THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (FSMA), if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

This document has been drawn up as a simplified prospectus for the purposes of Article 14 of the UK version of the Prospectus Regulation (Regulation (EU) 2017/1129), as amended, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**) (the **UK Prospectus Regulation**), relating to Great Portland Estates plc (the **Company**) prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (the **FCA**) under Section 73A of FSMA (the **Prospectus Regulation Rules**). This document has been approved by the FCA in accordance with Section 85 of FSMA, will be made available to the public and has been filed with the FCA in accordance with the Prospectus Regulation Rules. This document together with the documents incorporated into it by reference (as set out in Part VI: "*Information Incorporated by Reference*" of this document) will be made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules, free of charge, at https://www.gpe.co.uk/investors and at the Company's registered office at 33 Cavendish Square, London W1G 0PW, United Kingdom.

The prospectus contained herein has been approved by the FCA as competent authority under the UK Prospectus Regulation. The FCA has only approved this document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Company that is, or the quality of the securities that are the subject of this document. Investors should make their own assessment as to the suitability of investing in the securities.

The Company and the Directors, whose names appear on page 26 in Part III: "*Directors, Secretary, Registered Office and Advisers*" of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

Great Portland Estates plc

(Incorporated and registered in England and Wales with registered number 596137)

3 for 5 Rights Issue of 152,320,747 New Ordinary Shares at 230 pence per New Ordinary Share

BofA Securities
Joint Global Coordinator, Joint Bookrunner, and Sole Sponsor

Deutsche Numis
Joint Global Coordinator and Joint Bookrunner

J.P. Morgan Cazenove
Joint Global Coordinator and Joint Bookrunner

Santander
Co-Lead Manager

Lazard
Financial Adviser to the Company

Subject to the restrictions set out below, if you sell or transfer or have sold or otherwise transferred all of your Existing Ordinary Shares (other than ex-rights) held in certificated form before 8.00 a.m. on 28 May 2024 (the **Ex-Rights Date**) please send this document together with, if applicable, the accompanying Provisional Allotment Letter, duly renounced, if and when received, immediately 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. **None of these documents should, however, be distributed, forwarded or transmitted in or into any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including but not limited to (subject to certain exceptions) the United States or any of the other Excluded Territories**. Please refer to paragraphs 7 and 8 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document if you propose to send this document and/or the Provisional Allotment Letter outside the United Kingdom. If you sell or have sold or transferred part of

your holding of Existing Ordinary Shares (other than ex-rights) you should immediately consult the stockbroker, bank or other agent through whom the sale or transfer was effected. If you sell or transfer or have sold or otherwise transferred all or some of your Existing Ordinary Shares (other than ex-rights) held in uncertificated form before the Ex-Rights Date, a claim transaction will automatically be generated by Euroclear UK & International Limited (**Euroclear**), which, on settlement, will transfer the appropriate number of Nil Paid Rights to the purchaser or transferee. Instructions regarding split applications are set out in Part IX: "*Terms and Conditions of the Rights Issue*" of this document and the Provisional Allotment Letter.

The Nil Paid Rights, the Fully Paid Rights, the New Ordinary Shares and the Provisional Allotment Letters have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act), or under any securities laws of any state or other jurisdiction of the United States, and may not be offered, sold, pledged, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, into or within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of Nil Paid Rights, Fully Paid Rights or New Ordinary Shares in the United States.

Prospective investors should read the whole of this document, any accompanying document and any documents incorporated by reference prior to making any investment decision. In particular, your attention is drawn to Part II: "*Risk Factors*" of this document for a discussion of certain factors which should be taken into account when considering the matters referred to in this document and deciding whether or not to purchase the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares.

The Existing Ordinary Shares are listed on the premium listing segment of the Official List and traded on the London Stock Exchange's main market for listed securities. Applications have been made to the FCA for the New Ordinary Shares (nil paid and fully paid) to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for such New Ordinary Shares to be admitted to trading on its main market for listed securities (together, **Admission**). It is expected that Admission of the Nil Paid Rights will become effective, and that dealings in the New Ordinary Shares, nil paid, will commence, at 8.00 a.m. on 28 May 2024 and that dealings in the New Ordinary Shares, fully paid, will commence at 8.00 a.m. on 12 June 2024.

The distribution of this document, any other offering or public material relating to the Rights Issue and / or the Provisional Allotment Letters and/or the transfer of the Nil Paid Rights, the Fully Paid Rights and/or the New Ordinary Shares through CREST or otherwise into a jurisdiction other than the United Kingdom may be restricted by law and, accordingly, persons into whose possession this document and any accompanying documents come should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of the jurisdiction concerned. In particular, subject to certain exceptions, the documents should not be distributed, forwarded or transmitted in or into the United States or any other Excluded Territory.

Each of Merrill Lynch International (**BofA Securities**) and J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove) (**JP Morgan**) is authorised in the United Kingdom by the Prudential Regulation Authority (the **PRA**) and regulated in the United Kingdom by the PRA and the FCA. Numis Securities Limited (trading as Deutsche Numis) (**Deutsche Numis**) is authorised and regulated in the United Kingdom by the FCA. Banco Santander S.A. (**Santander**, and, together with BofA Securities, JP Morgan and Deutsche Numis, the **Underwriters**), is authorised by the Bank of Spain and subject to supervision by the Bank of Spain and by the European Central Bank and to limited regulation by the FCA and the PRA.

Each of the Underwriters is acting exclusively for the Company and no one else in connection with the Rights Issue, and will not regard any other person (whether or not a recipient of this document) as their respective clients in relation to the Rights Issue and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, or for providing advice, in relation to the Rights Issue or any other transaction, arrangement or matter referred to in this document.

Lazard & Co., Limited (**Lazard**), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as financial adviser to the Company and no one else in connection with the Rights Issue and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Lazard nor for providing advice in relation to the Rights Issue or any other matters referred to in this document. Neither Lazard nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard in connection with this document, any statement contained herein or otherwise.

