circular, the accompanying Tender Form and Form of Proxy, and will be unable to give advice on the merits of the Tender Offer or to provide financial, investment or taxation advice.

PART I

EXPECTED TIMETABLE OF PRINCIPAL EVENTS ¹

Announcement of the Tender Offer, publication of this Circular and the Notice of General Meeting	31 July 2025
Tender Offer opens	31 July 2025
Latest time and date for receipt of Voting Instructions	12.00 p.m. on 21 August 2025
General Meeting	12.00 p.m. on 26 August 2025
Announcement of results of the General Meeting	26 August 2025
Latest time and date for receipt of Tender Forms and share certificates in relation to the Tender Offer (i.e. close of Tender Offer)	1.00 p.m. on 26 August 2025
Latest time and date for receipt of TTE Instructions in relation to the Tender Offer (i.e. close of Tender Offer)	1.00 p.m. on 26 August 2025
Tender Offer Record Date	6.00 p.m. on 26 August 2025
Announcement of results of the Tender Offer	29 August 2025
CREST accounts credited with unsuccessfully tendered uncertificated holdings of Ordinary Shares not later than	1 September 2025
Purchase of Ordinary Shares under the Tender Offer	2 September 2025
CREST accounts credited in respect of Tender Offer proceeds for uncertificated Ordinary Shares by	4 September 2025
Cheques despatched in respect of Tender Offer proceeds for certificated Ordinary Shares by	15 September 2025
Return of share certificates in respect of unsuccessful tenders of certificated Ordinary Shares by	15 September 2025
Despatch of balancing share certificates (in respect of certificated Ordinary Shares) for revised, certificated holdings in the case of partially successful tenders by	15 September 2025

¹ All times are references to London (UK) times. Other than the date of the announcement of the Tender Offer, each of the above times and dates are indicative only and based on the Company's expectations as at the date of this Circular. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by an announcement through a Regulatory Information Service.

PART II

LETTER FROM THE EXECUTIVE CHAIRMAN

Palace Capital plc

(incorporated in England and Wales with registered number 05332938)

Registered Office: Thomas House, 84 Eccleston Square London SW1V 1PX

Directors:

Steven Owen (*Executive Chairman*)

Mark Davies (*Senior Independent Director*)

31 July 2025

Dear Shareholder,

**PROPOSED RETURN OF CAPITAL TO SHAREHOLDERS BY WAY OF TENDER OFFER
FOR 3 ORDINARY SHARES FOR EVERY 10 ORDINARY SHARES
HELD AT 240 PENCE PER ORDINARY SHARE
AND
NOTICE OF GENERAL MEETING**

1. Introduction

On 5 June 2025, the Company announced that it intended to return capital to Shareholders by way of a Tender Offer pursuant to which Qualifying Shareholders are invited to tender some or all of their Ordinary Shares.

It is proposed that up to 8,667,761 Ordinary Shares may be purchased under the Tender Offer for a maximum aggregate cash consideration of up to approximately £20.8 million and Qualifying Shareholders who participate in the Tender Offer will have a Guaranteed Entitlement to tender 3 Ordinary Shares for every 10 Ordinary Shares held, representing up to 30 per cent.² of the Ordinary Shares held by them, at the Record Date, rounded down to the nearest whole number, at a price of 240 pence per Ordinary Share.

To the extent that Qualifying Shareholders tender for less than the total overall amount that may be returned to Shareholders pursuant to the Tender Offer, or where the Board decides not to proceed with the Tender Offer in accordance with terms of the Tender Offer, the Board will consider alternative options regarding how best to deploy any cash or capital surplus or to return value to Shareholders, including by way of a further tender offer, a share buy-back programme or by way of dividend, taking into consideration the then prevailing market and economic conditions and other relevant factors at the relevant time.

The purpose of this Circular is to provide you with information about the background to, and reasons for, the Tender Offer and why the Board considers that the Tender Offer is in the best interests of Shareholders as a whole and unanimously recommends that you vote in favour of the Tender Offer Resolution to be proposed at the General Meeting, notice of which is set out in Part X of this Circular.

This Circular also contains details on the procedure that should be followed by those Qualifying Shareholders in order to participate in the Tender Offer. The Company is seeking Shareholders' approval of the Tender Offer Resolution at a General Meeting to be held at 12.00 p.m. on 26 August 2025 at the offices of CMS Cameron McKenna Nabarro Olswang LLP, Cannon Place, 78 Cannon Street, EC4N 6AF.

² This percentage (%) assumes a full take-up of the Maximum Tendered Shares (as defined in paragraph 2.2 of Part II of this Circular). Please see section 2.5 (entitled Guaranteed Entitlement of this Part II) on how the Guaranteed Entitlement is calculated.

2. Tender Offer

2.1 Background to and reasons for the Tender Offer

Subject to certain conditions including the passing of the Tender Offer Resolution by Shareholders at the General Meeting as a special resolution, the Tender Offer will be implemented by Deutsche Numis (acting as principal and not as agent, nominee or trustee) at the Tender Price giving Qualifying Shareholders the opportunity to tender Ordinary Shares through the Tender Offer for cash. The Tender Offer Resolution will give the Directors authority to buy back up to 8,667,761 Ordinary Shares, at the Tender Price of 240 pence per Ordinary Share, for a maximum aggregate cash consideration of up to approximately £20.8 million.

Update on delivery of strategic objectives

As announced with the Company's full year results for the financial year ended 31 March 2025 (FY25), we continued to progress our strategy to return capital to Shareholders through the disposal of investment and residential properties. This was achieved through the sale of £35.0 million of assets at 6.0 per cent. above the 31 March 2024 valuation and returning cash of £21.7 million to Shareholders by way of a successful, oversubscribed tender offer in July 2024, which contributed an additional 2.0 pence to EPRA NTA per share. Since the updated strategy of the Company was announced in July 2022, we have returned over £43 million of cash to Shareholders. In addition, dividends paid to Shareholders since July 2022 total approximately £17.9 million.

Since 1 April 2025, the Company completed the sale of HQ Office, York, a freehold, multi-let building, for a gross consideration of £10.0 million, which, after adjusting for rent top ups, was in line with the 31 March 2024 valuation. There were ten apartments remaining at Hudson Quarter, York, valued at £4.3 million as at 31 March 2025, at the time of the announcement of the full year 2025 results in June 2025 but since then one apartment has gone under offer.

The Company has been in a net cash position since April 2024 and in line with the terms of the loan agreement with Scottish Widows, the Company repaid the outstanding £8.0 million loan (£7.9 million net of the loan break gain) in March 2025, in advance of the completion of the sale of the NHS units at Halifax as reported on 11 April 2025. The Company is now debt free, the portfolio is entirely unencumbered and as at 29 July 2025 the Company had cash of approximately £29.3 million, compared with £22.2 million as at 31 March 2025.

Total investment properties sold since the change of strategy in July 2022 amount to £145.6 million (£160.3 million including residential apartments).

The Company currently has five investment properties remaining, which were valued at £39.0 million as at 31 March 2025. Halifax is expected to be marketed for sale in September or the fourth quarter of 2025, subject to market conditions, following its part disposal in March 2025. The Leamington sale, which was under offer as at 6 June 2025, did not progress but the Company will continue to seek to dispose of this asset. The three other properties require the completion of ongoing asset management activities in order to be ready for sale.

Further to the Company's announcement of its full year 2025 results, current trading and the Company's asset management activities remain in-line with plan.

As previously reported, the Board remains of the view that conditions in the investment market for certain types of assets, particularly leisure assets, were such that, in the Board's view, the sale of these assets should be deferred until market demand and pricing improve, particularly given the high income yield and long unexpired lease terms. We remain of this view although we expect market conditions to improve later this year assuming that financial markets are less volatile than at present. The increase in bank lending to UK real estate businesses seen over the last twelve months is encouraging and the Board believes this should bring more liquidity to property investment markets as should further interest rate reductions which are expected during 2025.

Palace Capital continues to reduce its level of administrative expenses in line with its strategy with a reduction of £1.1 million in total administrative expenses in FY25 and since 1 July 2025 there has been a significant reduction in headcount from six to three executives. This together with other cost reduction

measures when fully implemented are expected to result in annualised administrative expenses of approximately £1.3 million from 1 July 2025.

Following consultation with certain Shareholders, the Directors believe that it is now appropriate to return further capital to Shareholders. This reflects the Directors' belief that share buy backs (including by way of tender offer) are an appropriate means of returning capital to Shareholders.

The Board regularly reviews capital allocation to optimise long-term returns for Shareholders and has explored various options for returning capital to Shareholders. The Board has determined that the proposed Tender Offer, to be made at an appropriate premium to the price per Ordinary Share on the Latest Practicable Date, is the most suitable way of returning capital to Shareholders in a quick and efficient manner, taking account of the relative costs, complexity and timeframes of the possible methods available, as well as the likely tax treatment for and equality of treatment of Shareholders.

Further information on the UK tax treatment of the Tender Offer for Shareholders is contained in Part VII of this Circular.

The Board of Directors of the Company considers the Tender Offer to be in the best interests of Shareholders as a whole, among other reasons because:

- the Tender Offer is available to all Qualifying Shareholders regardless of the size of their holding;
- the Tender Price represents a premium of 9.6 per cent. to the Company's Ordinary Shares closing price of 219 pence on 29 July 2025 and a discount to 31 March 2025 EPRA NAV of 4.4 per cent.;
- the Tender Offer provides Qualifying Shareholders who wish to reduce their holdings of Ordinary Shares with an opportunity to do so at a market-driven price with a premium;
- the Tender Offer enables Ordinary Shares to be sold free of commissions or charges that would otherwise be payable if Qualifying Shareholders were to sell their Ordinary Shares through their broker; and
- the Tender Offer permits Shareholders who wish to retain their current investment in the Company and their Ordinary Shares to do so, as no Shareholder is required to participate in the Tender Offer, providing Shareholders with flexibility.

The Board considers that up to approximately £20.8m is the right amount at this time to return to Shareholders taking into account possible future working capital and business requirements including asset management plans relating to the remaining assets.

The Tender Offer is separate, and in addition, to the share buy-back programme approved by Shareholders on 9 July 2025 at its annual general meeting (the "**2025 AGM**") (the "**Buy-Back Programme**"). Pursuant to the Buy-Back Programme, the Company is entitled to repurchase up to a maximum of 4,330,880 shares representing approximately 15 per cent. of the then issued share capital. Since the 2025 AGM no Ordinary Shares have been purchased under the Buy-Back Programme.

Therefore, the Tender Offer is being proposed in addition to the Buy-Back Programme approved by Shareholders at the 2025 AGM.

2.2 **Principal Terms of the Tender Offer**

Subject to certain conditions (including the Tender Offer Resolution being passed at the General Meeting), Deutsche Numis will implement the Tender Offer by acquiring, as principal (and not as agent, nominee or trustee), the successfully tendered Ordinary Shares at the Tender Price. Ordinary Shares purchased by Deutsche Numis pursuant to the Tender Offer will be purchased by Deutsche Numis as principal (and not as agent, nominee or trustee) and such purchases will be on-market purchases in accordance with the provisions of the Act and the rules of the London Stock Exchange and the FCA.

Conditional upon the Tender Offer becoming unconditional and subject to the terms thereof, Deutsche Numis has the right to require the Company to purchase from it (and the Company has the right to require Deutsche Numis to sell to it) any Ordinary Shares acquired by Deutsche Numis under the Tender Offer pursuant to the Repurchase Agreement at the Tender Price. If either the put option or call option under the Repurchase Agreement is exercised, Deutsche Numis shall sell such Ordinary Shares to the

Company, at a price per Ordinary Share equal to the Tender Price, pursuant to the Repurchase Agreement. Purchases of Ordinary Shares by the Company pursuant to the Repurchase Agreement will also be on-market purchases in accordance with the provisions of the Act and the rules of the London Stock Exchange and the FCA. The Company intends that all of the Ordinary Shares purchased by the Company pursuant to the Repurchase Agreement in connection with the Tender Offer will be cancelled. Further details on the Repurchase Agreement are set out in Part VI of this Circular.

Qualifying Shareholders must consider carefully all of the information contained in this Circular as well as their personal circumstances when deciding whether to participate in the Tender Offer.

The maximum number of Ordinary Shares that may be purchased under the Tender Offer, being up to 8,667,761 Ordinary Shares, will equate to approximately 30 per cent. of the Issued Ordinary Share Capital at the Tender Offer Record Date, for a maximum aggregate cash consideration of up to approximately £20.8 million ("**Maximum Tendered Shares**"). As at 29 July 2025, there were 28,892,535 Ordinary Shares in issue. No shares were held in treasury.

If the Maximum Tendered Shares are acquired by Deutsche Numis pursuant to the Tender Offer and subsequently repurchased by the Company for cancellation pursuant to the Repurchase Agreement, the total number of Ordinary Shares of the Company in issue following such cancellation will be 20,224,774 Ordinary Shares. It is intended that successfully tendered Ordinary Shares which are subsequently purchased by the Company pursuant to the Repurchase Agreement will be cancelled and will not rank for any future dividends.

2.3 **How to Participate in the Tender Offer**

Qualifying Shareholders are not obliged to tender any Ordinary Shares if they do not wish to do so. If no action is taken by Qualifying Shareholders, there will be no change to the number of Ordinary Shares that they hold and they will receive no cash as a result of the Tender Offer.

Each Qualifying Shareholder who wishes to participate in the Tender Offer is entitled to submit a tender to sell some or all of their Ordinary Shares.

The total number of Ordinary Shares tendered by any Qualifying Shareholder should not exceed the total number of Ordinary Shares registered in the name of that Qualifying Shareholder at the Record Date. For example, a Qualifying Shareholder may decide to tender fifty per cent. (50 per cent.) of their Ordinary Shares, but if a Qualifying Shareholder returned a tender purporting to offer for sale more than one hundred per cent. (100 per cent.) of their Ordinary Shares, they would be deemed to have tendered only the number of Ordinary Shares actually owned by that Shareholder on the Record Date, with the tender in respect of any additional shares being deemed invalid.

The Tender Offer will open on 31 July 2025 (unless such date is altered by Deutsche Numis in consultation with the Company in accordance with the terms and conditions of the Tender Offer). The Tender Offer will close at 1.00 p.m. on 26 August 2025 and tenders received after that time will not be accepted (unless the Closing Date is extended by Deutsche Numis (in consultation with the Company) in accordance with the terms and conditions of the Tender Offer).

Tender Forms which have been, or are deemed to be, validly and properly completed (for Ordinary Shares held in certificated form) and submitted to Equiniti acting as Receiving Agent and TTE Instructions which have settled (for Ordinary Shares held in uncertificated form) will become irrevocable and cannot be withdrawn except with the consent of Deutsche Numis (having consulted the Company) in its absolute discretion.

2.4 **Purchase of Ordinary Shares**

Successfully tendered Ordinary Shares will be purchased from Qualifying Shareholders by Deutsche Numis (acting as principal and not as agent nominee or trustee), free of commission and dealing charges. Conditional upon the Tender Offer becoming unconditional and subject to the terms thereof, Deutsche Numis has the right to require the Company to purchase from it (and the Company has the right to require Deutsche Numis to sell to it) any Ordinary Shares acquired by Deutsche Numis under the Tender Offer pursuant to the Repurchase Agreement at the Tender Price. If either the put option or call option under the Repurchase Agreement is exercised, such Ordinary Shares will be repurchased

by the Company from Deutsche Numis pursuant to the terms of the Repurchase Agreement and subsequently will be cancelled by the Company. Any rights of Qualifying Shareholders who do not participate in the Tender Offer will be unaffected by the Tender Offer.

All Shareholders who tender Ordinary Shares will receive the Tender Price, subject, where applicable, to the scaling-down arrangements described below and set out in full in paragraphs 2.14 to 2.17 of Part VI of this Circular.

If more than the overall limit of Ordinary Shares that may be repurchased pursuant to the Tender Offer are validly tendered by Qualifying Shareholders and the Tender Offer is therefore oversubscribed, acceptances of validly tendered Ordinary Shares will be scaled-down to determine the extent to which individual tenders are accepted. Accordingly, where scaling-down applies, beyond a Qualifying Shareholder's Guaranteed Entitlement, there is no guarantee that all of the Ordinary Shares which are tendered by Qualifying Shareholders will be accepted for purchase.

Depending on the level of participation in the Tender Offer, it is possible that Deutsche Numis will purchase, as principal, Ordinary Shares pursuant to the Tender Offer such that Deutsche Numis' interest in Ordinary Shares would carry 30 per cent. or more of the Company's voting rights. Such an acquisition would ordinarily trigger an obligation to make a mandatory offer pursuant to Rule 9 of the Takeover Code. The Takeover Panel have, following consultation, granted a waiver from this obligation as a result of Deutsche Numis' acquisition of Ordinary Shares from Qualifying Shareholders pursuant to the Tender Offer. Further details are set out in paragraph 6 below.

2.5 **Guaranteed Entitlement**

The Guaranteed Entitlement is only relevant if the Tender Offer is oversubscribed. Tenders in respect of up to 30 per cent. of each holding of Ordinary Shares of every Qualifying Shareholder on the Record Date will be accepted in full at the Tender Price and will not be scaled down. This percentage is known as the "**Guaranteed Entitlement**". Qualifying Shareholders may tender Ordinary Shares in excess of their Guaranteed Entitlement. However, if the Tender Offer is oversubscribed, the tender of such excess Ordinary Shares will only be successful to the extent that other Qualifying Shareholders have tendered less than their Guaranteed Entitlement.

2.6 **Circumstances in which the Tender Offer may not proceed**

There is no guarantee that the Tender Offer will take place. The Tender Offer is conditional on the passing of the Tender Offer Resolution as set out in the Notice of General Meeting and on the satisfaction of the other Tender Conditions specified in Part VI of this Circular. In particular, the Tender Offer is conditional on the receipt by 1.00 p.m. on the Closing Date of valid tenders in respect of at least 288,925 Ordinary Shares (representing approximately 1 per cent. of the Company's issued share capital as at the Latest Practicable Date).