Save for the responsibilities and liabilities, if any, which may be imposed under the FSMA or the regulatory regime established thereunder, to the extent the exclusion of responsibility or liability would be illegal, void or unenforceable, none of the Underwriters, nor any of their respective affiliates, directors, officers, employees or advisers, accept

any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the contents of this document, including its accuracy, completeness or verification, 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 Rights Issue, and nothing in this document should be relied upon as a promise or representation in this respect, whether or not to the past or future. Each of the Underwriters and their respective affiliates, directors, officers, employees and advisers accordingly disclaims to the fullest extent permitted by law all and any responsibility or liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this document or any such statement.

The contents of this document are not to be construed as legal, business or tax advice. Each prospective investor should consult their own legal, financial or tax adviser in connection with the purchase of the New Ordinary Shares. In making an investment decision, each investor must rely on their own examination, analysis and enquiry of the Company and the terms of the Rights Issue, including the merits and risks involved.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any Nil Paid Rights, Fully Paid Rights or New Ordinary Shares offered by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

The investors also acknowledge that: (i) they have not relied on the Underwriters, or any person affiliated with the Underwriters, in connection with any investigation of the accuracy of any information contained in this document or their investment decision; (ii) they have relied only on the information contained in this document; and (iii) that no person has been authorised to give any information or to make any representation concerning the Company or its subsidiaries or the New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights (other than as contained in this document) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company or the Underwriters.

It is expected that Qualifying CREST Shareholders of the Company (other than, subject to certain exceptions, those with registered addresses in the United States or any other Excluded Territory) will receive a credit to the appropriate stock accounts in CREST in respect of the Nil Paid Rights to which they are entitled on 28 May 2024. The Nil Paid Rights so credited in CREST are expected to be enabled for settlement by Euroclear as soon as practicable after Admission. Qualifying CREST Shareholders should refer to their CREST Sponsors regarding the action to be taken in connection with this document and the Rights Issue.

The Rights Issue has been fully underwritten by the Underwriters in accordance with the terms and subject to the conditions of the Underwriting Agreement. The Underwriters' obligations under the Underwriting Agreement are conditional upon certain matters being satisfied or not breached prior to Admission. If these conditions are not satisfied or (where permitted) waived by Admission, the Underwriting Agreement will terminate. After Admission, the Underwriters have no right to terminate the Underwriting Agreement.

In connection with the Rights Issue, each of the Underwriters and any of their respective affiliates may take up a portion of the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares in the Rights Issue as a principal position and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own account in such securities of the Company and related or other securities and instruments (including Nil Paid Rights, Fully Paid Rights and New Ordinary Shares) and may offer or sell such securities otherwise than in connection with the Rights Issue. Accordingly, references in this document to Nil Paid Rights, Fully Paid Rights and New Ordinary Shares being offered or placed should be read as including any offering or placement of Nil Paid Rights, Fully Paid Rights and New Ordinary Shares to any of the Underwriters or any of their respective affiliates acting in such capacity. In addition, certain of the Underwriters or their affiliates may enter into financing arrangements (including swaps, warrants or contracts for differences) with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of Nil Paid Rights, Fully Paid Rights and New Ordinary Shares. Except as required by applicable law or regulation, the Underwriters do not propose to make any public disclosure in relation to such transactions.

Further to any contractual obligations that may be in place between the Company and the Underwriters, in the event that the Underwriters or their respective affiliates subscribe for New Ordinary Shares which are not taken up by Qualifying Shareholders, the Underwriters and their respective affiliates may for a limited period co-ordinate disposals of such shares in accordance with applicable law and regulation. Except as required by applicable law or regulation, the Underwriters and their respective affiliates do not propose to make any public disclosure in relation to such transactions.

The Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters and the New Ordinary Shares are not transferrable, except in accordance with, and the distribution of this documents is subject to, the restrictions set out in paragraph 7 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document. No action has been taken by the Company or the Underwriters that would permit a public offer of the New Ordinary Shares or rights thereto or possession or distribution of this document or any other offering or publicity material or the Provisional Allotment

Letters, the Nil Paid Rights or the Fully Paid Rights in any jurisdiction where action for that purpose is required except pursuant to an applicable exemption from registration or qualification requirements.

The latest time and date for acceptance of, and payment in full for, New Ordinary Shares is expected to be 11.00 a.m. on 11 June 2024. The procedure for acceptance and payment is set out in Part IX: "*Terms and Conditions of the Rights Issue*" of this document and, for Qualifying Non-CREST Shareholders only, also in the Provisional Allotment Letter. Qualifying CREST Shareholders should refer to paragraph 5 of Part IX: "*Terms and Conditions of the Rights Issue*".

Qualifying CREST Shareholders should note that they will receive no further written communication from the Company in respect of the Rights Issue. They should accordingly retain this document for, among other things, details of the action they should take in respect of the Rights Issue. Qualifying CREST Shareholders who are CREST Sponsored Members should refer to their CREST Sponsors regarding the action to be taken in connection with this document and the Rights Issue. Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Rights Issue.

Copies of this document are available free of charge from Great Portland Estates plc, 33 Cavendish Square, London W1G 0PW, United Kingdom, and on the website, www.gpe.co.uk.

Notice to Overseas Shareholders

The distribution of this document and the Rights Issue may be restricted by law in certain jurisdictions. The Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters and the New Ordinary Shares have not been and will not be registered or qualified under the relevant laws of any state, province or territory of the Excluded Territories and may not be offered or sold, resold, taken up, transferred, delivered or distributed, directly or indirectly, into or within any of the Excluded Territories except pursuant to an applicable exemption from registration or qualification requirements. This document and the Provisional Allotment Letter do not constitute an offer to sell or issue, or a solicitation of an offer to buy or subscribe for, any Nil Paid Rights, Fully Paid Rights or New Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. Persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Subject to certain very limited exceptions, neither this document nor any Provisional Allotment Letters will be distributed in or into any Excluded Territory, including the United States, and neither this document nor any Provisional Allotment Letter (if and when received) constitute a public offer of Nil Paid Rights, Fully Paid Rights or New Ordinary Shares to any Shareholder with a registered address in, or who is resident or located in (as applicable), any Excluded Territory.

The attention of Overseas Shareholders and any person (including, without limitation, nominees, custodians or trustees) who has a contractual or legal obligation to forward this document and any accompanying documents to a jurisdiction outside the United Kingdom is drawn to paragraphs 7 and 8 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document.

Notice to U.S. Shareholders

The Nil Paid Rights, the Fully Paid Rights, the New Ordinary Shares and the Provisional Allotment Letters have not been and will not be registered under the U.S. Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, pledged, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, into or within the United States, except to Permitted U.S. Shareholders (as defined and further explained in paragraph 7.6 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document) and/or pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of Nil Paid Rights, Fully Paid Rights or New Ordinary Shares in the United States or any of the other Excluded Territories.

The Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters and the New Ordinary Shares have not been approved, disapproved or recommended by the U.S. Securities and Exchange Commission (SEC), any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities reviewed, passed upon or endorsed the merits of the offering of the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters and the New Ordinary Shares or confirmed the accuracy or completeness or determined the adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

The Underwriters may arrange for the offer of the New Ordinary Shares not taken up in the Rights Issue in the United States only to persons reasonably believed to be "qualified institutional buyers", as defined in Rule 144A under the U.S. Securities Act (**QIBs**), in reliance on an exemption from, or in a transaction not subject to, the registration

requirements of the U.S. Securities Act. The New Ordinary Shares, the Nil Paid Rights, the Fully Paid Rights and the Provisional Allotment Letters are being offered outside the United States in reliance on Regulation S under the U.S. Securities Act (**Regulation S**).

Prospective investors are hereby notified that the sellers of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares may be relying on the exemption from the registration requirements of Section 5 of the U.S. Securities Act provided by Rule 144A thereunder.

In addition, until 40 days after the commencement of the Rights Issue, an offer, sale or transfer of the Nil Paid Rights, Fully Paid Rights or the New Ordinary Shares within the United States by any dealer (whether or not participating in the Rights Issue) may violate the registration requirements of the U.S. Securities Act.

Any person in the United States who obtains a copy of this document and/or the Provisional Allotment Letter and who is not a QIB is required to disregard it.

Notice to All Investors

Any reproduction or distribution of this document in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares is prohibited, except to the extent such information is available publicly. By accepting delivery of this document, each offeree of the Nil Paid Rights, the Fully Paid Rights and/or the New Ordinary Shares agrees to the foregoing.

No action has been taken by the Company or the Underwriters that would permit a public offer of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares or possession or distribution of this document, the Provisional Allotment Letters or any other offering or publicity material relating to the Rights Issue in any jurisdiction where action for that purpose is required, other than the United Kingdom. None of the Company, the Underwriters, or any of their respective affiliates, directors, officers, employees or advisers is making any representation to any offeree, purchaser or acquirer of Provisional Allotment Letters, Nil Paid Rights, Fully Paid Rights or New Ordinary Shares regarding the legality of an investment in the Rights Issue by such offeree, purchaser or acquirer under the laws applicable to such offeree, purchaser or acquirer. Each investor should consult with his or her own advisers as to the legal, tax, business, financial and related aspects of a purchase or acquisition under the Rights Issue.

Information to Distributors

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Requirements**), and /or any equivalent requirements elsewhere, and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK MiFIR Product Governance Requirements and/or any equivalent requirements elsewhere) may otherwise have with respect thereto, the Nil Paid Rights, Fully Paid Rights and New Ordinary Shares have been subject to a product approval process, which has determined that the Nil Paid Rights, Fully Paid Rights and New Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, as respectively defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the **Target Market Assessment**). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Nil Paid Rights, Fully Paid Rights and New Ordinary Shares may decline and investors could lose all or part of their investment; the Nil Paid Rights, Fully Paid Rights and New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Nil Paid Rights, Fully Paid Rights and New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Rights Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Underwriters will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Nil Paid Rights, Fully Paid Rights or New Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Nil Paid Rights, Fully Paid Rights or New Ordinary Shares and determining appropriate distribution channels.

SUBJECT TO CERTAIN VERY LIMITED EXCEPTIONS, THE RIGHTS ISSUE DESCRIBED IN THIS

DOCUMENT IS NOT BEING MADE TO INVESTORS WHO ARE IN THE UNITED STATES OR ANY OTHER EXCLUDED TERRITORY AND NO DOCUMENT ISSUED BY THE COMPANY IN CONNECTION WITH THE RIGHTS ISSUE IS OR CONSTITUTES AN INVITATION OR OFFER OF SECURITIES FOR SUBSCRIPTION, SALE OR PURCHASE TO ANY PERSON WITH A REGISTERED ADDRESS, OR WHO IS RESIDENT OR LOCATED, IN THE UNITED STATES OR ANY OTHER EXCLUDED TERRITORY.

WHERE TO FIND HELP

Part X: "*Questions and Answers about the Rights Issue*" of this document answers some of the questions most often asked by shareholders about rights issues. If you have further questions, please call Equiniti on +44 (0) 333 207 6534. 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. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales. Please note that Equiniti cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. For deaf and speech impaired customers, we welcome calls via Relay UK. Please see www.relayuk.bt.com for more information.

This document is dated 24 May 2024.

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Part I. Summary

Introduction and Warnings

Name and international securities identifier (ISIN) number of the securities

Ordinary Shares; ISIN code GB00BF5H9P87. Nil Paid Rights; ISIN code GB00BQXP7G81. Fully Paid Rights; ISIN code GB00BQXP7H98.

Identity and contact details of the issuer, including its legal entity identifier

Great Portland Estates plc (the **Company** and, together with its subsidiaries, the **Group**) is a public limited company, incorporated in England and Wales. The Company's registered office is at 33 Cavendish Square, London W1G 0PW, United Kingdom. The Company's telephone number is 020 7647 3000. The Company's LEI is 213800JMEDD2Q4N1MC42.