Deutsche Numis has reserved the right at any time prior to the announcement of the results of the Tender Offer, in consultation with the Company, to extend the period during which the Tender Offer is open and/or vary the aggregate value of the Tender Offer, based on economic or market conditions and/or other factors, subject to compliance with applicable legal and regulatory requirements. Deutsche Numis has also reserved the right, in certain circumstances (detailed in Part VI of this Circular), to not proceed with the Tender Offer. Any such decision will be announced by the Company through a Regulatory Information Service as soon as practicable thereafter.

To the extent that Qualifying Shareholders tender for significantly less than the total amount that may be returned to Shareholders pursuant to the Tender Offer, or where Deutsche Numis decides not to proceed with the Tender Offer, the Company will consider alternative options regarding how best to deploy any such cash or capital surplus or to return cash to Shareholders, including by way of a share buy-back programme or by way of dividend, taking into consideration the then prevailing market conditions and other relevant factors at the relevant time.

2.7 **Results announcement and unconditional date**

As set out in the expected timetable on page 6 of this Circular, it is expected that the results of the Tender Offer will be announced on 29 August 2025, at which time the Tender Offer is expected to become unconditional subject to the Tender Conditions described in paragraph 2.1 of Part VI of this

Circular having been satisfied. Until such time as the Tender Offer becomes unconditional, the Tender Offer will be subject to the Tender Conditions described in paragraph 2.1 of Part VI of this Circular. Settlement is then expected to take place as set out in the timetable on page 6 of this Circular and as provided for in Part VI of this Circular. The decision by Deutsche Numis as to the results of the Tender Offer (including, without limitation, the determination of the aggregate value of the Tender Offer in accordance with paragraph 2.26 of Part VI of this Circular (but always subject to the overall limit of the Maximum Tendered Shares), and the basis on which tenders in excess of the Guaranteed Entitlement are satisfied, scaled back or rounded down, as the case may be) shall be final and binding on all Shareholders.

2.8 Full terms and conditions of the Tender Offer

Full details of the Tender Offer, including the terms and conditions on which it is made, are set out in Part VI of this Circular. Some questions and answers related to the Tender Offer are set out in Part III of this Circular.

2.9 General Meeting to approve the Tender Offer Resolution

The Tender Offer requires the approval by Shareholders of the Tender Offer Resolution at a General Meeting of the Company. For this purpose, the Company is convening the General Meeting for 12.00 p.m. on 26 August 2025 to consider and, if thought fit, pass the Tender Offer Resolution to authorise and to approve the terms under which the Tender Offer will be effected.

The Tender Offer Resolution must be passed on a poll by at least seventy-five per cent. (75 per cent.) of the votes validly cast by those Shareholders present in person or by proxy and entitled to vote at the General Meeting. Deutsche Numis will not purchase Ordinary Shares pursuant to the Tender Offer unless the Tender Offer Resolution is duly passed.

A summary of action to be taken by Shareholders is set out in paragraph 7 of this Part II of this Circular, together with the notes to the Notice of General Meeting as set out in Part X of this Circular.

3. Tax

Shareholders should be aware that there will be tax considerations that they should take into account when deciding whether or not to participate in the Tender Offer. Summary details of certain UK taxation considerations are set out in Part VII of this Circular.

Shareholders who are subject to tax in a jurisdiction other than the UK, or who are in any doubt as to the potential tax consequences of tendering their Ordinary Shares under the Tender Offer are strongly recommended to consult their own independent professional advisers before tendering their Ordinary Shares under the Tender Offer.

4. Overseas Shareholders

The attention of Shareholders who are not resident in, or nationals or citizens of the United Kingdom is drawn to paragraph 6 of Part VI of this Circular.

5. Share Plans

There are no outstanding options under any share option plan of the Company as at the Latest Practicable Date, and the Company has no intention of issuing any Ordinary Shares or options over Ordinary Shares between the date of this Circular and the close of the offer period for the Tender Offer.

6. Takeover Code

Under Rule 9 of the Takeover Code, any person who acquires an interest (as defined in the Takeover Code) in shares which, taken together with shares in which the person or any person acting in concert with that person is interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make a general offer to all the remaining Shareholders to acquire their shares at not less than the highest price paid by that person (or any persons acting in concert with them) for shares in the company within the preceding 12 months.

Rule 9 of the Takeover Code also provides that any person, together with persons acting in concert with that person, who is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company to which the Takeover Code applies but does not hold more than 50 per cent. of such voting rights will be unable, without the Takeover Panel's consent, to acquire, either individually or together, any interest in any further voting rights in the company without being required to make a general offer to shareholders of that company to acquire their shares at not less than the highest price paid by that person (or any persons acting in concert with them) for shares in the company within the preceding 12 months.

Depending on the level of participation in the Tender Offer, it is possible that Deutsche Numis will purchase, as principal, Ordinary Shares pursuant to the Tender Offer such that Deutsche Numis' interest in Ordinary Shares would carry 30 per cent. of the Company's voting rights. Such an acquisition would ordinarily trigger an obligation pursuant to Rule 9 of the Takeover Code. The Takeover Panel has, following consultation, granted a waiver from this obligation as a result of Deutsche Numis' acquisition of Ordinary Shares from Qualifying Shareholders pursuant to the Tender Offer.

7. Actions to be taken

7.1 General Meeting

Whether or not you intend to attend the General Meeting, you are urged to vote via proxy in advance of the General Meeting, appointing the "Chair of the Meeting" as proxy to ensure that your vote is counted.

Shareholders who hold their Ordinary Shares are urged to complete, sign and return a Form of Proxy (available from the Registrars in paper format) in accordance with the instructions printed thereon and the notes to the Notice of General Meeting. To be valid, a proxy appointment must be received by post by the Company's Registrar at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, as soon as possible and, in any event, not later than 12.00 p.m. on 21 August 2025 (or, in the case of an adjournment of the General Meeting, not later than 48 hours (excluding non-Business Days) before the time fixed for the holding of the adjourned meeting).

If you hold Ordinary Shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction (in accordance with the procedures set out in the CREST Manual) to the Registrar, under CREST participant ID number RA19. Proxies appointed electronically must be completed online as soon as possible and, in any event, so as to be received by no later than 12.00 p.m. on 21 August 2025 (or, in the case of an adjournment, not later than 48 hours (excluding non-Business Days) before the time fixed for the holding of the adjourned meeting).

Alternatively, you can register your proxy appointment and voting instructions by going to Equiniti's Shareview website, www.shareview.co.uk, and logging in to your Shareview Portfolio. To register for a Shareview Portfolio, go to www.shareview.co.uk and enter the requested information. Proxy votes must be received no later than 12.00 p.m. on 21 August 2025 (or, in the case of an adjournment, not later than 48 hours (excluding non-Business Days) before the time fixed for the holding of the adjourned meeting).

If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar.

For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12.00 p.m. on 21 August 2025 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours (excluding non-Business Days) before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

Completion of a Form of Proxy online or where requested from the Registrars in paper format, appointing a proxy electronically via the Proxymity platform or the giving of a CREST Proxy Instruction will not preclude Shareholders from attending and voting in person at the General Meeting, or any

adjournment thereof, (in each case, in substitution for their proxy vote) if they wish to do so and are so entitled. Please read the notes to the Notice of General Meeting at the end of this Circular (in Part X) for further details of the General Meeting, including the appointment of proxies.

7.2 Participation in the Tender Offer

If you are a Qualifying Shareholder and hold your Ordinary Shares in certificated form and you wish to tender all or any of your Ordinary Shares, you should complete the Tender Form in accordance with the instructions printed on it and in Part VI of this Circular and return it by post in the accompanying reply-paid envelope (for use in the UK only) to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, together with your share certificate(s) in respect of the Ordinary Shares tendered.

If you are a Qualifying Shareholder and hold your Ordinary Shares in uncertificated form and you wish to tender all or any of your Ordinary Shares, you should send the TTE Instruction through CREST so as to settle by no later than 1.00 p.m. on 26 August 2025 as described in paragraph 3.4 of Part VI of this Circular.

If you have any questions about the procedure for tendering Ordinary Shares or making a TTE Instruction, you require extra copies of this Circular, the Form of Proxy and/or of the Tender Form, or you want help filling in the Form of Proxy and, or Tender Form, please telephone Equiniti on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 8.30 a.m. – 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. Please note that for legal reasons the Shareholder Helpline will only be able to provide information contained in this Circular and the accompanying Form of Proxy and Tender Form and will be unable to give advice on the merits of the Tender Offer or to provide financial, investment or taxation advice.

If you do not wish to sell any of your Ordinary Shares in the Tender Offer, do not complete and return the Tender Form or submit a TTE Instruction (as applicable).

7.3 Notification of interests

Under the Articles of association of the Company and applicable law, Shareholders are required to notify the Company of their interests in Ordinary Shares. Following the Company's expected purchase of Ordinary Shares from Deutsche Numis pursuant to the terms of the Repurchase Agreement, and regardless of whether a Shareholder tenders any or all of their Ordinary Shares pursuant to the terms of the Tender Offer, the number of Ordinary Shares in which a Shareholder is interested when taken as a percentage of the Company's aggregate issued Ordinary Share capital as a whole may change. This may give rise to an obligation under the Disclosure and Transparency Rules on the part of such Shareholder to notify the Company of their interest in Ordinary Shares as soon as possible and in any case within two trading days of becoming aware, or being deemed to have become aware, of such change.

Reference should also be made to Section C of Part VII of this Circular entitled Substantial Shareholders for further information regarding the obligations applicable to all Shareholders. If you are in doubt as to whether you should notify the Company, or as to the form of that notification, please consult your professional adviser.

8. Recommendation by the Board

The Directors consider the Tender Offer to be in the best interests of the Shareholders as a whole. Accordingly, the Board unanimously recommends that you vote in favour of the Tender Offer Resolution. The Board makes no recommendation to Qualifying Shareholders in relation to participation in the Tender Offer itself. Whether or not Qualifying Shareholders decide to tender all, or any, of their Ordinary Shares will depend on, among other things, their view of the Company's prospects and their own individual circumstances, including, without limitation, their own financial and tax position. Shareholders are required to take their own decision and are recommended to consult with their duly authorised independent financial or professional adviser.

If you are in any doubt as to the action you should take, you are recommended to seek your own independent advice. You are advised to read all of the information contained in this Circular before deciding on the course of action you will take in respect of the General Meeting and the Tender Offer. The results of the General Meeting will be announced through a Regulatory Information Service and the Company's website as soon as possible once known. It is expected that this will be announced on 26 August 2025.

Yours sincerely

Steven Owen

Executive Chairman

PART III

QUESTIONS AND ANSWERS ON THE TENDER OFFER

1. Introduction

To help you understand what is involved in the Tender Offer with respect to Ordinary Shares, this Part III includes a summary and some questions and answers. You should read the whole of this Circular and not rely solely on the summary information in this Part III. Part VI of this Circular sets out the detailed terms and the conditions of the Tender Offer with respect to Ordinary Shares. A list of defined terms is set out towards the end of this Circular in Part IX.

In the event of any inconsistency between the contents of this Part III and the terms and the conditions set out in Part VI of this Circular, the terms and the conditions set out in Part VI of this Circular shall prevail.

2. You and the Tender Offer

Why am I receiving this Circular?

The Board announced in July 2022 that its strategy was to return capital to shareholders while being mindful of consolidation in the sector. In addition to the successful share buyback programmes and tender offer in 2024, which have returned over £43m to shareholders since July 2022, the Board is proposing a return of cash to Shareholders pursuant to the Tender Offer. Qualifying Shareholders are being provided with an opportunity to tender their Ordinary Shares under the Tender Offer.

This Circular sets out information on the details of the Tender Offer and the procedure for participating, should you wish to do so.

What other documents should I have received?

Qualifying Shareholders who hold their Ordinary Shares in certificated form should receive this Circular and a personalised Tender Form and a prepaid envelope to return the Tender Form for use in the UK. The Circular is also available via the Palace Capital plc website www.palacecapitalplc.com. A paper Form of Proxy is available on request from the Registrars.

Qualifying Shareholders who hold their Ordinary Shares in uncertificated form (i.e. in CREST) should only receive this Circular. A copy of the Circular will also be on the Company's website, www.palacecapitalplc.com.

If you have not received any of the documents listed above, please call the Shareholder Helpline operated by Equiniti on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 8.30 a.m. – 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes.

Why is the Company returning capital to its Shareholders?

Please refer to paragraph 2.1 of Part II of this Circular for the reasons why the Company is proposing to return cash to its Shareholders.

Why has the Company chosen a Tender Offer (and associated repurchase) as a way of returning capital to Shareholders?

The Board has explored various options for returning capital to Shareholders and the Board has determined that the Tender Offer would be a quick and efficient means of doing so, being treated as a capital event for most Shareholders. Furthermore, it is available to all Qualifying Shareholders regardless of the size of their holdings. Further information on the UK tax treatment of the Tender Offer for Shareholders is contained in Part VII of this Circular.

Who is eligible to participate in the Tender Offer with respect to Ordinary Shares?

Both private and institutional Qualifying Shareholders are eligible to participate in the Tender Offer with respect to Ordinary Shares.

Shareholders resident outside the UK, or who are nationals or citizens of jurisdictions other than the UK, should read the additional information entitled Overseas Shareholders set out in paragraph 6 of Part VI of this Circular. The Tender Offer is not available to Shareholders with registered or mailing addresses in the United States or any other Restricted Jurisdiction.

How many Ordinary Shares can I tender?

There is no limit on how many Ordinary Shares you can tender, save that any Qualifying Shareholder should not seek to tender more than the total number of Ordinary Shares registered in the name of that Qualifying Shareholder at the Record Date. If you tender more Ordinary Shares than you hold at the Record Date, you will be deemed to have tendered the entire number of Ordinary Shares you actually own on the Record Date.

Qualifying Shareholders may tender Ordinary Shares in excess of their Guaranteed Entitlement, and to the extent that other Qualifying Shareholders do not tender any of their Ordinary Shares or tender less Ordinary Shares than their Guaranteed Entitlement, may be able to tender such excess Ordinary Shares through the Tender Offer.

There can, however, be no certainty that all of the Ordinary Shares in excess of your Guaranteed Entitlement that you tender will be accepted for purchase in the Tender Offer. The scaling-down provisions of the Tender Offer are set out in paragraphs 2.14 to 2.17 of Part VI of this Circular.

What is my Guaranteed Entitlement?

The Guaranteed Entitlement is only relevant if the Tender Offer is oversubscribed. Tenders in respect of up to 30 per cent. of each holding of Ordinary Shares of every Qualifying Shareholder on the Record Date will be accepted in full at the Tender Price and will not be scaled down. This percentage is known as the “**Guaranteed Entitlement**”. Qualifying Shareholders may tender Ordinary Shares in excess of their Guaranteed Entitlement. However, if the Tender Offer is oversubscribed, the tender of such excess Ordinary Shares will only be successful to the extent that other Qualifying Shareholders have tendered less than their Guaranteed Entitlement.

Can I tender some, but not all, of my Ordinary Shares?

Yes, whether you hold your Ordinary Shares in CREST or in certificated form. If you hold your Ordinary Shares in certificated form, there is a space on the Tender Form for you to state how many Ordinary Shares you wish to tender. If you hold your Ordinary Shares in CREST, you will need to state how many Ordinary Shares you wish to tender in the TTE Instruction submitted.

Can I tender some of my Ordinary Shares at one price and some at another?

No. The Tender Offer is being made at the Tender Price, which is fixed.

Do I have to tender my Ordinary Shares?

No. You are not obliged to tender any of your Ordinary Shares. If you choose not to tender any Ordinary Shares, you will not receive any money under the Tender Offer. Your holding of Ordinary Shares will then be unaffected, save for the fact that, assuming successful completion of the Tender Offer and subsequent repurchase of Ordinary Shares by the Company, you will end up owning a greater percentage of the Issued Ordinary Share Capital after the Tender Offer and the subsequent repurchase of Ordinary Shares by the Company than you did before, as there will be fewer Ordinary Shares in issue after completion of the Tender Offer and subsequent repurchase and cancellation of Ordinary Shares by the Company.

You may vote in the General Meeting to pass the Tender Offer Resolution, even if you do not wish to tender any Ordinary Shares.

Can I tender my Ordinary Shares by guaranteed delivery?

No. Ordinary Shares may not be tendered in the Tender Offer by guaranteed delivery.

What will I receive?

What you receive will depend on the action that you take. If you decide to participate and some or all of your Ordinary Shares are successfully tendered in the Tender Offer, you will sell the successfully tendered Ordinary Shares and will receive cash proceeds for them. If you decide to keep your Ordinary Shares, you will not receive any money under the Tender Offer, but assuming successful completion of the Tender Offer and the associated repurchase of Ordinary Shares by the Company, you will end up owning a greater percentage of the Issued Ordinary Share Capital after the Tender Offer than you did before, as explained above.

What do I need to do now?

You should consider whether you wish to vote in favour of the Tender Offer Resolution and whether you wish to tender all or any of your Ordinary Shares.

Shareholders who hold their Ordinary Shares are urged to complete, sign and return a Form of Proxy (available from the Registrars in paper format) in accordance with the instructions printed thereon and the notes to the Notice of General Meeting. To be valid, a proxy appointment must be received by post by the Company's Registrar at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, as soon as possible and, in any event, not later than 12.00 p.m. on 21 August 2025 (or, in the case of an adjournment of the General Meeting, not later than 48 hours (excluding non-Business Days) before the time fixed for the holding of the adjourned meeting).

If you hold Ordinary Shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction (in accordance with the procedures set out in the CREST Manual) to the Registrar, under CREST participant ID number RA19. Proxies appointed electronically must be completed online as soon as possible and, in any event, so as to be received by no later than 12.00 p.m. on 21 August 2025 (or, in the case of an adjournment, not later than 48 hours (excluding non-Business Days) before the time fixed for the holding of the adjourned meeting).