Identity and contact details of the competent authority approving the prospectus

This document has been approved by the FCA, as competent authority, with its head office at 12 Endeavour Square, London, E20 1JN, United Kingdom and telephone number: +44 20 7066 1000, in accordance with the UK version of Regulation (EU) 2017/1129 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**) (the **UK Prospectus Regulation**).

Date of approval of the document

This document was approved as a prospectus by the FCA on 24 May 2024.

Warning

This summary has been prepared in accordance with Article 7 of the UK Prospectus Regulation and should be read as an introduction to this document. Any decision to invest in the Nil Paid Rights, Fully Paid Rights or New Ordinary Shares should be based on consideration of the document as a whole by the investor. The investor could lose all or part of its invested capital. Where a claim relating to the information contained in the document is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the document before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the document or it does not provide, when read together with the other parts of the document, key information in order to aid investors when considering whether to invest in such securities.

Key Information on the Issuer

Who is the issuer of the securities?

Domicile and legal form, LEI, the law under which it operates and its country of incorporation

The Company is a public limited company, incorporated and registered in England and Wales with registered number 596137. The principal legislation under which the Company operates is the Companies Act. The Company's LEI is 213800JMEDD2Q4N1MC42.

Principal activities

The Group is a United Kingdom-based property investment and development company. The Company invests in and develops central London real estate. The Group's property portfolio includes ready to fit, fully managed and fitted office spaces as well as Flex partnerships and retail offerings.

Major shareholders, including whether the Company is directly or indirectly owned or controlled and by whom

As at 22 May 2024 (being the latest practicable date prior to publication of this document), in so far as it has been notified to the Company pursuant to the Companies Act 2006 and/or Chapter 5 of the disclosure guidance and transparency rules made by the FCA pursuant to section 73A of the Financial Services and Markets Act 2000 (the **FSMA**) (the **Disclosure Guidance and Transparency Rules**), the name of each person who, directly or indirectly, has an interest in voting rights representing 3% or more of the total voting rights in respect of the Company's issued share capital and the amount of such person's interest (based on the issued ordinary share capital of the Company as

at 22 May 2024), are set out below:

Name	As at 22 May 2024	
	Number of Ordinary Shares	**Percentage of Ordinary Shares**
Norges Bank Investment Management	32,829,313	12.93
T. Rowe Price Associates, Inc.	27,888,682	10.99
BlackRock, Inc.	25,359,592	9.99
KKR Investment Management LLC	13,579,569	5.35

Identity of the Company's key managing directors

The executive directors of the Group are Toby Courtauld (Chief Executive), Nick Sanderson (Chief Financial & Operating Officer) and Dan Nicholson (Executive Director).

Identity of the Company's statutory auditors

PricewaterhouseCoopers LLP, with its address at 7 More London Riverside, London SE1 2RT, United Kingdom, is the independent statutory auditor to the Company for the year ended 31 March 2024. Deloitte LLP, with its address at 1 New Street Square, London EC4A 3HQ, United Kingdom, was the statutory auditor to the Company for each of the years ended 31 March 2022 and 2023.

What is the key financial information regarding the issuer?

Selected historical financial information

The tables below set out summary financial information for the Group as at and for the periods indicated. The data below has been extracted without material adjustment from the Group's audited consolidated financial statements as at and for the years ended 31 March 2024 (the **2024 Financial Statements**), 2023 (the **2023 Financial Statements**) and 2022 (the **2022 Financial Statements**) prepared in accordance with UK-adopted International Accounting Standards as applied in accordance with the provisions of the Companies Act (together, the **Consolidated Financial Statements**). The statement of cash flows data of the Group for the year ended 31 March 2022 and the balance sheet data of the Group as at 31 March 2022 as presented below are derived from the unaudited comparative columns included in the 2023 Financial Statements.

Summary Group Income Statement Data

	For the year ended 31 March		
	2024	**2023**	**2022**
		£ million	
Revenue	95.4	91.2	84.2
Operating profit before (deficit)/surplus from property, revaluation movements and results of joint ventures	19.7	19.8	14.6
(Deficit)/surplus from investment property	(267.3)	(145.0)	107.9
Operating (loss)/profit	(294.5)	(158.5)	168.4
(Loss)/profit before tax	(307.8)	(164.0)	166.7
(Loss)/profit for the year	(307.8)	(163.9)	167.2
Basic (loss)/earnings per share	(121.7p)	(64.8p)	66.1p
Diluted (loss)/earnings per share	(121.7p)	(64.8p)	66.0p
Basic EPRA earnings per share	7.1p	9.5p	10.8p
Diluted EPRA earnings per share	7.1p	9.5p	10.8p

Summary Group Statement of Cash Flows Data

	For the year ended 31 March		
	2024	**2023**	**2022***
		£ million	
Cash generated from operations	14.4	15.8	22.3
Cash flows (used in)/generated from operating activities	(7.6)	(1.7)	8.9
Cash flows (used in)/generated from investing activities	(231.7)	112.6	(24.1)
Cash flows generated from/(used in) financing activities	242.8	(108.2)	6.3
Net increase/(decrease) in cash and cash equivalents	3.5	2.7	(8.9)
Cash and cash equivalents at 31 March	22.9	19.4	16.7

*Cash and cash equivalents and payables in respect of customer deposits have been restated as at 1 April 2021 and 31 March 2022 following clarification by IFRIC on classification of funds with externally imposed restrictions. As a result, the previously reported cash flows from operating activities for the year ended 31 March 2022 increased from £6.7 million to £8.9 million. There was no impact on the other components of the statement of cash flows for the year ended 31 March 2022. See note 1 of the Group's 2023 Financial Statements for further details.

Summary Group Balance Sheet Data

	As of 31 March		
	2024	**2023**	**2022**
		£ million	
Non-current assets	2,412.0	2,470.4	2,736.7
Current assets	66.0	35.2	37.8
Total assets	2,478.0	2,505.6	2,774.5
Current liabilities	(251.5)	(56.8)	(72.1)
Non-current liabilities	(643.5)	(530.2)	(589.5)
Total liabilities	(895.0)	(587.0)	(661.6)
Total equity	1,583.0	1,918.6	2,112.9

Selected unaudited pro forma financial information

The unaudited pro forma statement of net assets (the **Unaudited Pro Forma Financial Information**) set out below has been prepared for illustrative purposes only, to illustrate the effect on the net assets of the Group of the Rights Issue. The unaudited pro forma statement of net assets has been presented assuming the Rights Issue occurred on 31 March 2024. The Unaudited Pro Forma Financial Information, by its nature, addresses a hypothetical situation and, therefore, does not represent the actual financial position or results of the Group. Such information may not, therefore, give a true picture of the Group's financial position or results of operations nor is it indicative of its results. The Unaudited Pro Forma Financial Information has been prepared in accordance with the UK version of Annex 20 of Commission Delegated Regulation (EU) 2019/980 (which is part of UK law by virtue of the EUWA) supplementing the UK Prospectus Regulation. The Unaudited Pro Forma Financial Information has not been prepared, and shall not be construed as having been prepared, in accordance with the Regulation S-X under the U.S. Securities Act.

The Unaudited Pro Forma Financial Information is based on the Group's audited balance sheet as at 31 March 2024 and is stated on the basis of the accounting policies of the Group set out in the 2024 Financial Statements.

Unaudited Pro Forma Statement of Net Assets

			Pro forma adjustments *£ million*		
		Group's statement of net assets as at 31 March 2024 (Note 1) *£ million*	Proceeds from the Rights Issue (Note 2)	Repayment of debt (Note 3)	Pro forma total as at 31 March 2024 *£ million*
Non-current assets					
	Investment property	1,911.0			1,911.0
	Investment in joint ventures	491.3			491.3
	Property, plant and equipment	2.0			2.0
	Pension asset	4.9			4.9
	Derivative financial instruments	0.4			0.4
	Other investments	2.4			2.4
		2,412.0	-		2,412.0
Current assets					
	Trade and other receivables	24.9			24.9
	Cash and cash equivalents	22.9	335.8	(47.0)	311.7
		47.8	335.8	(47.0)	336.6
Current assets held for sale					
	Investment property held for sale	18.2			18.2
		18.2			18.2
Total assets		2,478.0	335.8	(47.0)	2,766.8
Current liabilities					
	Interest-bearing loans and borrowings	(175.0)			(175.0)
	Trade and other payables	(76.2)			(76.2)
	Corporation tax	(0.3)			(0.3)
		(251.5)	-		(251.5)
Non-current liabilities					
	Interest-bearing loans and borrowings	(565.4)		47.0	(518.4)
	Head lease obligations	(74.1)			(74.1)
	Occupational lease obligations	(1.0)			(1.0)
	Provisions in respect of warranties on sold buildings	(3.0)			(3.0)
		(643.5)	-	47.0	(596.5)
Total liabilities		(895.0)	-	47.0	(848.0)
Net assets		1,583.0	335.8	-	1,918.8

(1) The net assets of the Group as at 31 March 2024 have been extracted without material adjustment from the 2024 Financial Statements.

(2) This adjustment reflects gross proceeds of £350.3 million raised from the issue of the New Ordinary Shares in connection with the Rights Issue net of estimated expenses in connection with the Rights Issue of approximately £14.5 million excluding VAT.

(3) This adjustment reflects the repayment in full of amounts drawn as at 31 March 2024 under the Group's £450.0 million revolving credit facility (the **RCF**).

(4) A reconciliation of the Group's EPRA pro forma loan-to-value position, adjusted to illustrate the effects of the Rights Issue, as presented

in Note 9 to the 2024 Financial Statements, are set out in the table below:

	As at 31 March 2024 *£ million*
Net debt including joint ventures (as reported in Note 9 of the 2024 Financial Statements) (A)	760.4
Property portfolio at market value including joint ventures (as reported in Note 9 of the 2024 Financial Statements) (B)	2,331.2
EPRA loan-to-property value (as reported) (A/B)	32.6%
Pro forma net debt including joint ventures (adjusted for pro forma impact of the Rights Issue) (C)*	424.6
Pro forma EPRA loan-to-property value (adjusted for pro forma impact of the Rights Issue) (C/B)	18.2%

*The pro forma adjustment reflects the net proceeds of the Rights Issue of £335.8 million.

Other key financial information

There has been no significant change in the financial position or financial performance of the Group since 31 March 2024, being the date to which the latest audited annual financial information of the Group has been published, to the date of publication of this document.

No profit forecast has been included in this document. There are no qualifications in the audit reports covering the historical financial information of the Group for each of the years ended 31 March 2024, 2023 and 2022.

What are the key risks that are specific to the issuer?

Adverse macro-economic conditions driven by events such as macro-economic uncertainties and poor sentiment in the wider UK economy, geopolitical tensions and risks, inflationary pressures and higher interest rates, challenging international trading relationships and supply chain disruptions have had and may continue to have a negative impact on the Group's business.

Events which damage or diminish London's status as a global financial, business and retail centre could affect the Group's ability to let vacant space and reduce the value of the Group's properties.

Reduced demand for office space, including as a result of the shift to remote/hybrid working practices, may reduce customer demand for properties in the Group's office portfolio.

The acquisition of properties exposes the Group to various market, operational, financial and enforcement risks.

Failure to profitably deliver the Group's Flex strategy may have a negative impact on customer satisfaction and demand.

An adverse change in competitive dynamics in the retail property market could affect the Group's ability to let vacant space and result in decreased property values.

Future developments and acquisitions may be limited by the failure to identify and acquire suitable properties at satisfactory prices and difficulties in obtaining planning permissions.

The Group faces competition from other property investors and other organisations active in the central London property market.

The Group’s Development and Refurbishment Programme may expose it to increased risk, liability and cost from any inaccurate assessment of a development and/or refurbishment opportunity, increased environmental compliance, contractor default and construction disruption and delay.

Decreased investor demand and a less liquid market for commercial properties may result in low disposal prices or an inability to sell certain properties.

Key Information on the Securities

What are the main features of the securities?