Alternatively, you can register your proxy appointment and voting instructions by going to Equiniti's Shareview website, www.shareview.co.uk, and logging in to your Shareview Portfolio. To register for a Shareview Portfolio, go to www.shareview.co.uk and enter the requested information. Proxy votes must be received no later than 12.00 p.m. on 21 August 2025 (or, in the case of an adjournment of the General Meeting, not later than 48 hours (excluding non-Business Days) before the time fixed for the holding of the adjourned General Meeting).

If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12.00 p.m. on 21 August 2025 in order to be considered valid or, if the General Meeting is adjourned, by the time which is 48 hours (excluding non-Business Days) before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

The completion and return of a Form of Proxy, appointing a proxy electronically via the Proxymity platform, the giving of a CREST Proxy Instruction or the completion of a Form of Proxy online will not preclude Shareholders from attending and voting in person at the General Meeting, or any adjournment thereof, (in each case, in substitution for their proxy vote) if they wish to do so and are so entitled.

If you hold your Ordinary Shares in certificated form and you wish to tender some or all of your Ordinary Shares, you should complete the Tender Form in accordance with the instructions printed on it and in Part VI of this Circular and return it by post in the accompanying reply-paid envelope (for use in the UK only) to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA

together with your share certificate(s) in respect of the Ordinary Shares tendered. If you hold your Ordinary Shares in uncertificated form and you wish to tender some or all of your Ordinary Shares, you should send a TTE Instruction and follow the procedures set out in Part VI of this Circular in respect of tendering uncertificated Ordinary Shares.

Completed Tender Forms and/or TTE Instructions (as appropriate) must be received by Equiniti by no later than 1.00 p.m. (UK time) on 26 August 2025 after which time Tender Forms and/or TTE Instructions (as appropriate) will be rejected (unless the Closing Date is extended).

What is the deadline for returning my Tender Form?

The Tender Offer with respect to Ordinary Shares will close at 1.00 p.m. (UK time) on 26 August 2025 and no tenders received after that time will be accepted unless otherwise approved by Deutsche Numis (in consultation with the Company).

What should I do if I have lost my share certificate and wish to participate in the Tender Offer?

You should complete the Tender Form and send it, together with a letter of explanation to Equiniti Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA in accordance with the instructions in the Tender Form. You should then phone the Shareholder Helpline or write to Equiniti asking for a letter of indemnity to be sent to you, which you should then complete in accordance with the instructions given and send back to Equiniti immediately.

If my Ordinary Shares are held by my broker or other nominee, will that person tender my Ordinary Shares on my behalf?

Only if you provide instructions to your broker or other nominee to do so. You should follow the directions provided by your broker or other nominee regarding how to instruct your broker or other nominee to tender your Ordinary Shares. Without your specific instructions, your Ordinary Shares will not be tendered for purchase under the Tender Offer.

Can I withdraw my tender?

The Tender is irrevocable save for at Deutsche Numis' discretion (having consulted with the Company).

When will I receive my cash?

Under the expected timetable of events as set out in Part I of this Circular, it is anticipated that, for holders of Ordinary Shares in certificated form, a cheque would be despatched to you for the proceeds of any sale by 15 September 2025. CREST account holders would have their CREST accounts credited on or by 4 September 2025.

How will I receive the cash if I successfully tender any Ordinary Shares?

You will receive the cash in Pounds Sterling (£).

Do I have to pay any costs and expenses?

No. Neither the Company nor Deutsche Numis is imposing any fees on you in connection with the Tender Offer. If you own your Ordinary Shares through a bank, broker, dealer, trust company or other nominee and such nominee tenders your Ordinary Shares on your behalf, such nominee may charge you a fee for doing so. You should consult with your bank, broker, dealer, trust company or other nominee to determine whether any charges will apply.

What is the UK tax treatment for Shareholders?

For information on certain UK taxation consequences of the Tender Offer please see Part VII of this Circular. This information is for guidance only and does not constitute tax advice. If you are in any doubt as to your tax position, or if you are subject to tax in a jurisdiction other than the UK, you should consult an independent professional adviser.

What happens if I sell my Ordinary Shares after receiving this Circular?

If you sell or transfer or have sold or otherwise transferred all of your Ordinary Shares, please forward this Circular (but not the accompanying Tender Form) at once to the purchaser or transferee or the agent through whom the sale or transfer was effected, for onward delivery to the purchaser or transferee (but not if such purchaser, transferee or agent is resident in a Restricted Jurisdiction). If you have sold part of your holding of Ordinary Shares, please retain these documents and contact the bank, stockbroker or other agent through whom the sale or transfer was effected as to the actions you should take. Do not forward your Tender Form.

What if I am resident outside the UK or a non-UK national or citizen?

Shareholders resident outside the UK, or who are nationals or citizens of jurisdictions other than the UK, should read the additional information set out in paragraph 6 of Part VI of this Circular headed Overseas Shareholders. For legal reasons, we are unable to offer Shareholders in a Restricted Jurisdiction the ability to participate in the Tender Offer.

Is there a General Meeting of Shareholders to approve the repurchase of Ordinary Shares associated with the Tender Offer and do I need to attend?

The General Meeting of the Company will be held at 12.00 p.m. on 26 August 2025 to consider the Tender Offer Resolution, as explained further in the Notice of General Meeting in Part X of this Circular.

If you have completed and returned the Form of Proxy to Equiniti or appointed a proxy electronically via the Proxymity platform, the giving of a CREST Proxy Instruction or the completion of a Form of Proxy online so as to be received by no later than 12.00 p.m. on 21 August 2025 (or, in the case of an adjournment of the meeting, not later than 48 hours (excluding non-Business Days) before the time fixed for the holding of the adjourned meeting), you do not need to attend the General Meeting to have your vote counted.

3. The Tender Offer

Can Shareholders decide not to proceed with the Tender Offer?

The Tender Offer is conditional upon, among other matters, the passing of the Tender Offer Resolution at the General Meeting (as detailed in Part X of this Circular). If Shareholders do not vote to pass this resolution, then the Tender Offer will not proceed.

Can Deutsche Numis or the Company decide not to proceed with the Tender Offer?

The Tender Offer is conditional upon the satisfaction of the Tender Conditions set out in paragraph 2.1 of Part VI of this Circular. Should the Tender Conditions not be satisfied or waived by Deutsche Numis then the Tender Offer will not proceed.

What will happen to the Ordinary Shares that are successfully tendered?

The Tender Offer will be implemented by means of on-market purchases by Deutsche Numis, which will (subject to satisfaction of the Tender Conditions), as principal (and not as agent, nominee or trustee), purchase the Ordinary Shares tendered (subject to the overall limit of the Tender Offer) at the Tender Price. Conditional upon the Tender Offer becoming unconditional and subject to the terms thereof, Deutsche Numis has the right to require the Company to purchase from it (and the Company has the right to require Deutsche Numis to sell to it) any Ordinary Shares acquired by Deutsche Numis under the Tender Offer pursuant to the Repurchase Agreement at the Tender Price.

If either the put option or call option under the Repurchase Agreement is exercised, following completion of those purchases and in accordance with the Repurchase Agreement, Deutsche Numis shall sell the Ordinary Shares that are successfully tendered to the Company at the Tender Price by way of an on-market transaction.

It is the Company's intention to cancel the Ordinary Shares that are successfully tendered to Deutsche Numis and subsequently purchased by the Company pursuant to the Repurchase Agreement.

4. Miscellaneous

What if I have more questions?

If you have read this Circular and accompanying documents and have any further questions about the Tender Offer and/or the General Meeting, please telephone the Shareholder Helpline operated by Equiniti on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider.

Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 8.30 a.m. – 5.30 a.m. Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes.

Please note that for legal reasons the Shareholder Helpline will not provide advice on the merits of the Tender Offer or Tender Offer Resolution or give any legal, financial, investment or taxation advice. For financial, investment or taxation advice, you should consult your own financial, investment or tax adviser.

PART IV

TREND INFORMATION AND MAJOR SHAREHOLDINGS

Shareholders should consider carefully all of the information set out in this Circular including, in particular the risks described below, as well as their personal circumstances, prior to making any decision as to whether or not to tender Ordinary Shares in the Tender Offer.

Trend Information

As previously reported, the Board remains of the view that conditions in the investment market for certain types of assets, particularly leisure assets, were such that, in the Board's view, the sale of these assets should be deferred until market demand and pricing improve, particularly given the high income yield and long unexpired lease terms. We remain of this view although we expect market conditions to improve later this year assuming that financial markets are less volatile than at present. The 0.25 per cent. reduction in base rates in May 2025 was a welcome step to improving liquidity in real estate markets, particularly for residential property.

At an operational level, the Company continues to make good progress with its asset management activities to enable the remaining properties to be ready for sale as set out in the announcement of the Company relating to its preliminary results for the year ended 31 March 2025, released on 5 June 2025.

The success of our disposal strategy since July 2022 means that the Company is now debt free and the remaining portfolio is unencumbered which together with its strong cash position gives it both flexibility and optionality over the timing of its disposal programme.

Major Shareholdings

As at 20 June 2025:

<i>Shareholder</i>	<i>Ordinary Shares of 10p</i>	<i>%</i>
Peter Gyllenhammar	4,940,083	17.10
Winton Capital Management	2,765,001	9.57
JO Hambro Capital Management	1,947,972	6.74
Harwood Capital	1,868,244	6.47
Premier Miton Investors	1,750,957	6.06
UBS Wealth Management	1,605,379	5.56
Charles Stanley	1,346,972	4.66
Hargreaves Lansdown, stockbrokers (EO)	1,181,437	4.09
Slater Investments	1,167,454	4.04
Janus Henderson Investors	1,056,733	3.66

None of the Directors hold shares in the Company. Tom Stimson, FP&A Analyst, as management, holds 4,148 shares in the Company.

There are no outstanding share options under the Long Term Incentive Plan or Deferred Bonus Scheme or any other share plans of the Company. The issued share capital of the Company as at the Latest Practicable Date is 28,892,535 Ordinary Shares of 10 pence each.

PART V

RISK FACTORS

In addition to the other information contained in this document, the following risk factors should be considered carefully prior to making any decision as to whether or not to approve or participate in the Tender Offer. The Tender Offer may give rise to certain risks which, if they occur, may have a material adverse effect on the business, financial condition, results of operations and prospects of the Group. If any of the following risks were to materialise, the business, financial conditions, results of operations and prospects of the Group could be materially adversely affected, and the value of the Ordinary Shares could decline and Shareholders could lose all or part of their investment in those Ordinary Shares.

The Directors consider the following to be the material risk factors related to the Tender Offer. These risks do not purport to be a comprehensive list of all potential risks in relation to the Tender Offer and do not include additional risks relating to the Tender Offer that are not presently known to the Directors, or which the Directors deem immaterial in the context of the Tender Offer. The risks described in this are based on information known as the date of this document but may not be the only risk to which the Group is or might be exposed. Additional risks and uncertainties, which are currently unknown to the Company or that the Company does not currently consider to be material, may adversely affect the business of the Group and could have material adverse effects on the business, financial condition, results of operations and future prospects of the Group. Shareholders should read this document as a whole and not rely solely on the information set out in this section.

Risk Factors relating to the Company

Valuations

The aggregate portfolio value and individual asset valuations may decrease

Decreasing capital and rental values could impact the Group's portfolio valuations leading to lower returns. Higher cost of debt can impact property yields and cause valuations to fall as a result. Increasing gilt yields can leave property investment becoming less attractive unless the desired return can be achieved.

Whilst independent valuations are undertaken and reviewed by management and the Board for all assets at the half year and year end and members of the Audit and Risk Committee meet with the valuers at least once a year to discuss valuations and the valuation process, there is no guarantee that valuations will reflect expected or historic valuation levels.

Risk factors relating to asset management

Tenant demand and default

Failure to adapt to changing occupier demands and/or poor tenant covenants may result in the loss of significant tenants, which could materially impact income, capital values and profit. Rising inflation, interest rates and living costs could impact tenant businesses, such as the leisure industry, as demand falls for discretionary spending.

Whilst management maintain close relationships with tenants understanding their needs and supporting them throughout their business cycle, there is no guarantee that such behaviours will mitigate the risks of default. Tenant due diligence and credit checks are undertaken on an ongoing basis to review covenant strength of existing and prospective tenants but cannot guarantee that tenants will not default.

Inadequate asset management may negatively impact returns and cashflow

Failure to implement asset business plans and uncertainties caused by refurbishment could lead to longer void periods, higher arrears and a reduced overall investment performance, adversely impacting returns and cashflows. There is no guarantee that the review of asset business plans embedded in the annual budget process will avoid such issues or that the experienced management team, use of advisors and property managers will ensure the execution of effective asset management strategies.

Risk factor relating to the Company's employees

The Company cannot guarantee the retention of key staff

An inability to retain employees with the right skills and experience may result in significant underperformance by the Company or impact the overall effectiveness of operations. Failure to uphold the health and safety of employees and others including tenants both physically and mentally by providing a safe and healthy environment in the Company's properties could lead to staff and tenant ill health, litigation and regulatory issues, negative media and market sentiment against the Company. Whilst the Board engage with staff regularly, encourage a positive working environment, maintain an attractive reward and benefits package and undertake regular performance reviews for each employee, there is no guarantee that the Company will retain key employees.

Market cycle, economic and political

The Board's current strategy includes the disposal of assets. Failure to react appropriately to changing market conditions and adapt our corporate strategy could negatively impact Shareholder returns and have a material adverse effect on the business, financial conditions, results of operations and future prospects of the Group. A downturn in the market could reduce the appetite in the investment market, leading to lower valuations and affecting our disposal strategy and ability to return capital to Shareholders.

Uncertainty in the UK economic landscape, global supply chain issues, inflation and interest rates, and the cost of energy crisis brings risks to the property market, supply chains and to occupiers' businesses. This can significantly impact market sentiment and our ability to extract value from our properties resulting in lower shareholder returns, reduced liquidity and increased occupier failure. The Board is monitoring and considering the longer term impacts of the cycle including the potential future of the office and the effected of the enhanced environmental, social and governance ("**ESG**") requirements.

Climate change

Failure to manage climate change risks may lead to increased costs and cause the Company's assets to become obsolete or void

Longer term failure to anticipate and prepare for transition and physical risks associated with climate change including increasing policy and compliance risks associated with existing and emerging environmental legislation could lead to increased costs and the Company's assets becoming obsolete or unable to attract occupiers. Notwithstanding the Group's ESG Committee's focus, there is no guarantee of the execution of ESG related matters and no guarantee that the integration of such matters into the Company's business model and corporate strategy will be achieved.

Risk factors relating to the Company's portfolio strategy

An inappropriate investment strategy that is not aligned to overall corporate purpose objectives, economic conditions, or tenant demand may result in lower investment returns. Notwithstanding the fact that the Board regularly reviews the Group's investment strategy and asset allocation, there is no guarantee that the activities of the Company will be aligned to the overall corporate strategy.

Legal, regulatory and tax related obligations

Non-compliance with legal and regulatory requirements may negatively impact the Company

Non compliance with the legal and regulatory requirements of a public real estate company, including the REIT regime could result in convictions or fines and negatively impact reputation.

Whilst the Company employs experienced staff and external advisers to provide guidance on key regulatory, accounting and tax issues, there is no guarantee that a breach is fully avoidable. In addition, although compliance with the REIT regime is regularly monitored by the Board and the executive team of the Company consider the impact on the regime as part of their decision making, there is again no guarantee that a breach can be avoided. Finally, there are a raft of emerging corporate governance and audit reforms which require additional processes and procedures to be put in place, for example in relation to additional reporting on the company's resilience. The Board is overseeing these changes but there remains the risk of a breach in a highly regulated environment.

Other tax related risks are detailed in the section set out below entitled “Risk factors relating to the Tender Offer”.

Business continuity and cyber security

Business interruptions may impact the Company’s income and profits

Business disruption as a result of physical damage to buildings, Government policy and measures implemented in response to pandemics, cyber attacks or other operational or IT failures or unforeseen events may impact the Company’s income and profits.

Whilst the Board continues to review the internal control environment and ensure good governance practices are adopted throughout the business in relation to disaster recovery protocols and potential cyber security issues, there is no guarantee that the Company’s disaster recovery and/or cyber security arrangements are sufficient to maintain the Company’s operations without interruption or impact.

Risk factors relating to financial matters

Capital structure and liquidity

An inappropriate level of gearing could put pressure on cash resources and lead to a funding shortfall for operational activities. In addition, the cost of borrowing and interest rates could negatively impact the Group’s ability to borrow or reduce its ability to repay its debts.

Whilst the Board regularly reviews its capital risk management policy, gearing strategy and debt maturity profile, there is no guarantee that the Group’s LTV limit of 35 per cent. will not be breached and/or that capital would be used to repay debt to reduce exposure to interest rate volatility and ensure debt compliance.

Risk Factors relating to the Tender Offer

The Tender Offer is conditional and may be terminated or withdrawn

There is no guarantee that the Tender Offer will take place. The Tender Offer is conditional on, among other things, the approval of the Tender Offer Resolution by Shareholders and will not proceed if any of the Tender Conditions are not satisfied or waived by Deutsche Numis or if it is withdrawn by Deutsche Numis at any point prior to the announcement of the results of the Tender Offer.

The approval of the Tender Offer Resolution requires not less than seventy-five per cent. (75 per cent.) of those voting at the General Meeting in person or by proxy to vote in favour of the Tender Offer Resolution. It is possible that Shareholders may not approve the Tender Offer Resolution.

If the Tender Offer does not occur, the Group may have on its balance sheet up to approximately £20.8 million of additional cash reserves, being the maximum amount under the Tender Offer. If Shareholders do not approve the Tender Offer, or the Tender Offer is otherwise terminated or withdrawn, the Board will consider all options available in relation to the return of capital to Shareholders and, following such consideration, may present alternative proposals to Shareholders, taking into consideration the then prevailing market and economic conditions and other relevant factors at the relevant time. However, there is no guarantee that such return of value to Shareholders will be made, its timing and, or terms and conditions on which any such alternative return of value to Shareholders would be made.