Type, class and ISIN

The Rights Issue is being made to all Shareholders on the register of members of the Company at 6.00 p.m. on 22 May 2024 (the **Record Date**). Pursuant to the Rights Issue, the Company is proposing to offer 152,320,747 New Ordinary Shares to Qualifying Shareholders at 230 pence per New Ordinary Share. Each New Ordinary Share is expected to be issued at a premium of 215 pence to its nominal value of 15 5⁄19 pence.

When admitted to trading on the LSE, the New Ordinary Shares will be registered with ISIN GB00BF5H9P87. The ISIN for the Nil Paid Rights is GB00BQXP7G81 and the ISIN for the Fully Paid Rights is GB00BQXP7H98.

Currency, denomination, par value, the number of securities issued and the term of the securities

The Company's Ordinary Shares are denominated in pounds sterling. The issued and fully paid share capital of the Company as at 22 May 2024 (being the latest practicable date prior to publication of this document) was 253,867,911 Ordinary Shares, each with a nominal value of 15 5⁄19 pence each. The Ordinary Shares in issue are in registered form, may be held in either certificated or uncertificated form and title to such uncertificated shares may be transferred by means of a relevant system (as defined in the CREST Regulations).

Rights attached to the securities

Each New Ordinary Share will, on Admission, rank *pari passu* in all respects with each other and with each Existing Ordinary Share and will have the same rights and restrictions as each other and as each Existing Ordinary Share.

Seniority of the securities in the Company's capital structure in the event of insolvency

Each New Ordinary Share will rank *pari passu* in all respects with each other and with each Existing Ordinary Share in the event of insolvency, in accordance with the Companies Act.

Restrictions on the free transferability of the securities

There are no restrictions on the free transferability of the New Ordinary Shares or the Existing Ordinary Shares.

Dividend or pay-out policy

The Board is recommending a final dividend for the year to 31 March 2024 of 7.9 pence per share. The New Ordinary Shares issued pursuant to the Rights Issue will not receive the final dividend. The final dividend is subject to approval by Shareholders at the Annual General Meeting of the Company to be held on 4 July 2024 and, if approved, will be paid to Shareholders on the register as at 31 May 2024. If approved, this will provide a total dividend of 12.6 pence per share for the year to 31 March 2024 at a cost to the Company (or total payout) of £31.9 million in aggregate.

The Board intends that the total payout for the year to 31 March 2025 will be at least equal to the total payout for the year to 31 March 2024. Given the compelling pipeline of Flex and headquarter (**HQ**) opportunities, both organic and through the deployment of the rights proceeds, that will underpin the Company's significant earnings growth trajectory in future years, the total payout may be increased depending on the timing of, and returns generated from, the deployment of the proceeds of the Rights Issue, as well as future asset disposals.

Where will the securities be traded?

Application will be made to the FCA for the New Ordinary Shares to be admitted to the premium listing segment of the Official List of the FCA and to the London Stock Exchange for such Shares to be admitted to trading on the London Stock Exchange's main market for listed securities.

Is there a guarantee attached to the securities?

No.

What are the key risks that are specific to the securities?

The value of an investment in the Nil Paid Rights, Fully Paid Rights or the New Ordinary Shares may go down as well as up and any fluctuations may be material.

A trading market for the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares may not develop, as expected or at all.

The market price for the Ordinary Shares may decline below the Rights Issue Price.

Shareholders in the United States and other jurisdictions outside the United Kingdom may not be able to take up their entitlements under the Rights Issue.

Shareholders who do not (or are not permitted to) subscribe for New Ordinary Shares in the Rights Issue will experience dilution in their ownership of the Company.

Key Information on the Offer of Securities to the Public and Admission to Trading on a Regulated Market

Under which conditions and timetable can I invest in this security?

The Company proposes to offer New Ordinary Shares pursuant to the Rights Issue to Qualifying Shareholders other than, subject to certain very limited exceptions, shareholders with a registered address or which are resident or located in the United States, Canada, South Africa or Japan and any other jurisdiction where the extension and/or availability of the Rights Issue (and any other transaction contemplated in relation to it) would breach any applicable laws or regulations if not conducted in accordance with the legal restrictions and requirements of that jurisdiction (that is, the **Excluded Territories**).

The Rights Issue is made on the basis of 3 New Ordinary Shares for every 5 Existing Ordinary Shares held by Qualifying Shareholders on the Record Date.

The Rights Issue Price of 230 pence per New Ordinary Share represents a 44.5% discount to the Closing Price of 414.6 pence per Existing Ordinary Share on 22 May 2024, being the last Business Day before the announcement of the Rights Issue, adjusted for the recommended final dividend for the year ended 31 March 2024, which will not be paid on the New Ordinary Shares, and an approximately 33.4% discount to the theoretical ex-rights price based on the Closing Price (also adjusted for the payment of the recommended final dividend). The Directors believe that it is necessary to offer the New Ordinary Shares at a discount to complete the Rights Issue to allow the Company to raise the required funding and accordingly believe that such discount is in the best interests of the Shareholders, and that the Rights Issue Price is appropriate for the Rights Issue.

The Rights Issue will result in 152,320,747 New Ordinary Shares being issued (representing approximately 60.0% of the existing issued share capital of the Company and 37.5% of the enlarged issued share capital of the Company immediately following Admission of the New Ordinary Shares). If a Shareholder does not (or is not permitted to) take up the offer of New Ordinary Shares under the Rights Issue, such Shareholder's proportionate ownership and voting interests in the Company will be diluted by up to 37.5% as a result of the Rights Issue.

The Rights Issue is conditional, inter alia, upon (a) the Underwriting Agreement becoming unconditional; and (b) Admission becoming effective.

It is expected that Admission of the Nil Paid Rights will become effective, and that dealings in the New Ordinary Shares, nil paid, will commence on 8.00 a.m. on 28 May 2024 and that dealings in the New Ordinary Shares, fully paid, will commence at 8.00 a.m. on 12 June 2024.

The last time and date for acceptance and payment in full under the Rights Issue is expected to be no later than 11.00 a.m. on 11 June 2024.

Why is this document being produced?

This document has been prepared in connection with the Rights Issue to be undertaken by the Company. Until such time as the net proceeds of the Rights Issue are required to execute the acquisition and development opportunities as described in Part VII: "*Letter From the Chair of the Company*", the Group intends to use the net proceeds of the Rights Issue to pay down existing RCF debt in the short term and with the balance placed on short-term deposit. The Group will also use at least £168 million of the proceeds from the Rights Issue to unlock and accelerate the significant potential within the existing Group development pipeline, including through funding the development of the recently exchanged office and retail property The Courtyard and the Soho Square Estate, acquired last summer, with the intention of developing and delivering these assets into what is expected to be an undersupplied central London office market.

The Company proposes to issue 152,320,747 New Ordinary Shares in connection with the Rights Issue. Through the issue of the New Ordinary Shares, the Company expects to raise gross proceeds of approximately £350 million (approximately £336 million after deductions of estimated commissions, fees and expenses). The total commissions, fees and expenses related to the Rights Issue payable by the Company are estimated to be approximately £14 million (excluding VAT).

The Rights Issue is fully underwritten by the Underwriters.

There are no material conflicts of interest pertaining to Admission.

Part II. Risk Factors

*An investment in the New Ordinary Shares, the Nil Paid Rights, the Fully Paid Rights and the Provisional Allotment Letters (together, the **Securities**) involves certain risks. You should carefully consider the risks and uncertainties associated with the Rights Issue, any investment in the Securities and the Group's business and the industry in which it operates, together with all other information contained or incorporated by reference in this Prospectus, including, in particular, the risk factors described below, and your personal circumstances prior to making any investment decision with respect to the Securities.*

The risks described below are all those of which the Directors are aware and which they consider material. However, some risks may not yet be known to the Directors and some that are not currently considered material by the Directors could later turn out to be material. Each of these risks could materially and adversely affect the Group's business, financial condition, results of operations and future prospects. In such a case, the market price of Securities may decline and Shareholders could lose all or part of their investment. Shareholders should read this section in conjunction with the Letter From the Chair of the Company contained in Part VII.

1. Risks Relating to Great Portland Estates' Business

1.1 *Adverse macro-economic conditions driven by events such as macro-economic uncertainties and negative sentiment in the wider UK economy, geopolitical tensions and risks, inflationary pressures and higher interest rates have had and may continue to have a negative impact on the Group's business.*

Macro-economic uncertainties and negative sentiment in the wider UK economy, and in particular as these impact central London, where all of the Group's property assets are located, as well as heightened geopolitical tensions and risks (including upcoming elections in the UK, the U.S. and certain other major markets and the ongoing Russian invasion of Ukraine as well as the conflicts in the Red Sea/Middle East), inflationary pressures and persistently higher interest rates have had and could continue to have a negative impact on the macro-economic environment and consequently on the Group's business. These and other factors have contributed to a decline in the value of the Group's property portfolio and may continue to reduce customer and investor appetite for commercial real estate. During periods of difficult market conditions and negative sentiment such as the current period of high inflation and interest rates or a general economic slowdown, the Group's portfolio has experienced and may continue to experience significant declines in investment and development returns, resulting in increased volatility in valuations. As at 31 March 2024, the value of the Group's property portfolio net of the present value of future ground rents, including its share of investment properties in joint ventures, was £2,331.2 million, a significant decrease of 12.1% or £303.4 million on a like-for-like basis (i.e. calculated on the basis of properties that have been held for the whole of both periods of account) net of capital expenditure since 31 March 2023, primarily due to the adverse interest rate environment putting upward pressure on property yields. As of 31 March 2023, the value of the Group's property portfolio net of the present value of future ground rents, including its share of investment properties in joint ventures, was £2,380.0 million, a decrease of 6.6% on a like-for-like basis net of capital expenditure compared with 31 March 2022.

A further decline of more than approximately 34% in value of the Group's property portfolio from the value reported as at 31 March 2024, while not anticipated in the next 12 months based on the current assumptions in the Group's working capital model, would eliminate the available headroom on certain of its financial covenants and may result in a breach of the covenant stipulating that the ratio of unencumbered net asset value to consolidated unsecured borrowings is not less than 1.66:1 at any time. If a breach of covenant occurs which then leads to an event of default, the relevant lenders could accelerate all or part of their respective commitments and declare all amounts owed to them to be immediately due and payable. In addition, a default under certain of the Group’s debt instruments could result in a cross-default or cross-acceleration under certain of the Group’s other existing debt facilities. Borrowings under other debt instruments that contain cross-default or cross acceleration provisions may, as a result, also be accelerated and become immediately due and payable, and the Group may not have sufficient funds to fully repay these debts in such circumstances. For further discussion of the impact of decreasing property valuation on headroom under the Group's debt covenants, see "*—Property valuation is subject to a degree of uncertainty and based on assumptions which may prove to be inaccurate or affected by factors outside of the Group's control.*"

In addition to increasing volatility in property valuations, higher interest rates may have an adverse impact on sentiment in the investment market, access to capital and on the availability of acquisition opportunities that may be available to the Group. For further discussion of the impact of higher interest rates on the liquidity of the property market, see "*—Decreased investor demand and a less liquid market for commercial properties may result in low disposal prices or an inability to sell certain properties.*" Limited availability of capital to owners of commercial real estate may undermine the Group's ability to fund its development strategy in the long term, for example by making it more difficult for the Group to complete its development projects on time and on budget, and to effectively acquire or dispose of properties, and may also negatively impact the Group's ability to secure customers and to achieve its

expected yields and rental income. Any of these or other factors could have a material adverse effect on its business, financial condition, results of operations, future prospects and the price of the Securities.