In relation to any further tender offer, future disposals may take longer than planned or made at lower prices which may impact timing of any future shareholder returns and there is the potential for further softening in the property market and valuations meaning that such future tender offer may be reduced or not proceed.

The market price of the Ordinary Shares may be affected during or after the Tender Offer

The market price of the Ordinary Shares is likely to change during the course of the period that the Tender Offer is open. Therefore, it cannot be certain whether the Tender Price will be greater or less than the price at which the Ordinary Shares could be sold in the market at any time.

If the maximum return of cash is not utilised in full via the proposed Tender Offer there is no guarantee that the remainder will be returned to Shareholders

Should the number of Ordinary Shares validly tendered under the Tender Offer be less than the maximum permitted under the terms of the Tender Offer and, subject to circumstances prevailing following completion of the Tender Offer (including the level of take up of the Tender Offer), the Board will consider alternative options regarding how best to deploy any such remaining cash or capital surplus or to return value to Shareholders, including by way of a share buy-back programme or distribution of dividends, taking into consideration the then prevailing market or economic conditions and other relevant factors at the relevant time. However, there is no guarantee that such return of cash to Shareholders will be made, its timing and, or terms and conditions on which any such alternative return of cash to Shareholders would be made.

In particular, there is no guarantee that if such alternative proposal were to include the acquisition of Ordinary Shares to return value to Shareholders by way of a share buy-back or otherwise, that any such acquisition will be at a price equal to, or higher, than the Tender Price, as the maximum price for market purchases is linked to the market value of an Ordinary Share at the relevant time.

The Tender Offer may adversely affect the market value of the Ordinary Shares and reduce the liquidity in trading of the Ordinary Shares

The impact on the market price of the Ordinary Shares as a result of the implementation of the Tender Offer cannot be predicted.

It is intended that all Ordinary Shares validly tendered and accepted for purchase in the Tender Offer will be cancelled (following their acquisition by Deutsche Numis and the exercise of the put option or call option by Deutsche Numis or the Company (respectively) pursuant to the Repurchase Agreement). To the extent that Ordinary Shares are tendered and accepted in the Tender Offer, the total volume of Ordinary Shares available for trading will be reduced by a corresponding amount. An equity security with a smaller volume of securities available for trading may command a lower price than would a comparable security with a greater trading volume. The reduced volume may also make the trading price of the Ordinary Shares more volatile. Consequently, the liquidity, market value and price volatility of Ordinary Shares not tendered in the Tender Offer could be adversely affected. There can be no assurance that the volumes of trading in the Ordinary Shares following the completion of the Tender Offer will match or exceed those prior to the Tender Offer and may be lower. In addition, a market expectation of a reduction in the total number of Ordinary Shares can itself give rise to one or more of the foregoing adverse consequences even prior to the completion of the Tender Offer and/or the announcement of the level of tendering into the Tender Offer.

If implemented, the Tender Offer could result in Qualifying Shareholders that tender in the Tender Offer having their proportionate holding in the Company diluted

Qualifying Shareholders that tender into the Tender Offer who either (a) tender in excess of their Guaranteed Entitlement, or (b) tender any Ordinary Shares (including less than their Guaranteed Entitlement) in circumstances where the maximum aggregate number of Ordinary Shares permitted to be tendered into the Tender Offer by all Qualifying Shareholders is not reached, will have their proportionate holding in the Company diluted.

If implemented, the Tender Offer could result in existing Shareholders with significant holdings of Ordinary Shares that do not participate in the Tender Offer having their proportionate holding in the Company increased. Shareholders with significant holdings of Ordinary Shares that do not, or are not otherwise permitted to, tender any of their Ordinary Shares in the Tender Offer in circumstances where other Qualifying Shareholders do participate in the Tender Offer will see their proportionate holding in the Company increased, with a corresponding increase and possible concentration in the voting power of the Ordinary Shares held by such Shareholders. Such holders of significant holdings of Ordinary Shares could exercise their voting rights in a manner that is not aligned with the interests of other Shareholders. In addition, a decision to sell the Ordinary Shares by such a significant Shareholder could have a materially greater adverse effect on the price for Ordinary Shares (due to greater proportionate supply) following the completion of the Tender Offer.

Shareholders with a significant holding of Ordinary Shares should have regard to their obligations under Rule 9 of the Takeover Code. Having regard to the maximum number of Ordinary Shares that may be acquired by Deutsche Numis under the Tender Offer and subsequently acquired and cancelled by the Company under the Repurchase Agreement and having regard to the interest in Ordinary Shares disclosed

to the Company as at the Latest Practicable Date, the Board does not believe the provisions of Rule 9 will be triggered if Shareholders with existing material holdings in the Company do not participate in the Tender Offer (assuming they maintain their level of shareholding as at the Latest Practicable Date). Shareholders who acquire further Ordinary Shares could potentially trigger obligations under Rule 9 and should therefore, before making such an acquisition, be aware of the potential maximum increase in their proportionate holding as a result of such an acquisition following the completion of the Tender Offer and the cancellation of the Ordinary Shares tendered.

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

The Company, as the principal company of the Group, has previously given notice to HMRC (in accordance with Section 523 CTA 2010) that with effect from 1 August 2019, the Group is a group UK REIT and must continue to comply with certain ongoing regulations and conditions (including minimum distribution requirements) thereafter. The requirements for maintaining REIT status are complex.

The Company cannot guarantee continued compliance with all of the REIT conditions and there is a risk that the REIT regime may cease to apply in certain circumstances. HMRC may require the Group to exit the REIT regime, for example, if:

- it regards a breach of the conditions or failure to satisfy the conditions relating to the tax-exempt business, or an attempt to obtain a tax advantage, as sufficiently serious;
- the Company or the Group has committed a certain number of minor breaches in a specified period; or
- it has given the members of the Group at least two notices in relation to the obtaining of a tax advantage within a ten-year period.

It is possible, depending on the identity of the participating Qualifying Shareholders and the level of take up of the Tender Offer (both by individual Qualifying Shareholders and of the Tender Offer as a whole), that following the completion of the Tender Offer the Company would cease to meet the close company condition, and the number of Ordinary Shares beneficially held by the public (in each case as defined by the rules of the REIT regime, a summary of which is set out in Section B.I of Part VI of this Circular) will fall to below thirty-five per cent. (35 per cent.). This would cause the Company to automatically lose its status as a REIT with effect from the end of the previous accounting period, being 31 March 2025. The loss of REIT status, should it be triggered, would be immediate and there is no 'grace' period during which the Company could seek to effect change such that the number of shares beneficially held by the public is maintained above thirty-five per cent. (35 per cent.) following completion of the Tender Offer. The possibility of a loss of REIT status will depend on the exact participation by Qualifying Shareholders in the Tender Offer and it is not wholly within the control of the Company or the Board.

Furthermore, none of Deutsche Numis, the Company nor the Board has entered into binding commitments or undertakings to withdraw, revoke, cancel, alter, or otherwise vary the terms and conditions of the Tender Offer, or the allocation of tenders received, if, as at the Closing Date, the results of the Tender Offer and the final allocation of tenders received, including any scaling-down arrangements, would give rise to a loss of REIT status.

If the Company were to lose its REIT status, Shareholders ought to be aware of and carefully consider the risks relating to such loss of status, which risks include those risks identified in this Part V (Risk Factors), as well as the risks described in Section B.I and Section B.II of Part VII of this Circular.

If the Group fails to remain qualified as a REIT, members of the Group may be subject to UK corporation tax on some or all of their property rental income and chargeable gains on the sale of properties which would reduce the amounts available to distribute to investors.

If the Group automatically loses its REIT status, HMRC has wide powers to direct how it is to be taxed (both before and after it leaves the REIT regime). This could substantially reduce the Company's reserves available to make distributions to Shareholders and the yield on the Ordinary Shares. In addition, incurring a tax liability might require the Company to borrow funds, liquidate some of its assets or take other steps that could have a material adverse effect on the Company's performance, financial condition, strategy and business prospects.

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

A REIT may become subject to an additional tax charge if it pays a dividend to, or in respect of, a Substantial Shareholder. This additional tax charge will not be incurred if the Company has taken reasonable steps to avoid paying dividends to a Substantial Shareholder. Therefore, the Articles contain provisions designed to avoid the situation where dividends may become payable to a Substantial Shareholder. These provisions provide the Directors with powers to identify Substantial Shareholders and to withhold the payment of dividends on shares that form part of a Substantial Shareholding unless certain conditions are met.

The Articles also allow the Board to require the disposal of shares forming part of a Substantial Shareholding in certain circumstances where the Substantial Shareholder has failed to comply with the above provisions.

Depending on the identity of the participating Qualifying Shareholders and the level of take up of the Tender Offer (both by individual Qualifying Shareholders and of the Tender Offer as a whole), it may be possible that persons who were not Substantial Shareholders before the Tender Offer become Substantial Shareholders.

Adverse changes in taxation law and in the tax position of the Company

This Circular is prepared in accordance with current taxation laws and practice in the UK. UK taxation legislation and interpretation is subject to change. The taxation of an investment in the Company depends on the individual circumstances of investors. Any change in the Company's tax position or status or in tax legislation or proposed legislation, or in the interpretation of tax legislation or proposed legislation by tax authorities or courts, or tax rates, could adversely affect the Company's ability to pay dividends, dividend growth and the market value of the Ordinary Shares and thus may alter the net return to investors. The UK government has been known to introduce retrospective tax legislation and this cannot be ruled out in the future.

PART VI

TERMS AND CONDITIONS OF THE TENDER OFFER IN RESPECT OF ORDINARY SHARES

1. Introduction

- 1.1 Qualifying Shareholders are being invited to tender some or all of their Ordinary Shares for purchase by Deutsche Numis on the terms and subject to the conditions set out in this Circular and, in the case of certificated Ordinary Shares only, in the accompanying Tender Form, in the ratio of 3 Ordinary Shares for every 10 Ordinary Shares held.
- 1.2 Qualifying Shareholders who do not wish to participate in the Tender Offer need take no action. The rights of Qualifying Shareholders who choose not to tender their Ordinary Shares will be unaffected.
- 1.3 The Tender Offer will be implemented by means of on-market purchases by Deutsche Numis, which will, as principal (and not as agent, nominee or trustee), purchase the Ordinary Shares tendered (subject to the overall limit of the Tender Offer) at the Tender Price. Following completion of those purchases, and subject to exercise of the put option or call option in accordance with the Repurchase Agreement, it is expected that Deutsche Numis shall sell such Ordinary Shares to the Company at the Tender Price by way of an on-market transaction. For this purpose, in accordance with the terms of the Repurchase Agreement: (a) the Company has granted a put option to Deutsche Numis, which, on exercise, obliges the Company to purchase from Deutsche Numis, at the Tender Price, the Ordinary Shares purchased by Deutsche Numis pursuant to the Tender Offer; and (b) Deutsche Numis has granted the Company a call option which, on exercise, obliges Deutsche Numis to sell to the Company, at the Tender Price, the Ordinary Shares purchased by Deutsche Numis pursuant to the Tender Offer.
- 1.4 It is intended that any Ordinary Shares purchased by the Company from Deutsche Numis pursuant to the Repurchase Agreement under the Repurchase Agreement in connection with the Tender Offer will be cancelled and the number of Ordinary Shares in issue carrying voting rights reduced accordingly.

2. Terms and Conditions of the Tender Offer

- 2.1 The Tender Offer is conditional upon the following (together, the "**Tender Conditions**"):
 - 2.1.1 the passing of the Tender Offer Resolution at the General Meeting;
 - 2.1.2 receipt of valid tenders in respect of at least 288,925 Ordinary Shares (representing approximately one per cent. (1 per cent.) of the Issued Ordinary Share Capital of the Company) by 1.00 p.m. on the Closing Date and there continuing to be valid tenders in respect of at least such number of Ordinary Shares;
 - 2.1.3 the Repurchase Agreement becoming unconditional and not having been terminated;
 - 2.1.4 the Tender Offer not having been terminated in accordance with paragraph 2.25 of Part VI of this Circular;
 - 2.1.5 Deutsche Numis being satisfied that the Company has sufficient cash (in immediately available funds) and distributable profits (for the purposes of the Act) to effect the purchase of all of the Ordinary Shares as are to be repurchased by it pursuant to the Repurchase Agreement; and
 - 2.1.6 Deutsche Numis being satisfied, acting in good faith, that, at all times up to immediately prior to the announcement of the results of the Tender Offer, the Company has complied with its obligations, and is not in breach of any of the representations and warranties given by it, under the Repurchase Agreement; and
 - 2.1.7 Deutsche Numis not having been given written notice from the Directors that the Directors have concluded that the implementation of the Tender Offer is no longer in the best interests of the Company and/or Shareholders as a whole.

- 2.2 Deutsche Numis will not purchase the Ordinary Shares pursuant to the Tender Offer unless the Tender Conditions have been satisfied or, as provided below, waived. In the event that the Tender Conditions set out in paragraph 2.1 of Part VI of this Circular are not satisfied, Deutsche Numis shall be entitled in its sole discretion to waive such Tender Condition and to elect to proceed with the implementation of the Tender Offer. The purchase by Deutsche Numis of the Ordinary Shares pursuant to the Tender Offer will occur upon the Tender Conditions being satisfied or waived. If any of the Tender Conditions are not satisfied or waived by 1.00 p.m. on 26 August 2025 (or such later time and date as the Company and Deutsche Numis may agree), the Tender Offer will lapse.
- 2.3 All Ordinary Shares tendered by Qualifying Shareholders under the Tender Offer will be tendered at the Tender Price, which is fixed. Ordinary Shares may not be tendered at any other price.
- 2.4 The maximum number of Ordinary Shares that may be purchased under the Tender Offer is 8,667,761 which equates to approximately 30 per cent. of the issued share capital of the Company at the Tender Offer Record Date. As at 29 July 2025, there were 28,892,535 Ordinary Shares in issue. No shares were held in treasury.
- 2.5 The maximum aggregate consideration to be paid by Deutsche Numis in respect of the Tender Offer shall not exceed approximately £20.8 million.
- 2.6 Ordinary Shares successfully tendered under the Tender Offer will be sold to Deutsche Numis (acting as principal) fully paid and with full title guarantee, free from all liens, charges, equitable interests and encumbrances and with all rights attaching to the same. Ordinary Shares purchased by Deutsche Numis pursuant to the Tender Offer will be purchased by Deutsche Numis as principal (and not as agent, nominee or trustee) and such purchases will be market purchases in accordance with rules of the London Stock Exchange and the FCA.

Following completion of the Tender Offer, and subject to the exercise of the put option or call option it is expected that Deutsche Numis will sell such Ordinary Shares to the Company, at a price per Ordinary Share equal to the Tender Price, pursuant to the Repurchase Agreement. Purchases of Ordinary Shares by the Company pursuant to the Repurchase Agreement will also be market purchases in accordance with rules of the London Stock Exchange and the FCA.

For this purpose, in accordance with the terms of the Repurchase Agreement:

- 2.6.1 the Company has granted a put option to Deutsche Numis, which, on exercise, obliges the Company to purchase from Deutsche Numis, at the Tender Price, the Ordinary Shares purchased by Deutsche Numis pursuant to the Tender Offer; and
- 2.6.2 Deutsche Numis has granted the Company a call option which, on exercise, obliges Deutsche Numis to sell to the Company, at the Tender Price, the Ordinary Shares purchased by Deutsche Numis pursuant to the Tender Offer.
- 2.7 It is intended that all of the Ordinary Shares purchased from Deutsche Numis by the Company pursuant to the Repurchase Agreement in connection with the Tender Offer will be cancelled and the number of Ordinary Shares in issue with voting rights will be reduced accordingly.
- 2.8 Subject to paragraphs 2.25 and 2.27 of this Part VI, the Tender Offer will close at 1.00 p.m. on 26 August 2025 and no tenders received after that time will be accepted unless otherwise approved by Deutsche Numis (in consultation with the Company).
- 2.9 Tender Forms which have been, or are deemed to be, validly and properly completed (for Ordinary Shares held in certificated form) and submitted to Equiniti acting as Receiving Agent and TTE Instructions which have settled (for Ordinary Shares held in uncertificated form) will become irrevocable except with the consent of Deutsche Numis (having consulted the Company) in its absolute discretion.
- 2.10 All questions as to the validity (including time of receipt) of tenders will be determined by Deutsche Numis (in consultation with the Company) in its sole discretion, which determination shall be final and binding (except as otherwise required under applicable law). Deutsche Numis reserves the right to reject any or all tenders it determines not to be in proper form or the acceptance of payment for which may, in the opinion of Deutsche Numis, be unlawful. Deutsche Numis reserves the absolute

right to reject any or all tenders it determines not to be in proper form or where the payment for which may, in the opinion of Deutsche Numis (after consulting with the Company), be unlawful under the laws of any jurisdiction, including the Shareholder (or any of its beneficial owners affiliates, directors, officers or employees) being the subject or target of any sanctions administered or enforced by the U.S. Government, (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State and including, without limitation, the designation as a “specially designated national” or “blocked person”), the United Nations Security Council, the European Union, His Majesty’s Treasury, or other relevant competent governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions (collectively, “**Sanctions**”) or the Shareholder (or any of its beneficial owners, affiliates, directors, officers or employees) being located, organised or resident in a country, region or territory that is (or may become prior to settlement of consideration) the subject of Sanctions.

Unless Deutsche Numis determines otherwise, no tender of Ordinary Shares will be deemed to be validly made until all defects or irregularities have been cured or waived. In the event of a waiver, the consideration pursuant to the Tender Offer will not be despatched (in respect of Ordinary Shares held in certificated form) or made by way of CREST payment (in respect of Ordinary Shares held in uncertificated form) to the relevant Shareholder until after (in the case of Ordinary Shares held in certificated form) the Tender Form is complete in all respects and the share certificate(s) and/or other document(s) of title satisfactory to Deutsche Numis have been received or (in the case of Ordinary Shares in uncertificated form) the relevant TTE Instruction has settled.

None of the Company, Deutsche Numis, Equiniti or any other person is or will be obliged to give notice of any defects or irregularities in any tender and none of them will incur any liability for failure to give any such notice. All tenders of Ordinary Shares held in certificated form must be made on the accompanying Tender Form, duly completed in accordance with the instructions set out below and on the Tender Form, as applicable (which constitute part of the terms of the Tender Offer). Such tenders will be valid only if the procedures contained in this Circular and in the Tender Form are complied with.

- 2.11 All tenders of Ordinary Shares held in uncertificated form (that is, in CREST) must be made by the input and settlement of an appropriate TTE Instruction in CREST in accordance with the instructions set out below and the relevant procedures in the CREST Manual which together constitute part of the terms of the Tender Offer. Such tenders will be valid only if the procedures contained in this Circular and in the relevant parts of the CREST Manual are complied with.
- 2.12 The Tender Offer and all tenders will be governed by, and construed in accordance with, the laws of England and Wales and the delivery of a Tender Form or the input of a TTE Instruction in CREST, as applicable, will constitute submission to the jurisdiction of the Courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer and the Tender Form.
- 2.13 Subject to paragraphs 2.25 and 2.27 of this Part VI, the results of the Tender Offer will be announced on 29 August 2025.
- 2.14 Under the Tender Offer and subject to the terms and conditions set out in this Part VI, and (where relevant) the Tender Form, Qualifying Shareholders will be entitled to sell to Deutsche Numis a percentage of their Ordinary Shares equal to their Guaranteed Entitlement. Qualifying Shareholders may also tender a number of Ordinary Shares representing more or less than their Guaranteed Entitlement.
- 2.15 If the aggregate value at the Tender Price of all Ordinary Shares validly tendered by Shareholders exceeds the overall limit of approximately £20.8 million, or the Company has (pursuant to the terms of paragraph 2.26 of this Part VI) exercised its discretion to accept valid tenders in an amount that is less than the overall limit of approximately £20.8 million, then not all of the Ordinary Shares validly tendered will be accepted and purchased and, in these circumstances, tenders will be accepted (or, as the case may be, rejected) as follows:
 - (A) all Ordinary Shares validly tendered up to the Guaranteed Entitlement, for each relevant holding of Ordinary Shares, will be accepted and purchased in full; and

(B) all Ordinary Shares validly tendered in excess of the Guaranteed Entitlement, for each relevant holding of Ordinary Shares, will be scaled down *pro rata* to the total number of such Ordinary Shares tendered in excess of the Guaranteed Entitlement such that the total cost of Ordinary Shares to be purchased pursuant to the Tender Offer does not, in any case, exceed the overall limit of up to approximately £20.8 million, provided, however, that Deutsche Numis (in consultation with the Company) shall, in each case, be entitled to exercise its discretion to adjust such scaling down as is necessary or expedient on the basis that the removal of any Shareholders in full from the Company's register of members would bring administrative cost savings to the Company and in recognition that Shareholders may not wish to hold small and uneconomic numbers of Ordinary Shares in the Company.

2.16 The Guaranteed Entitlement is only relevant if the Tender Offer is oversubscribed or taken up in full. Assuming full take up of the Tender Offer, tenders in respect of up to 30 per cent. of each holding of Ordinary Shares of every Qualifying Shareholder on the Record Date will be accepted in full at the Tender Price and will not be scaled down. This percentage is known as the “**Guaranteed Entitlement**”.

Qualifying Shareholders may tender Ordinary Shares in excess of their Guaranteed Entitlement. However, if the Tender Offer is oversubscribed, the tender of such excess Ordinary Shares will only be successful to the extent that other Shareholders have tendered less than their Guaranteed Entitlement.

2.17 Should any fractions arise from any scaling-down or Guaranteed Entitlement arrangements under paragraphs 2.15 and 2.16 of this Part VI, the number of Ordinary Shares accepted shall be rounded down to the nearest whole Ordinary Share (or to nil, as the case may be).

2.18 All documents and remittances sent by or to Shareholders and all instructions made by or on behalf of a Shareholder in CREST relating to the Tender Offer will be sent or made (as the case may be) at the risk of the sender or maker. If the Tender Offer does not become unconditional, or does not proceed, and lapses, in respect of Ordinary Shares held in certificated form, Tender Forms, share certificates and other documents of title will be returned by post to Shareholders not later than ten (10) Business Days after the date of such lapse, or, in respect of Ordinary Shares held in uncertificated form (that is, in CREST), Equiniti will provide instructions to Euroclear to transfer all Ordinary Shares held in escrow balances by TFE Instruction to the original available balances to which those Ordinary Shares relate.

2.19 If only part of a holding of Ordinary Shares is successfully tendered pursuant to the Tender Offer, the relevant Qualifying Shareholder will be entitled to receive the following:

2.19.1 if Ordinary Shares are held in certificated form, a certificate in respect of the unsold Ordinary Shares; or

2.19.2 if Ordinary Shares are held in uncertificated form (that is, in CREST), the transfer by Equiniti by TFE Instruction to the original available balances of those unsold Ordinary Shares.

2.20 Further copies of the Tender Form may be obtained on request from Equiniti or by telephone from the Shareholder Helpline operated by Equiniti on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 8.30 a.m. – 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and monitored for security and training purposes.

2.21 All Ordinary Shares successfully tendered will be purchased by Deutsche Numis, as principal (and not as agent, nominee or trustee) at the Tender Price.

2.22 All questions as to the number of Ordinary Shares tendered and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any tender of Ordinary Shares under the Tender Offer will be determined by Deutsche Numis in its sole discretion, which determination shall be final and binding on all parties (except as otherwise required under applicable law).

- 2.23 Ordinary Shares will be purchased from tendering Qualifying Shareholders under the Tender Offer free of all commissions and dealing charges.
- 2.24 The failure of any person to receive a copy of this Circular or the Tender Form shall not invalidate any aspect of the Tender Offer. None of the Company, Equiniti, Deutsche Numis or any other person will incur any liability in respect of any person failing to receive this document and/or, for a person who holds their Ordinary Shares in certificated form, the Tender Form.
- 2.25 If, at any time prior to the announcement of the results of the Tender Offer:
- 2.25.1 the Board has notified Deutsche Numis in writing that it has concluded that the Tender Offer would no longer be in the best interests of the Company and/or the Shareholders as a whole (in exercising such discretion, the Board will give consideration, among other things, to the impact of the Tender Offer on the Company's ongoing compliance with applicable provisions of the UK Listing Rules); or
- 2.25.2 there shall occur:
- (a) any material adverse change in the national, regional, or international, financial, economic, political or market conditions, including but not limited to as a result of, or, in connection with conflicts, war, natural disasters or other extraneous events (including conflicts in Ukraine and/or the Middle East); or
- (b) any material adverse change in the financial position or prospects and/or circumstances of the Company or its direct or indirect subsidiaries (including, without limitation, in relation to the distributable profits of the Company or by reason of any change in legislation, practice, circumstances or otherwise), such that the purchase of Ordinary Shares by Deutsche Numis may have adverse economic, operational, financial, and/or fiscal consequences for the Company or Shareholders as a whole and it renders (in the reasonable opinion of the Directors), the Tender Offer temporarily or permanently impractical or inadvisable (taking into account the background to and reasons for the Tender Offer), Deutsche Numis may terminate the Tender Offer. If the Tender Offer is terminated, the Company will make an announcement as soon as practicable thereafter through a Regulatory Information Service that such is the case.
- 2.26 Deutsche Numis reserves the right, at any time prior to the announcement of the results of the Tender Offer, (in consultation with the Company), to revise the aggregate value of the Tender Offer (subject, however, to the aggregate value not exceeding the overall limit of approximately £20.80 million), based on market or economic conditions and/or other factors, subject to compliance with applicable legal and regulatory requirements. The Company shall notify Shareholders of any such revision without delay by public announcement through a Regulatory Information Service.
- 2.27 Deutsche Numis reserves the right, at any time prior to the announcement of the results of the Tender Offer, (in consultation with the Company), to extend the period during which the Tender Offer is open, based on market conditions and/or other factors, subject to compliance with applicable legal and regulatory requirements. In the event that the Company extends the period during which the Tender Offer is open, any references to the "Closing Date" shall mean the latest time and date at which the Tender Offer applicable to Ordinary Shares, as so extended, shall close. The Company shall notify Shareholders of any such revision without delay by public announcement through a Regulatory Information Service not later than 8.00 a.m. on the Business Day after the extension or variation.
- 2.28 The terms of the Tender Offer shall have effect subject to such non-material modifications as the Company and Deutsche Numis may from time to time approve in writing. The times and dates referred to in this Circular may be amended by agreement in writing between the Company and Deutsche Numis.
- 2.29 For the avoidance of doubt, entitlements pursuant to the Tender Offer will apply to each registered Shareholder and, accordingly, a registered Shareholder who holds Ordinary Shares for multiple beneficial owners may decide the allocation of such entitlements between such beneficiaries at its own discretion.

3. Procedure for tendering

3.1 *Different procedures for certificated and uncertificated Ordinary Shares*

If you are a Qualifying Shareholder and hold Ordinary Shares in certificated form, you may tender Ordinary Shares only by completing and returning the Tender Form in accordance with the instructions printed thereon and set out in paragraph 3.2 of this Part VI. If you are a Qualifying Shareholder and hold Ordinary Shares in certificated form, but under different designations, you should complete a separate Tender Form, as appropriate, in respect of each designation. Additional copies of the Tender Form can be obtained by calling the Shareholder Helpline operated by Equiniti on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 8.30 a.m. – 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes.

If you are a Qualifying Shareholder and hold Ordinary Shares in uncertificated form (that is, in CREST) you may only tender Ordinary Shares by TTE Instruction in accordance with the procedure set out in paragraph 3.3 of this Part VI and, if those Ordinary Shares are held under different member account IDs, you should send a separate TTE Instruction for each member account ID.

3.2 *Ordinary Shares held in certificated form (that is, not in CREST)*

To participate in the Tender Offer, Qualifying Shareholders holding Ordinary Shares in certificated form must complete, sign, have witnessed and return the Tender Form in accordance with these instructions and the instructions on the Tender Form. Completed, signed and witnessed Tender Forms, together with the relevant valid share certificate(s) and/or other document(s) of title, should be sent by post in the accompanying reply-paid envelope (for use in the UK only) as soon as possible and, in any event, so as to be received by no later than 1.00 p.m. on 26 August 2025. Tenders received after that time will be accepted only at the sole discretion of Deutsche Numis (in consultation with the Company). Any Tender Form received in an envelope postmarked in a Restricted Jurisdiction or otherwise appearing to Deutsche Numis or its agents to have been sent from any Restricted Jurisdiction may be rejected as an invalid tender. For further information on Overseas Shareholders, see paragraph 6 of this Part VI of the Circular. Duly completed Tender Forms sent by any of the means set out above and received signed and complete in all respects by the prescribed time will be treated as tenders of Ordinary Shares in accordance with the terms and conditions of the Tender Offer. No acknowledgement of receipt of documents will be given.

The completed and signed Tender Form should be accompanied, where possible, by the relevant share certificate(s) and/or other document(s) of title.

If your share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with your stockbroker, bank or other agent) or are lost, the Tender Form should nevertheless be completed, signed and returned as described above so as to be received by Equiniti at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA by no later than 1.00 p.m. on 26 August 2025 together with any share certificate(s) and/or document(s) of title that you may have available and a note of explanation stating that the remaining documents will follow as soon as possible or that you have lost one or more of your share certificate(s) and/or other document(s) of title. The relevant share certificate(s) and document(s) of title should be forwarded as soon as possible thereafter.

In respect of those Ordinary Shares for which your share certificate(s) is/are unavailable and you have been sent a Tender Form, a letter of indemnity can be obtained by writing to Equiniti at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA or contacting them on the Shareholder Helpline. If a separate letter of indemnity is completed, this should be returned with the Tender Form as described above so as to be received by Equiniti at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA by no later than 1.00 p.m. on 26 August 2025. A fee may be payable by the Shareholder in respect of each letter of indemnity, in accordance with the Company's Articles of association.

Where you have returned a letter of indemnity in respect of unavailable share certificate(s) and you subsequently find or obtain the relevant share certificate(s), you should immediately send the certificates by post to Equiniti Limited at Aspect house, Spencer Road, Lancing West Sussex BN99 6DA.

If you are in any doubt as to the procedure for acceptance, please telephone the Shareholder Helpline operated by Equiniti, on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 8.30 a.m. – 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. For legal reasons, the Receiving Agent will not be able to give advice on the merits of the Tender Offer or provide legal, financial or personal taxation advice and accordingly participating Shareholders should consult their stockbroker, solicitor, accountant or other professional adviser.

By signing and returning a Tender Form, you will be deemed to have appointed Deutsche Numis as your agent in respect of the tender process. Deutsche Numis will therefore issue contract note(s) on behalf of all tendering Qualifying Shareholders whose Ordinary Shares are so purchased under the Tender Offer and will remit the cash consideration to Equiniti with instructions that such consideration be remitted to tendering Qualifying Shareholders in accordance with the instructions set out on the Tender Form.

3.3 **Ordinary Shares in uncertificated form (that is, in CREST)**

If you are a Qualifying Shareholder and your Ordinary Shares are in uncertificated form, to tender such Ordinary Shares under the Tender Offer you should take (or procure the taking of) the action set out below to transfer (by means of a TTE Instruction) the number of Ordinary Shares you wish to tender under the Tender Offer to the relevant escrow account specifying Equiniti (in its capacity as a CREST Participant under the relevant Participant ID(s) and member account ID(s) referred to below) as the escrow agent, as soon as possible and in any event so that the TTE Instruction settles by no later than 1.00 p.m. on 26 August 2025. Please note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) and you should therefore ensure you time the input of any TTE Instructions accordingly.

The input and settlement of a TTE Instruction in accordance with this paragraph 3.3 shall constitute an offer to Deutsche Numis to sell to it the number of Ordinary Shares at the price indicated on the terms of the Tender Offer by transferring such Ordinary Shares to the relevant escrow account as detailed below. This offer will become irrevocable except with the consent of Deutsche Numis (having consulted the Company) in its absolute discretion.

If you are a CREST Sponsored Member, you should refer to your CREST Sponsor before taking any action. Your CREST Sponsor will be able to confirm details of your Participant ID and the member account ID under which your Ordinary Shares are held. In addition, only your CREST Sponsor will be able to send the TTE Instruction to Euroclear in relation to the Ordinary Shares which you wish to tender. The corporate action number is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST.

After settlement of the TTE Instruction, you will not be able to access in CREST the Ordinary Shares concerned for any transaction or charging purposes, notwithstanding that they will be held by Equiniti as the escrow agent until completion or lapse of the Tender Offer. If the Tender Offer becomes unconditional by 1.00 p.m. on 26 August 2025, or such later time and date as Deutsche Numis may determine (in consultation with the Company), Equiniti will transfer the successfully tendered Ordinary Shares to itself as the agent of Deutsche Numis, returning any Ordinary Shares not successfully tendered to you.

You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined below. This can be downloaded from the Euroclear website at www.euroclear.co.uk.

You should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST Sponsor) to enable a TTE Instruction relating to your Ordinary Shares to settle prior to 1.00 p.m. on 26 August 2025. You are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

3.4 **Ordinary Shares held in Uncertificated form**

To tender Ordinary Shares in uncertificated form you should send (or if you are a CREST Sponsored Member, procure that your CREST Sponsor sends) a TTE Instruction to Euroclear in relation to such Ordinary Shares.

The TTE Instruction must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain, in addition to the other information that is required for the TTE Instruction to settle in CREST, the following details:

- 3.4.1 the number of Ordinary Shares in respect of which you wish to tender and be transferred to the relevant escrow account;
- 3.4.2 your member account ID;
- 3.4.3 your Participant ID;
- 3.4.4 the Participant ID of the escrow agent Equiniti in its capacity as a CREST Receiving Agent, which is 6RA13;
- 3.4.5 the member account ID of the escrow agent, Equiniti Limited, which is RA007333;
- 3.4.6 the corporate action ISIN in respect of the Ordinary Shares, which is GB00BF5SGF06;
- 3.4.7 the intended settlement date. This should be as soon as possible and, in any event, no later than 1.00 p.m. on 26 August 2025;
- 3.4.8 the contact name and telephone number inserted in the shared note field;
- 3.4.9 the corporate action number for the Tender Offer, which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST; and
- 3.4.10 input with a standard delivery instruction priority of 80.

The Company and/or Deutsche Numis will make an appropriate announcement if any of the details contained in this paragraph 3.4 relating to settlement in CREST are materially altered.

3.5 **Deposits of Ordinary Shares into, and withdrawals of Ordinary Shares from, CREST**

Normal CREST procedures (including timings) apply in relation to any Ordinary Shares that are, or are to be, converted from uncertificated to certificated form or *vice versa* during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Ordinary Shares or otherwise). Qualifying Shareholders who are proposing to convert any Ordinary Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Ordinary Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Tender Offer (in particular, as regards delivery of share certificates and/or other documents of title or transfers to an escrow balance as described above) prior to 1.00 p.m. on 26 August 2025.

3.6 **Validity of tenders**

3.6.1 *Ordinary Shares held in certificated form – validity of Tender Forms*

Deutsche Numis reserves the right to treat as valid only Tender Forms which are received entirely in order by 1.00 p.m. on 26 August 2025 and which are accompanied by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof in respect of the entire number of Ordinary Shares tendered.

An appropriate announcement will be made by the Company if any of the details contained in this paragraph 3.6.1 are altered.

3.6.2 *Ordinary Shares held in uncertificated form – validity of Electronic Tenders*

A Tender Form which is received in respect of Ordinary Shares held in uncertificated form will not constitute a valid tender and will be disregarded. Qualifying Shareholders holding Ordinary Shares in uncertificated form who wish to tender such Ordinary Shares should note that a TTE Instruction will be a valid tender as at 26 August 2025 only if it has settled on or before 1.00 p.m. on that date.

An appropriate announcement will be made by the Company if any of the details contained in this paragraph 3.6.2 are altered.

3.6.3 *General*

Notwithstanding the completion of a valid Tender Form or settlement of a TTE Instruction, as applicable, the Tender Offer may lapse in accordance with the conditions of this Circular.

The decision of Deutsche Numis as to which Ordinary Shares have been validly tendered shall be conclusive and binding on all Shareholders. The decision of Deutsche Numis as to the results of the Tender Offer (including, without limitation, the basis on which tenders in excess of the Guaranteed Entitlement are satisfied, scaled back or rounded down, as the case may be) shall be final and binding on all Shareholders.

If you are in any doubt as to how to complete the Tender Form or as to the procedure for making an Electronic Tender please contact Equiniti on the Shareholder Helpline. You are reminded that, if you are a CREST Sponsored Member, you should contact your CREST Sponsor before taking any action. Shareholders should note that, once tendered, Ordinary Shares may not be sold, transferred, charged or otherwise disposed of.

4. Effect of Tender and Tender Representations and Warranties

4.1 Shareholders tendering Ordinary Shares held in certificated form – Tender Forms

Each Shareholder by whom or, as applicable, on whose behalf, a Tender Form is executed and lodged, including a Tender Form which is treated by Deutsche Numis as valid, irrevocably undertakes, represents, warrants and agrees to and with Deutsche Numis (so as to bind him, his personal representatives, heirs, successors and assigns) that:

- 4.1.1 the execution of the Tender Form shall constitute an offer to sell to Deutsche Numis:
 - (a) where such Shareholder has inserted a cross 'X' in Box 1A of the Tender Form, such number of Ordinary Shares as is equal to such Shareholder's entire holding of Ordinary Shares as at the Record Date; or
 - (b) where such Qualifying Shareholder has inserted a cross 'X' in Box 1B of the Tender Form, such number of Ordinary Shares as the Shareholder has inserted, which may either be a number of Ordinary Shares that is (I) lower than such Shareholder's Guaranteed Entitlement, or (II) more than such Shareholder's Guaranteed Entitlement but lower than such Shareholder's total number of Ordinary Shares held by them; in each case on, and subject to, the terms and conditions set out or referred to in this Circular and the Tender Form, as applicable and that, once lodged, such tender shall become irrevocable except with the consent of Deutsche Numis (having consulted the Company) in its absolute discretion.
- 4.1.2 such Shareholder is the legal owner of the Ordinary Shares being tendered and has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by Deutsche Numis, Deutsche Numis will acquire such Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, including the right to receive all dividends and other distributions declared, paid or made after that date;
- 4.1.3 such execution and lodgement, shall, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of Deutsche Numis as such Shareholder's attorney and/or agent ("Attorney"), and an irrevocable instruction to the Attorney to:
 - (a) complete and execute any and all instruments of transfer and/or other documents or forms and take any and all actions which are necessary or, in such Attorney's absolute discretion deemed necessary, in relation to the Ordinary Shares referred to in paragraph 4.1.1 of this Part VI, in favour of Deutsche Numis or its nominee(s) or such other person(s) as Deutsche Numis may direct; and

- (b) deliver such instrument(s) of transfer and/or other documents or forms at the discretion of the Attorney, together with the share certificates and/or other documents of title relating to such Ordinary Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such Attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in Deutsche Numis or its nominee(s) or such other person(s) as Deutsche Numis may direct such Ordinary Shares;
- 4.1.4 such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Deutsche Numis and/or Equiniti or any of their respective directors or officers or any person nominated by Deutsche Numis or Equiniti or any of their respective directors or officers in the proper exercise of their respective powers and/or authorities hereunder;
- 4.1.5 such Shareholder holding Ordinary Shares in certificated form will deliver to Equiniti his share certificate(s) and/or other document(s) of title in respect of the Ordinary Shares referred to in paragraph 4.1.1 of this Part VI, or an indemnity acceptable to Deutsche Numis in lieu thereof, or will procure the delivery of such document(s) to Equiniti as soon as possible thereafter and, in any event, by no later than 1.00 p.m. on 26 August 2025;
- 4.1.6 the provisions of the Tender Form shall be deemed to be incorporated into the terms and conditions of the Tender Offer;
- 4.1.7 such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Deutsche Numis to be desirable, in each case in order to complete the purchase of the Ordinary Shares pursuant to the Tender Offer and/or to perfect any of the authorities expressed to be given hereunder;
- 4.1.8 such Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents and complied with all applicable formalities, that the invitation under the Tender Offer may be made to such Shareholder under the laws of the relevant jurisdictions, and has not taken or omitted to take any action which would otherwise result in Deutsche Numis or the Company acting in breach of any applicable legal or regulatory requirement in respect of the purchase by Deutsche Numis of the Ordinary Shares tendered by such Shareholder under the Tender Offer or the purchase of any Ordinary Shares acquired by Deutsche Numis under the Tender Offer pursuant to the Repurchase Agreement;
- 4.1.9 such Shareholder has not received or sent copies or originals of this Circular, the Tender Form or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, telephone and email) of interstate or foreign commerce of, or of any facility of a national securities exchange of, a Restricted Jurisdiction;
- 4.1.10 that neither this Circular nor the Tender Form has been mailed or otherwise sent into or from a Restricted Jurisdiction and such Shareholder is not in any Restricted Jurisdiction or in any territory or in which it is unlawful to make or accept the Tender Offer;
- 4.1.11 its offer to sell Ordinary Shares to Deutsche Numis and any acceptance thereof will not be unlawful under the laws of any jurisdiction;
- 4.1.12 that the Tender Form has not been sent from a Restricted Jurisdiction and such Shareholder is not in any Restricted Jurisdiction or in any territory or in which it is unlawful to make or accept the Tender Offer;
- 4.1.13 the despatch of a cheque to a Shareholder as referred to in paragraph 5.1 of this Part VI will discharge fully any obligation of Deutsche Numis to pay such Shareholder the consideration to which he is entitled under the Tender Offer;
- 4.1.14 on execution a Tender Form takes effect as a deed;
- 4.1.15 the execution of a Tender Form constitutes such Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form;

- 4.1.16 the execution of the Tender Form constitutes a warranty by such Shareholder that the information given by or on behalf of the Shareholder in the Tender Form will be true in all respects at the time the Company purchases the Ordinary Shares referred to in paragraph 4.1.1 of this Part VI as if it had been given afresh at such time and shall not be extinguished by such purchase; and
- 4.1.17 if the appointment of attorney and/or agent provision under paragraph 4.1.3 of this Part VI shall be unenforceable or invalid or shall not operate so as to afford any director or officer of Deutsche Numis the benefit or authority expressed to be given therein, the Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable Deutsche Numis to secure the full benefits of paragraph 4.1.3 of this Part VI.

Each Shareholder to which this paragraph 4.1 applies hereby consents to the assignment by Deutsche Numis of all such benefit as Deutsche Numis may have in any covenants, representations and warranties in respect of the Ordinary Shares which are successfully tendered under the Tender Offer.

A reference in this paragraph 4.1 to a Shareholder includes a reference to the person or persons executing a Tender Form and in the event of more than one person executing a Tender Form, the provisions of this paragraph 4.1 will apply to them jointly and severally.

4.2 ***Shareholders tendering Ordinary Shares held in uncertificated form – Electronic Tenders via CREST***

Each Shareholder by whom, or on whose behalf, a TTE Instruction which is treated by Deutsche Numis as valid is made irrevocably undertakes, represents, warrants and agrees to and with Deutsche Numis (so as to bind him, his personal representatives, heirs, successors and assigns) that:

- 4.2.1 the input of the TTE Instruction shall constitute an offer to sell to Deutsche Numis such number of Ordinary Shares as are specified in the TTE Instruction, on and subject to, the terms and conditions set out or referred to in this Circular and the TTE Instruction and that such tender shall be irrevocable except with the consent of Deutsche Numis (having consulted the Company) in its absolute discretion;
- 4.2.2 such Shareholder is the legal owner of the Ordinary Shares being tendered and has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which the Tender Offer is accepted (together with all rights attaching thereto) and when the same are purchased by Deutsche Numis, Deutsche Numis will acquire such Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, including the right to receive all dividends and other distributions declared, paid or made after that date;
- 4.2.3 the input of the TTE Instruction, will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of Deutsche Numis as such Shareholder's agent ("Agent"), and an irrevocable instruction and authority to the Agent to complete and execute all or any instruments of transfer and/or other documents or input any instructions into Euroclear at the Agent's discretion in relation to the Ordinary Shares referred to in paragraph 4.2.1 of this Part VI in favour of Deutsche Numis or such other person or persons as Deutsche Numis may direct and to deliver any documents or input any instructions into Euroclear relating to such Ordinary Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such Agent be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in Deutsche Numis or its nominee(s) or such other person(s) as Deutsche Numis may direct, such Ordinary Shares;
- 4.2.4 such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Deutsche Numis and/or Equiniti or any of their respective directors or officers or any person nominated by Deutsche Numis or Equiniti or any of their respective directors or officers in the proper exercise of their respective powers and/or authorities hereunder;

- 4.2.5 if, for any reason, any Ordinary Shares in respect of which a TTE Instruction has been made are, prior to 1.00 p.m. on 26 August 2025, converted into certificated form, the Electronic Tender in respect of such Ordinary Shares shall cease to be valid and the Shareholder will need to comply with the procedures for tendering Ordinary Shares in certificated form as set out in this Part VI in respect of the Ordinary Shares so converted, if such Shareholder wishes to make a valid tender of such Ordinary Shares pursuant to the Tender Offer;
- 4.2.6 such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Deutsche Numis to be desirable, in each case in order to complete the purchase of the Ordinary Shares pursuant to the Tender Offer and/or to perfect any of the authorities expressed to be given hereunder;
- 4.2.7 such Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents, complied with all applicable formalities, that the invitation under the Tender Offer may be made to him under the laws of the relevant jurisdictions, and has not taken or omitted to take any action which would otherwise result in Deutsche Numis or the Company acting in breach of any applicable legal or regulatory requirement in respect of the purchase by Deutsche Numis of the Ordinary Shares tendered by such Shareholder under the Tender Offer;
- 4.2.8 its offer to sell Ordinary Shares to Deutsche Numis and any acceptance thereof will not be unlawful under the laws of any jurisdiction;
- 4.2.9 such Shareholder has not received or sent copies or originals of this Circular or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, telephone and email) of interstate or foreign commerce of, or of any facility of a national securities exchange of, a Restricted Jurisdiction at the time of the input of and settlement of the relevant TTE Instruction;
- 4.2.10 that the TTE Instruction has not been sent from a Restricted Jurisdiction and such Shareholder is not in any Restricted Jurisdiction or in any territory or in which it is unlawful to make or accept the Tender Offer;
- 4.2.11 the creation of a payment obligation in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in paragraph 5.2 of this Part VI will discharge fully any obligation of Deutsche Numis to pay to such Shareholder the consideration to which he is entitled under the Tender Offer;
- 4.2.12 the input of the TTE Instruction constitutes such Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer; and
- 4.2.13 if the appointment of agent provision under paragraph 4.2.3 of this Part VI shall be unenforceable or invalid or shall not operate so as to afford any director or officer of Deutsche Numis the benefit or authority expressed to be given therein, the Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable Deutsche Numis to secure the full benefits of paragraph 4.2.3 of this Part VI.

Each Shareholder to which this paragraph 4.2 applies hereby consents to the assignment by Deutsche Numis of all such benefit as Deutsche Numis may have in any covenants, representations and warranties in respect of the Ordinary Shares which are successfully tendered under the Tender Offer.

5. Settlement

Settlement of the consideration to which any Shareholder is entitled pursuant to valid tenders accepted by Deutsche Numis will be made by the despatch of cheques or CREST messages as follows:

5.1 Ordinary Shares in certificated form

Where an accepted tender relates to Ordinary Shares held in certificated form, cheques for the consideration due are expected to be despatched by Equiniti (on behalf of Deutsche Numis) by or

on 15 September 2025 by first class post to the person or agent whose name and address (outside a Restricted Jurisdiction) is set out in section 1 on page 3, or section 3A/3B on page 3, as applicable, of the Tender Form or, if none is set out, to the registered address of the tendering Shareholder or, in the case of joint holders, the registered address of the first named Shareholder. All payments will be made in Pounds Sterling (£) by cheque, drawn on a branch of a UK clearing bank. Share certificates related to any remaining certificated holding of Ordinary Shares will be despatched to the registered address of the tendering Shareholder by first class post.

5.2 **Ordinary Shares in uncertificated form (that is in CREST)**

Where an accepted tender relates to Ordinary Shares held by Shareholders in uncertificated form, the consideration due is expected to be paid by or on 4 September 2025 through CREST by Equiniti (on behalf of Deutsche Numis) procuring the creation of a payment obligation in favour of the payment banks of tendering Shareholders in accordance with the CREST payment arrangements.

6. Overseas Shareholders

6.1 Overseas Shareholders should inform themselves about and observe any applicable or legal regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant jurisdiction.

6.2 The making of the Tender Offer in, or to persons who are citizens or nationals of, or resident in, jurisdictions outside the United Kingdom, including the United States, or to custodians, nominees or trustees for citizens, residents or nationals of other countries may be prohibited or affected by the laws of the relevant jurisdiction. Shareholders who are not citizens or nationals of, or resident in, the United Kingdom, or who are custodians, nominees or trustees for citizens, residents or nationals of countries outside the United Kingdom, should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Overseas Shareholder wishing to take up the Tender Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any Overseas Shareholder will be responsible for any such transfer or other taxes or other requisite payments by whomsoever payable and the Company, Equiniti and Deutsche Numis and any person acting on their behalf shall be fully indemnified and held harmless by such Shareholder on an after-tax basis for any such transfer or other taxes or other requisite payments such person may be required to pay.

6.3 No authorisations have been obtained or filings made in relation to the Tender Offer, or to authorise the extending of the Tender Offer or the distribution of this Circular any Tender Form and/or any related document, in any territory outside the United Kingdom.

6.4 In particular, the Tender Offer is not being made directly or indirectly in, into or from the United States or any other Restricted Jurisdiction or any other jurisdiction where to do so would violate the laws in that jurisdiction, and no person may accept the Tender Offer or by any use of the mails or, by any means or instrumentality (including, without limitation, facsimile transmission, e-mail or other electronic transmission or telephone) of interstate or foreign commerce of, or of any facilities of a national, state or local securities exchange of, the United States or of any other Restricted Jurisdiction, and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility or form within the United States or any other Restricted Jurisdiction, and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility or from within the United States or any other Restricted Jurisdiction.

6.5 Accordingly, copies of this Circular, the Tender Form and any related documents are not being and must not be mailed or otherwise distributed or sent in, into, or from the United States or any other Restricted Jurisdiction, including to Shareholders with registered addresses in the United States or any other Restricted Jurisdiction, or to persons who are custodians, nominees or trustees holding Ordinary Shares for persons in the United States or any other Restricted Jurisdiction.

6.6 Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute, send or mail them in, into or from the United States or any other Restricted

Jurisdiction or use such mails or any such means, instrumentality or facility in connection with the Tender Offer, and doing so will render invalid any related purported acceptance of the Tender Offer. Persons wishing to accept the Tender Offer should not use such mails or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to acceptance of the Tender Offer. Envelopes containing a Tender Form should not be postmarked in or otherwise despatched from the United States or any other Restricted Jurisdiction and all accepting Shareholders must provide addresses outside the United States and any other Restricted Jurisdiction for the remittance of cash or return of Tender Forms and share certificates and/or other documents of title.

- 6.7 If, in connection with making the Tender Offer, notwithstanding the restrictions described in this paragraph 6, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this Circular, the Tender Form or any related documents in, into or from the United States or any other Restricted Jurisdiction or uses the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone and email) of interstate or foreign commerce of, or any facility of a national securities exchange of, the United States or any other Restricted Jurisdiction in connection with such forwarding, such persons should:
- 6.7.1 inform the recipient of such fact;
 - 6.7.2 explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
 - 6.7.3 draw the attention of the recipient to Part VI of this Circular.
- 6.8 The provisions of this paragraph 6 of this Part VI and/or any other terms of the Tender Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by Deutsche Numis in its absolute discretion, but only if Deutsche Numis is satisfied that such waiver, variation or modification will not constitute or give rise to a breach of applicable securities or other law. Subject to this, the provisions of this paragraph 6 of this Part VI supersede any terms of the Tender Offer inconsistent therewith.
- 6.9 References to a Shareholder shall include references to the persons executing a Tender Form and in the event of more than one person executing Tender Forms, the provisions of this paragraph 6 of this Part VI shall apply to them jointly and severally.

7. General

The publication and delivery of this Circular shall not under any circumstances create any implication that the information contained in it is correct as of any time subsequent to the date of the Circular, or that there has been no change in the information provided or in the affairs of the Company since the date of the Circular.

Except as contained in this document, no person has been authorised to give any information or make any representations with respect to the Company or the Tender Offer and, if given or made, such other information or representations should not be relied on as having been authorised by the Company or Deutsche Numis.

Neither the Company nor Deutsche Numis shall have any liability to any person as a result of exercising, or not exercising, any discretion conferred on them or either of them in accordance with the terms and conditions of the Tender Offer.

The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to this Circular or the Tender Form.

PART VII

SECTION A – CERTAIN UK TAXATION CONSIDERATIONS IN RELATION TO THE TENDER OFFER

IN VIEW OF THE NUMBER OF DIFFERENT JURISDICTIONS WHERE TAX LAWS MAY APPLY TO A SHAREHOLDER, THIS CIRCULAR DOES NOT DISCUSS ANY TAX CONSEQUENCES TO SHAREHOLDERS WHO SELL ORDINARY SHARES IN THE TENDER OFFER OTHER THAN THE CONSEQUENCES WITH REGARDS TO UNITED KINGDOM TAXATION SET OUT IN THIS PART. SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN PROFESSIONAL ADVISERS REGARDING POSSIBLE TAX CONSEQUENCES UNDER THE LAWS OF THE JURISDICTIONS THAT APPLY TO THEM OR TO THE SALE OF THEIR ORDINARY SHARES AND THEIR RECEIPT OF CONSIDERATION. SHAREHOLDERS ARE LIABLE FOR THEIR OWN TAXES AND HAVE NO RECOURSE TO THE COMPANY, DEUTSCHE NUMIS OR EQUINITI WITH RESPECT TO TAXES ARISING IN CONNECTION WITH THE TENDER OFFER.

The following comments do not constitute tax advice and are intended only as a general guide to current tax laws applicable in the United Kingdom and HMRC's published practice (which are both subject to change at any time, possibly with retrospective effect). They relate only to certain limited aspects of the United Kingdom taxation treatment of Shareholders who are resident and, if individuals, domiciled in (and only in) the United Kingdom for United Kingdom tax purposes, and who are, and will be, the beneficial owners of their Ordinary Shares and who hold, and will hold, their Ordinary Shares as investments (and not as assets to be realised in the course of a trade, profession or vocation). They may not relate to certain Shareholders, such as dealers in securities or Shareholders who have (or are deemed to have) acquired their Ordinary Shares by virtue of an office or employment. Shareholders are advised to take independent advice in relation to the tax implications for them of selling Ordinary Shares pursuant to the Tender Offer.

1. Taxation of chargeable gains

The sale of Ordinary Shares by a Shareholder to Deutsche Numis pursuant to the Tender Offer should be treated as a disposal of those shares for United Kingdom tax purposes. This may, subject to the Shareholder's individual circumstances and any available exemption or relief, give rise to a chargeable gain (or allowable loss) for the purposes of United Kingdom capital gains tax ("**CGT**") or corporation tax.

For a Shareholder who is an individual, the amount of CGT payable, if any, as a consequence of the sale of Ordinary Shares will depend on his or her own personal tax position. Broadly, a Shareholder who realises a gain on the disposal of his or her Ordinary Shares will only pay tax on that part of the aggregate amount of all taxable gains arising in a given year, including any gains made on the sale of Ordinary Shares, which exceeds the annual exemption (£3,000 for 2025/2026) ("**Taxable Excess Gains**"). Such a Shareholder whose total taxable income in a given year, when aggregated with Taxable Excess Gains ("**Total Taxable Gains and Income**"), is less than or equal to the upper limit of the income tax basic rate band applicable in respect of that tax year, currently £50,270 (the "**Band Limit**") will normally be subject to CGT at a rate of eighteen per cent. (18 per cent.) in respect of his or her Taxable Excess Gains (including any gain arising on the sale of his or her Ordinary Shares). A Shareholder whose Total Taxable Gains and Income are more than the Band Limit will normally be subject to CGT at a rate of eighteen per cent. (18 per cent.) in respect of any Taxable Excess Gains to the extent that, when added to the Shareholder's other taxable gains and taxable income, the gain is less than or equal to the Band Limit, and at a rate of twenty four per cent. (24 per cent.) in respect of the remainder.

A corporate Shareholder is normally taxable on all of its chargeable gains, subject to any reliefs and exemptions. Corporate Shareholders should be entitled to indexation allowance up to December 2017.

2. Transactions in Securities

Under the provisions of Part 15 of the CTA 2010 (for companies subject to corporation tax) and Chapter 1 of Part 13 of the Income Tax Act 2007 (for individuals and others subject to income tax), HMRC can in certain circumstances counteract corporation tax advantages arising in relation to a transaction or transactions in securities.

If these provisions were to be applied by HMRC to the Tender Offer, Shareholders might be liable to corporation tax or income tax (as the case may be) as if they had received an income amount rather than a capital amount.

These rules apply only in certain circumstances and do not apply where it can be shown that the transaction in question was entered into for genuine commercial reasons and did not involve as one of its main objects the obtaining of a corporation tax or income tax advantage. No application has been made to HMRC for clearance in respect of the application of Part 15 of the CTA 2010 or Chapter 1 of Part 13 of the Income Tax Act 2007 to the Tender Offer. Shareholders are advised to take independent advice as to the potential application of the above provisions in light of their own particular circumstances.

3. Stamp duty and stamp duty reserve tax (“SDRT”)

The sale of Ordinary Shares pursuant to the Tender Offer will not give rise to any liability to stamp duty or SDRT for the selling Shareholder. Stamp duty at a rate of zero point five per cent. (0.5 per cent.) on the Ordinary Shares purchased, rounded up to the nearest £5 if necessary, will be payable by the Company on its purchase of Ordinary Shares from Deutsche Numis.

SECTION B – THE UK REIT REGIME AND UK TAXATION

The paragraphs in Sections B.I and B.II of this Section B of Part VII of this Circular are intended as a general guide only and are based on the Company's understanding of current UK tax law and HMRC published guidance and practice (which may not be binding), each of which is subject to change, possibly with retrospective effect.

They are of a general nature and do not constitute advice.

SECTION B.I – OVERVIEW OF THE UK REIT REGIME

1. The UK Real Estate Investment Trust (“**REIT**”) Regime provides various tax advantages to companies and groups which qualify for REIT status. The details of these tax advantages have been summarised in previous shareholder circulars of, or other disclosures made by, the Company.
2. The Company elected for group REIT status with effect from 1 August 2019 and has been a qualifying REIT since then.
3. In order to qualify as a REIT, the Group must satisfy certain conditions set out in CTA 2010. The conditions have been summarised in previous shareholder circulars of, or other disclosures made by, the Company.
4. In particular, in order to satisfy the conditions, the principal company of the group must not (apart from in circumstances where it is only a close company because it has as a direct or indirect participator an institutional investor as defined in section 528(4A) of CTA 2010) be a “close company” (as defined in section 439 of CTA 2010 as adapted by section 528(5) of the CTA 2010) (the “**close company condition**”). In summary, the close company condition amounts to a requirement that the Company cannot be under the control of five or fewer participators, or of participators who are directors (and participators for these purposes is defined in section 454 of the CTA 2010), subject to certain exceptions.
5. One of the exceptions referred to in paragraph 4 of this Section B.I. is contained in section 446 of the CTA 2010. This states that a company which would otherwise be a close company is deemed not to be a close company if at least thirty-five per cent. (35 per cent.) of its share capital is held “beneficially by the public”. It goes on to define “beneficially held by the public” as meaning shares which are either (1) beneficially held by a company resident in the UK which is not a close company or by a company not resident in the UK which would not be a close company if it were so resident, or (2) held on trust for a registered pension scheme, or (3) not comprised in a principal member's holding.
6. For the purpose of this exception a principal member means a shareholder, or a group of shareholders who are associated with each other and therefore treated as a single person for these purposes, which in either case owns more than five per cent. (5 per cent.) of the shares.
7. It is possible, depending on which Shareholders decide to participate in the Tender Offer, and the extent to which those Shareholders participate, that following the Tender Offer the number of Ordinary Shares beneficially held by the public will fall to below thirty-five per cent. (35 per cent.). This could cause the Company to automatically lose its status as a REIT with effect from the end of the previous accounting period of the Company, being 31 March 2025.

SECTION B.II – EFFECT OF LOSING REIT STATUS

This is a summary of the consequences of the Company losing its REIT status, should this occur. Note that more punitive actions may be taken where a company ceases to comply with the REIT conditions within ten years of qualifying, ie 1 August 2029.

1. Loss of Tax exemption

As a REIT, the Group has not paid UK corporation tax on profits and gains from its Qualifying Property Rental Business. To the extent that the Group lost its REIT status, with effect from 1 April 2025 (being the date that

the current accounting period commences) corporation tax will apply in the normal way in respect of all the Group's profits and gains. Similarly, any disposal by the Group of shares in a property-owning subsidiary which is "UK property rich" (broadly meaning that it derives seventy-five per cent. (75 per cent.) or more of its value from interests in UK land) will no longer qualify for any exemption and be subject to corporation tax in full.

2. Dividends

When the principal company of a REIT pays a dividend, that dividend will be a property income dividend (or "PID") to the extent necessary to satisfy the distribution condition. If the dividend exceeds the amount required to satisfy that test, the REIT may determine that all or part of the balance is a non-PID dividend to the extent there are any profits of the current or previous years which derive from activities of a kind in respect of which corporation tax is chargeable in relation to income (e.g. profits of any business activities other than the Qualifying Property Rental Business). Any remaining balance of the dividend (or other distribution) will generally be deemed to be a PID, firstly in respect of the income profits of the Qualifying Property Rental Business for the current year or previous years and secondly, in respect of capital gains which are exempt from tax by virtue of the REIT regime (in either case distributed as a PID). Any remaining balance will be attributed to other non-PID distributions.

Subject to certain exceptions, PIDs will be subject to withholding tax at the basic rate of income tax (currently twenty per cent. (20 per cent.)).

If the Group ceases to be a REIT, dividends paid by the principal company may nevertheless be PIDs to the extent they are paid in respect of profits and gains of the Qualifying Property Rental Business while the Group was within the REIT regime, and will still be subject to withholding tax.

3. Base Cost Uplift

If the Company ceases to be a REIT, the properties which were comprised in the Qualifying Property Rental Business are treated as having been sold and reacquired at market value for the purposes of corporation tax on chargeable gains immediately before the end of the preceding accounting period. These disposals should be tax exempt as they are deemed to have been made at a time when the Group was still in the REIT regime and future capital gains on the relevant assets will therefore be calculated by reference to a base cost equivalent to this market value. Please note that the revised base cost on exit may be ignored for a member of the group REIT if it has been a member for less than 10 years and it subsequently disposes of the asset to a third party within 2 years of exit.

4. Historic tax losses

If the Group has historic tax losses relating to the residual business (i.e. the non-REIT business), these may be available to utilise against profits in the future. There are wide ranging and complex rules governing the use of tax losses in the UK. The availability of losses to shelter future profits of the business following an exit from the REIT regime would need to be considered on an ongoing basis and in context of the UK tax laws and regulations in effect at the relevant time.

SECTION C – SUBSTANTIAL SHAREHOLDINGS

The Articles contain provisions designed to enable the Company to demonstrate to HMRC that it has taken “reasonable steps” to avoid paying a dividend (or making any other distribution) to any Substantial Shareholder. Under the current regime a Substantial Shareholder is a company (or certain other bodies corporate) who, either directly or indirectly (i) is beneficially entitled to ten per cent. (10 per cent.) or more of a company’s dividends; (ii) is beneficially entitled to ten per cent. (10 per cent.) or more of a company’s share capital; or (iii) controls ten per cent. (10 per cent.) or more of the voting rights in a company. However certain entities are “excluded holders” even where they otherwise meet any of the 10 per cent. tests referred to above. These excluded holders include (i) certain UK entities (such as UK tax resident companies or UK registered pension funds) and (ii) certain offshore entities in jurisdictions that have a double tax treaty with the UK that taxes holders at a particular rate, or does not tax holders at all, on distributions from a UK REIT, unless the sole reason for that treatment is the size of the holder’s interest in the UK REIT.

As stated in Part V of this Circular, depending on the identity of the participating Qualifying Shareholders and the level of take up of the Tender Offer (both by individual Qualifying Shareholders and of the Tender Offer as a whole), it may be possible that persons who were not Substantial Shareholders before the Tender Offer become Substantial Shareholders.

If a distribution is paid to a Substantial Shareholder and the Company has not taken reasonable steps to avoid doing so, the Company could become subject to a UK corporation tax charge. The Articles contain special articles for these purposes (the “**Special Articles**”).

The Special Articles:

- provide directors with powers to identify Substantial Shareholders (if any);
- allow the withholding of the payment of dividends on Ordinary Shares that form part of a Substantial Shareholding;
- allow dividends to be paid on Ordinary Shares that form part of a Substantial Shareholding where the Shareholder has disposed of its rights to dividends on its Ordinary Shares; and
- seek to ensure that if a dividend is paid on Ordinary Shares that form part of a Substantial Shareholding, the Substantial Shareholder concerned may not become beneficially entitled to that dividend.

A key summary of the Special Articles is set out below.

1. Identification of Substantial Shareholders

The Special Articles may require a Substantial Shareholder and any registered Shareholder holding Ordinary Shares on behalf of a Substantial Shareholder to notify the Company if his or her Ordinary Shares form part of a Substantial Shareholding. Such a notice must be given within two business days. The Special Articles give the Board the right to require any person to provide information in relation to any Ordinary Shares in order to determine whether the Ordinary Shares form part of a Substantial Shareholding. If the required information is not provided within the time specified (which is seven days after a request is made or such other period as the Board may decide), the Board is entitled, but not obliged, to impose sanctions, including potentially withholding dividends (as described in paragraph 2 below) and/or requiring the transfer of the Ordinary Shares to another person who is not, and does not thereby become, a Substantial Shareholder.

2. Preventing payment of a dividend to a Substantial Shareholder

The Special Articles provide that a dividend may, at the discretion of the board, not be paid on any Ordinary Shares that the Board believes may form part of a Substantial Shareholding. If in these circumstances payment of a dividend is withheld, the dividend will be paid subsequently if the Board is satisfied that:

- the Substantial Shareholder concerned is not entitled to the dividends;
- the shareholding is not part of a Substantial Shareholding;
- all or some of the Ordinary Shares and the right to the dividend have been transferred to a person who is not, and does not thereby become, a Substantial Shareholder (in which case the dividends will be paid to the transferee); or

- sufficient Ordinary Shares have been transferred (together with the right to the dividends) such that the Ordinary Shares retained are no longer part of a Substantial Shareholding (in which case the dividends will be paid on the retained Ordinary Shares).

3. Payment of a dividend where rights to it have been transferred

The Special Articles provide that dividends may be paid on Ordinary Shares that form part of a Substantial Shareholding if the Board is satisfied that the right to the dividend has been transferred to a person who is not, and does not thereby become, a Substantial Shareholder and the Board may be satisfied that the right to the dividend has been transferred if it receives a certificate containing appropriate confirmations and assurances from the Substantial Shareholder. The effect of these provisions is that there is no restriction on a person becoming or remaining a Substantial Shareholder provided that the person who does so makes appropriate arrangements with the Company.

4. Mandatory sale of Substantial Shareholdings

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

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

5. Takeovers

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

PART VIII

ADDITIONAL INFORMATION

1. The Company

- (a) The Company was incorporated in England and Wales under the Companies Act 1985 on 14 January 2005 with registered number 05332938 as a public limited company.
- (b) The Ordinary Shares of the Company are admitted to the equity shares (commercial companies) category of the Official List and to trading on the main market for listed securities of the London Stock Exchange.
- (c) The head and registered office of the Company is Thomas House, 84 Eccleston Square, England SW1V 1PX.
- (d) The principal activity of the Group is commercial property investment. The Company elected for group Real Estate Investment Trust (REIT) status with effect from 1 August 2019.
- (e) The Company is domiciled in the UK. The principal legislation under which the Company operates is the Act and the regulations made thereunder.
- (f) There has been no significant change in the financial position or financial performance of the Group since 31 March 2025, being the end of the last financial period for which the Group's last audited consolidated financial statements have been published.

2. Directors

The names and principal functions of the Directors are as follows:

<i>Name</i>	<i>Position</i>
Steven Owen	Executive Chairman
Mark Davies	Senior Independent Director

3. Repurchase Agreement

By a repurchase agreement between the Company and Deutsche Numis dated 31 July 2025 ("**Repurchase Agreement**"), the Company has agreed to purchase, and Deutsche Numis has agreed to sell to the Company, as an on-market purchase and at a price per Ordinary Share equal to the Tender Price, all of the Ordinary Shares purchased by Deutsche Numis pursuant to the Tender Offer and as soon as reasonably practicable, and in any event no later than 5 Business Days following, the exercise of the put option by Deutsche Numis or the call option by the Company. For this purpose, in accordance with the terms of the Repurchase Agreement, and conditional on the Tender Offer becoming unconditional in all respects and not lapsing or terminating in accordance with its terms and on Deutsche Numis being registered as the holder of the Ordinary Shares purchased by Deutsche Numis pursuant to the Tender Offer: (a) the Company has granted a put option to Deutsche Numis, which, on exercise, obliges the Company to purchase from Deutsche Numis, at the Tender Price, the Ordinary Shares purchased by Deutsche Numis pursuant to the Tender Offer; and (b) Deutsche Numis has granted the Company a call option which, on exercise, obliges Deutsche Numis to sell to the Company, at the Tender Price, the Ordinary Shares purchased by Deutsche Numis pursuant to the Tender Offer. It is expected that such purchase and sale will be completed as soon as reasonably practicable following the purchase of those Ordinary Shares by Deutsche Numis.

Under the Repurchase Agreement, the Company shall pay an amount equal to the aggregate amount to be paid by Deutsche Numis for the successfully tendered Ordinary Shares purchased by Deutsche Numis pursuant to and in accordance with the terms of the Tender Offer to a non-interest bearing account with Equiniti held to the order of the Company by or on 27 August 2025, being the Business Day immediately following the date on which the Tender Offer closes or by or on such other date as the parties to the Repurchase Agreement may agree.

The Repurchase Agreement contains customary representations and warranties from the Company in favour of Deutsche Numis and includes a customary indemnity in favour of Deutsche Numis in respect of any liabilities which it may suffer in relation to its performance pursuant to the Tender Offer.

It is intended that the Ordinary Shares that the Company purchases from Deutsche Numis pursuant to the Repurchase Agreement will be cancelled and the number of Ordinary Shares in issue carrying voting rights reduced accordingly

4. Documents available for inspection

Copies of this Circular will be available for inspection at the offices of the Company at the registered office of the Company at Thomas House, 84 Eccleston Square, London, England SW1V 1PX, during normal business hours on weekdays (Saturdays, Sundays and public holidays excepted) from the date of this document until the completion, lapse or termination of the Tender Offer.

5. Consent

Deutsche Numis has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and references to it in the form and context in which it appears.

PART IX

DEFINITIONS

The following definitions apply throughout this document:

Act	the Companies Act of England and Wales 2006, as amended from time to time
Articles or Articles of association	the articles of association of the Company, as amended from time to time
Board or Board of Directors or Directors	the directors of the Company as at the date of this Circular, whose names are set out on page 7 of this Circular
Business Day	any day other than a Saturday, Sunday or public holiday on which banks are open in the City of London for the transaction of general commercial business
certificated form or certificated	in relation to a share, a share, title to which is recorded in the relevant register of the share concerned as being held in certificated form (that is, not in CREST)
Circular	this document
Closing Date	26 August 2025 or such other date as may be determined in accordance with paragraph 2.27 of Part VI of this Circular in relation to the Tender Offer
Company or Palace Capital	Palace Capital plc, a public limited company incorporated in England and Wales with registered number 05332938 and registered office at Thomas House, 84 Eccleston Square, London England SW1V 1PX United Kingdom
CREST	the paperless settlement procedure operated by Euroclear enabling system securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument
CREST Manual	the rules governing the operation of CREST as published by Euroclear
CREST Member	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations)
CREST Participant	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
CREST Proxy Instruction	a proxy appointment or instruction made via CREST authenticated in accordance with Euroclear's specifications and containing the information set out in the CREST Manual CREST Regulations the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time
CREST Sponsor	a CREST Participant admitted to CREST as a CREST sponsor, being a sponsoring system participant (as defined in the CREST Regulations)
CREST Sponsored Member	a CREST Member admitted to CREST as a sponsored member
CTA 2010	the UK Corporation Tax Act 2010 (as amended from time to time)

Deferred Bonus Scheme	the deferred bonus share scheme under the Remuneration Policy approved by shareholders at the 2023 Annual General Meeting
Deutsche Numis	Numis Securities Limited
Disclosure and Transparency Rules	the Disclosure Guidance and Transparency Rules of the FCA made under Part VI of FSMA, as amended from time to time
Distribution	any dividend or other distribution on or in respect of the shares of the Company and references to a Distribution being paid include a distribution not involving a cash payment being made
Electronic Tender	the inputting and settlement of a TTE Instruction in accordance with the procedures set out in Part VI of this Circular which constitutes or is deemed to constitute a tender of Ordinary Shares pursuant to and on the terms of the Tender Offer as set out in this Circular
EPRA NTA	is the Net Asset Value adjusted to reflect the fair value of trading properties and to exclude deferred taxation and derivatives
Equiniti	Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA
Euroclear	Euroclear UK & International Limited, the operator of CREST
FCA	the Financial Conduct Authority of the United Kingdom
Form of Proxy	the paper proxy form available from the Registrar upon request; or the electronic proxy form to appoint a proxy electronically using the Equiniti Shareview website or (for institutional investors only) by using the Proxymity platform on www.proxymity.io , as the case may be, in each case, to be used in connection with the General Meeting and to be completed and submitted in accordance with the instructions thereof and the terms and conditions of this Circular (including the notes to the Notice of the General Meeting set out in Part X of this Circular)
FSMA	Financial Services and Markets Act 2000, as amended from time to time
General Meeting	the general meeting of the Company to be held at the offices of CMS Cameron McKenna Nabarro Olswang LLP at Cannon Place 78 Cannon Street, London EC4N 6AF at 12.00 p.m. on 26 August 2025, or any adjournment thereof, notice of which is set out in Part X of this Circular
Group	the Company and its subsidiaries and subsidiary undertakings
Guaranteed Entitlement	has the meaning given to that term in paragraph 2.5 of Part II of this Circular (as calculated in accordance with the terms of paragraph 2.16 of Part VI of this Circular)
HMRC	H.M. Revenue & Customs
Issued Ordinary Share Capital	the issued Ordinary Shares in the capital of the Company at the Tender Offer Record Date
Latest Practicable Date	29 July 2025, being the latest practicable date prior to the publication of this Circular

London Stock Exchange	London Stock Exchange PLC
Long Term Incentive Plan	the long term incentive plan in line with the Remuneration Policy approved by shareholders at the 2023 Annual General Meeting
MAR	the Market Abuse Regulation (EU) 5964/2014, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018)
member account ID	the identification code or number attached to any member account in CREST
Notice of General Meeting	the notice of the General Meeting which appears in Part X of this Circular
Official List	the list maintained by the FCA in accordance with section 74(1) of FSMA for the purposes of Part VI of FSMA
Ordinary Shares	the ordinary shares of £0.10 each in the capital of the Company
Overseas Shareholders	a Shareholder who is a resident in, or a national or citizen of, a jurisdiction outside the United Kingdom
Participant ID	the identification code or membership number used in CREST to identify a particular CREST Member or other CREST Participant
Qualifying Property Rental Business	the property-rental business of a REIT as defined in section 519 of the CTA 2010
Qualifying Shareholder	Shareholders who are entitled to participate in the Tender Offer, being those who are on the Register on the Tender Offer Record Date and excluding those with a registered address in a Restricted Jurisdiction
REIT	UK Real Estate Investment Trust
Repurchase Agreement	the Repurchase Agreement, dated 31 July 2025, between Deutsche Numis and the Company, the terms of which are summarised in paragraph 3 of Part VIII this Circular
Register	the Company's register of members
Registrar and Receiving Agent	Equiniti Limited, Highdown House, Yeoman Way, Worthing, West Sussex, United Kingdom, BN99 3HH as Registrar and Receiving Agent
Regulatory Information Service	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA's website
Restricted Jurisdiction	means: (i) the United States, Brazil and the Republic of South Africa and any other jurisdiction where the mailing of this Circular or the accompanying documents, or the extension of the Tender Offer, in the manner contemplated by this Circular into or inside such jurisdiction would constitute a violation of the laws of such jurisdiction; or (ii) any country, region or territory which is the subject of Sanctions (including, without limitation, Cuba, Iran, North Korea, Syria, Russia, the Crimea Region of Ukraine, the so-called Donetsk People's Republic and the so-called Luhansk People's Republic)

Sanctions	means any sanctions administered or enforced by the US Government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of Treasury of the U.S. Department of State, and including, without limitation, the designation of a “ pecially designated national ” or “ blocked person ”), the United Nations Security Council, the European Union, His Majesty’s Treasury, or other relevant competent governmental or regulatory authority, institution or agency which administers economic, financial and/or trade sanctions
Shareholder Helpline	the helpline operated by Equiniti available to Shareholders in connection with the Tender Offer
Shareholders	holders of Ordinary Shares from time to time
Subsidiary	a subsidiary as that term is defined in section 1159 of the Act
Substantial Shareholder	any person whose interest in the Company, whether legal or beneficial, direct or indirect, may cause any member of the Group to be liable to pay tax under Regulation 10 of the Real Estate Investment Trusts (Breach of Conditions) Regulations 2006 (as such regulations may be modified, supplemented or replaced from time to time) on or in connection with the making of a Distribution to or in respect of such person, and the term “ Substantial Shareholding ” shall be construed accordingly
Takeover Code	the City Code on Takeovers and Mergers
Takeover Panel	the Panel on Takeovers and Mergers
Tender Conditions	shall have the meaning given in paragraph 2.1 of Part VI of this Circular
Tender Form	the form enclosed with this Circular for use by Shareholders who hold Ordinary Shares in certificated form in connection with the Tender Offer
Tender Offer	the invitation to Shareholders to tender Ordinary Shares on the terms and conditions set out in this Circular and also, in the case of certificated Ordinary Shares only, the Tender Form (and, where the context so requires, the associated repurchase of such Ordinary Shares by the Company from Deutsche Numis pursuant to the Repurchase Agreement)
Tender Offer Record Date or Record Date	close of business (6.00 p.m., UK time) on 26 August 2025 or such other time and date as may be determined by the Company in its sole discretion in the event that the Closing Date is altered in accordance with paragraph 2.27 of Part VI of this Circular
Tender Offer Resolution	the special resolution to be proposed at the General Meeting, as set out in the Notice of General Meeting
Tender Price	240 pence being the price per Ordinary Share at which Ordinary Shares will be purchased pursuant to the Tender Offer
TFE Instruction	a transfer from escrow instruction (as defined by the CREST Manual)
TTE Instruction	a transfer to escrow instruction (as defined by the CREST Manual)

UK Listing Rules	the listing rules made by the FCA under Part VI of FSMA, as amended from time to time and contained in the FCA's publication of the same name
uncertificated form	recorded on the register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertified Securities Regulations, may be transferred by means of CREST
United Kingdom or UK	United Kingdom of Great Britain and Northern Ireland
United States	the United States of America, its territories and possessions, any state of the United States, and the District of Columbia

PART X

NOTICE OF GENERAL MEETING

PALACE CAPITAL PLC

(incorporated and registered in England and Wales with registered number 05332938)

NOTICE IS HEREBY GIVEN that a general meeting of Palace Capital plc (the “**Company**”) will be held at 12.00 p.m. on Tuesday 26 August 2025 at the offices of CMS Cameron McKenna Nabarro Olswang LLP at Cannon Place, 78 Cannon Street, London EC4N 6AF for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution.

SPECIAL RESOLUTION

THAT, in addition to the authority granted for the purpose of section 701 of the Companies Act 2006 pursuant to the resolution at the annual general meeting of the Company held on 9 July 2025, and any renewed, substituted or varied authority that may be approved at the next annual general meeting of the Company to be held in 2026 (or as adjourned, if appropriate), the Company be and is hereby generally and unconditionally authorised in accordance with section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of 10 pence each in the capital of the Company (“**Ordinary Shares**”), in connection with a tender offer for Ordinary Shares on the terms set out or referred to in the circular to the Company’s shareholders dated 31 July 2025 (a copy of which is produced to the meeting and signed for identification purposes by the chairman of the meeting) (“**Tender Offer**”), provided that:

- (a) the maximum number of Ordinary Shares that may be purchased under this authority is eight million, six hundred and sixty seven thousand, seven hundred and sixty one (8,667,761) Ordinary Shares;
- (b) the maximum price and minimum price that may be paid for any Ordinary Share shall be a fixed price of 240 pence per Ordinary Share; and
- (c) unless otherwise revoked, varied or renewed by the Company, the authority hereby conferred will expire on 26 August 2026 (or, if the general meeting is adjourned, such date falling one year from the date of such adjourned meeting) save that the Company may before the expiry of such authority make a contract to purchase which will or may be executed wholly or partly after the expiry of such authority and the Company may make a purchase of such shares after such expiry pursuant to such contract.

Dated: 31 July 2025

By order of the Board

The CoSec Coach Limited

Company Secretary

Registered office:

Thomas House
84 Eccleston Square
London
SW1V 1PX

NOTES

The following notes explain your general rights as a shareholder and your right to attend and vote at the General Meeting or to appoint someone else to vote on your behalf.

1. The right to vote at the meeting is determined by reference to the register of members. Only those shareholders registered in the register of members of the Company as at close of business (6.30 p.m., London time) on 21 August 2025 (or, in the event that the meeting is adjourned, in the register of members at close of business on the date which is two (2) clear days before the date of any adjourned meeting) shall be entitled to attend or vote at the meeting in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the meeting.
2. In order to gain admittance to the meeting, members may be asked to prove their identity.
3. A shareholder is entitled to appoint one or more persons as proxies to exercise all or any of his or her rights to attend, speak and vote at the meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him/her. To appoint more than one proxy, you will need to complete a separate proxy appointment in relation to each appointment. Proxy forms may be obtained by contacting the Company's Registrar, Equiniti, on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. The lines are open between 8.30 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales or you may photocopy the Form of Proxy. You will need to state clearly on each Form of Proxy the number of Ordinary Shares in relation to which the proxy is appointed. A failure to specify the number of Ordinary Shares each proxy appointment relates to or specifying a number which when taken together with the number of Ordinary Shares set out in the other proxy appointments is in excess of the number of Ordinary Shares held by the shareholder may result in the proxy appointment being invalid. You can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy.

The appointment of a proxy will not preclude a member from attending and voting in person at the meeting if he or she so wishes.

4. You can vote either:
 - 4.1 by logging on to www.shareview.co.uk where full instructions can be found;
 - 4.2 by completing, signing and returning a paper copy Form of Proxy (obtainable from Equiniti by calling +44 (0) 371 384 2050 in accordance with the instructions printed thereon and in these Notes;
 - 4.3 in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below;
 - 4.4 if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform (refer to Note 8 below).

For an electronic proxy appointment to be valid, the appointment must be received by the Company's Registrar by no later than 12.00 p.m. on 21 August 2025 (or in the event that the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a Business Day) before the time of any adjourned General Meeting).

For a hard copy Form of Proxy to be valid, it must be completed, signed and sent to the offices of the Company's registrar at Equiniti Limited, Aspect House, Spencer Road, Lancing, BN99 6DA, so as to be received by post as soon as possible and, in any event, not later than 12.00 p.m. on 21 August 2025 (or, in the event that the General Meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a Business Day) before the time of any adjourned General Meeting).

Any electronic communication sent by a member to the Company or the Company's Registrar which is found to contain a virus will not be accepted by the Company but every effort will be made by the Company to inform said member of the rejected communication. You may not use any electronic address provided either in the notice or any related documents to communicate for any purposes other than those expressly stated.

5. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully.

Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.

6. The return of a completed Form of Proxy, voting appointing a proxy electronically via the Proxymity platform, electronic filing or any CREST Proxy Instructions will not prevent a shareholder from attending the meeting and voting in person if he/she wishes to do so. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.
7. It is possible for you to submit your proxy votes online by going to Equiniti's Shareview website, www.shareview.co.uk, and logging in to your Shareview Portfolio. Once you have logged in, simply click 'View' on the 'My Investments' page and then click on the link to vote and follow the on-screen instructions. If you have not yet registered for a Shareview Portfolio, go to www.shareview.co.uk and enter the requested information. It is important that you register for a Shareview Portfolio with enough time to complete the registration and authentication processes.
8. If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12.00 p.m. on 21 August 2025 in order to be considered valid or, if the

meeting is adjourned, by the time which is 48 hours (excluding non-Business Days) before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by using the procedures described in the CREST Manual (available from www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a 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.
10. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's specifications, and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted to be received by the issuer's agent (ID RA19) by 12.00 p.m. on 21 August 2025. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST Application 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.
11. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. 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 system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.
12. In accordance with Section 314 of the Companies Act 2006, a shareholder or shareholders having a right to vote at the meeting and holding at least five per cent. (5 per cent.) of the total voting rights of the Company (see Note 14 below), or at least 100 shareholders having a right to vote at the meeting and holding, on average, at least £100 of paid share capital, may require the Company to publish on its website a statement setting out any matter that such shareholder(s) propose to raise at the meeting with respect to a matter referred to in a proposed resolution or other business to be dealt with at the meeting.
Any such request must:
 - 12.1 identify the statement to which it relates, by either setting out the statement in full or, if supporting a statement requested by another shareholder, clearly identifying the statement which is being supported;
 - 12.2 comply with the requirements set out in Note 10 above; and
 - 12.3 be received by the Company at least one week before the meeting. Where the Company is required to publish such statement on its website:
 - 12.4 it may not require the shareholder(s) making the request to pay any expenses incurred by the Company in complying with the request; and
 - 12.5 the statement may be dealt with as part of the business of the meeting.
13. Any request by a shareholder or shareholders to require the Company to publish a statement as set out in Note 12 above:
 - 13.1 may be made either:
 - 13.1.1 in hard copy, by sending it to The CoSec Coach Limited, Company Secretary, Palace Capital plc, Thomas House, 84 Eccleston Square, London SW1V 1PX, United Kingdom; or
 - 13.1.2 in electronic form, by sending it to info@palacecapitalplc.com (please state "Tender Offer General Meeting" in the subject line of the email);
 - 13.2 must state the full name(s) and address(es) of the shareholder(s); and
 - 13.3 where the request is made in hard copy from or by fax must be signed or authenticated by the shareholder(s).
14. As at 29 July 2025 (being the Latest Practicable Date prior to the publication of this notice) the Company's issued share capital consists of 28,892,535 Ordinary Shares of 10 pence each. No shares are held in Treasury. Therefore, the total voting rights in the Company as at 29 July 2025 is 28,892,535.
15. Shareholders have the right to ask questions at the meeting relating to the business being dealt with at the meeting in accordance with Section 319A of the Companies Act 2006. The Company must answer any such questions unless:
 - 15.1 to do so would interfere unduly with the preparation for the meeting or would involve the disclosure of confidential information;
 - 15.2 the answer has already been given on a website in the form of an answer to a question; or
 - 15.3 it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

16. Where a copy of this notice is being received by a person who has been nominated to enjoy information rights under Section 146 of the Companies Act 2006 ("Nominee"):
 - 16.1 the Nominee may have a right under an agreement between the Nominee and the shareholder by whom he/she was appointed, to be appointed, or to have someone else appointed, as a proxy for the meeting; or
 - 16.2 if the Nominee does not have any such right or does not wish to exercise such right, the Nominee may have a right under any such agreement to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies in Notes 3 to 9 above does not apply to a Nominee. The rights described in such notes can only be exercised by shareholders of the Company.

17. A shareholder which is a corporation may authorise one or more persons to act as its representative(s) at the meeting. Each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder, provided that (where there is more than one representative, and the vote is otherwise than on a show of hands) they do not do so in relation to the same shares.
18. The circular containing this Notice of General Meeting will be available for inspection during normal business hours at the registered office of the Company from the date of this notice until the time of the meeting.
19. The information required by Section 311A of the Companies Act 2006 to be published in advance of the meeting, which includes the matters set out in this notice and information relating to the voting rights of shareholders is available at <https://www.palacecapitalplc.com/investors>.