1.2 ***Events which damage or diminish London's status as a global financial, business and retail centre could affect the Group's ability to let vacant space and reduce the value of the Group's properties.***

In line with the Group's strategy, its property portfolio consists of predominantly commercial office buildings and retail and leisure premises in central London. As a result of this concentration, the value of the Group's property portfolio may be adversely affected by factors which damage or diminish London's status as a global financial, business and retail centre, including the rise of alternative destinations for international trade, an increase in the relative cost of business spaces in London, a reduction in London's attractiveness to skilled workers as a result of macro-economic and other events (including the UK's 2020 withdrawal from the European Union), a significant and prolonged economic recession in the UK, an increase in the cost of doing business in London, as well as a decrease in the volume of visitors in central London due to public transport disruption or government policy on capacity at airports and stations, the long-term impact of climate change (including risk of flooding), disruption to energy supplies, changes in planning and regulation, or other factors. For further discussion of the regulatory planning environment and its potential impact on the Group's activities, see "*—Future developments and acquisitions may be limited by the failure to identify and acquire suitable properties at satisfactory prices and difficulties in obtaining planning permissions.*" For further discussion on the potential impact of terrorist attacks on the attractiveness of central London and the Group's business, see "*—Much of the Group's property portfolio in central London is located close to areas that have a high profile with visitors to London and might be considered to be at particular risk of a terrorist act; any such act could have a negative impact on the Group's business and reduce the value of the Group's property portfolio.*"

If London's status as a global financial, business and retail centre were significantly diminished, customer demand for commercial office and retail space in central London could decrease. The resulting increase in vacancies in the market could reduce the ability of the Group to let vacant space and cause rental income and property values in the West End and the City of London to decrease, which could have a material adverse effect on its ability to implement its strategy as well as on its business, financial condition, results of operations, future prospects and the price of the Securities.

Additionally, the global COVID-19 pandemic brought disruption and challenges to the global economy and to the Group's markets and operations. The closure of offices and shops, significantly reduced levels of tourism and retail footfall and sales in London together with increased customer failures, had a negative impact on rent collection and reduced customer demand and property valuations in 2020 and 2021. The COVID-19 pandemic also accelerated the shift to remote work, which had a negative impact on the demand for traditional office spaces in central London. Any future pandemic on the magnitude of the global COVID-19 outbreak could similarly contribute to a significant and prolonged economic disruption and/or recession, resulting in a significant decrease in demand in the Group's markets, reduce footfall in central London, diminish the ability of the Group's customers to meet their rental obligations, and adversely impact the Group's rental income and the value of its properties.

1.3 ***Reduced demand for office space, including as a result of the shift to remote/hybrid working practices, may reduce customer demand for properties in the Group's office portfolio.***

The majority of the Group's portfolio (by value) is represented by office space (78.9% as at 31 March 2024 and 78.4% as at 31 March 2023, 23.5% and 21.0% of which, respectively, was available as, or in the process of being converted to, Flex use (by sq ft)). The Group benefits from a diverse mix of office customers, including those from the financial services, technology, media and professional services industries. While demand for London real estate has largely normalised post-pandemic (although the market is somewhat bifurcated with prime spaces in greatest demand), a combination of economic factors (such as any significant employment reduction or downsizing, including as a result of technological advances, such as artificial intelligence, or reduced commercial activity caused by deterioration of the economy) and structural changes in consumer behaviour or ways of working (such as the growth of online retailing and flexible working practices, including a shift to more remote and/or hybrid work) could reduce customer demand for properties in the Group's portfolio if the Group fails to react effectively to evolving customer needs and expectations, resulting in higher vacancy rates. If, for example, the Group fails to deliver space and lease terms that customers want and/or provides an inappropriate mix of Flex versus traditional space, this could result in poor investment returns, potentially stranded assets, reduced property valuations and loss of customers to competitors.

The Group faces intense competition, and its office customers have many locations to choose from. Consequently, failure to offer quality office space in the right locations in these market conditions could have a negative impact on the Group's business. Reduced demand from any one type of office customer or a combination of customer types could increase vacant space and exert pressure on the Group to provide rental incentives to customers resulting in a reduction in the rental income, estimated rental value (**ERV**), rental growth and property values of the Group's office

portfolio, which could have a material adverse effect on its business, financial condition, results of operations, future prospects or the price of the Securities.

1.4 ***The acquisition of properties exposes the Group to various market, operational, financial and enforcement risks.***

The acquisition of properties, which is core to the successful deployment of the proceeds of the Rights Issue to execute the Group's growth strategy, involves risks that unexpected problems or liabilities may emerge following such acquisition. Before making an investment in a property, the Group assesses its value and potential value and the potential return on its investment. In making its investment decision and otherwise conducting its due diligence, the Group typically relies on investigations by third parties including, when available, audited financial statements prepared by independent accountants. There can be no assurance, however, that due diligence examinations carried out by the Group or by third parties in connection with any properties the Group has acquired or may acquire have revealed or will reveal all of the risks associated with that property, or the full extent of such risks.

The Group is moreover subject to the risk that it is unable to obtain required planning permission on an acquired property or satisfactory planning permission for the proposed asset business plan, that the property will be subject to unexpected historical tax liabilities, or that acquired properties will face higher than expected sustainability-related costs or additional capital expenditures. See also "*The Group's Development and Refurbishment Programme may expose it to increased risk, liability and cost from any inaccurate assessment of a development and/or refurbishment opportunity, increased environmental compliance, contractor default and construction disruption and delay.*" below). In addition, the Group's acquired properties may be subject to hidden material defects or deficiencies in title or otherwise which were not apparent at the time of acquisition, including environmental hazards, structural damage, legal restrictions, encumbrances or non-compliance with existing building standards or health and safety or other administrative regulations. The realisation of any of these risks could have a material adverse effect on the valuation of the Group's properties as well as its business, financial condition, results of operations, future prospects and the price of the Securities.

Furthermore, strategic acquisitions at satisfactory prices within available market windows are key to the Group's business model and the Group seeks to maximise returns on a risk-adjusted basis through the property cycle between its investment and development activities. The Group is currently operating in a period of relatively low commercial property values. This creates both a potential opportunity for the Group to acquire deeply discounted assets compared with periods of higher values, but also the risk that, in pursuing these strategic decisions and seeking to take advantage of short-term acquisition windows, the Group may make poor decisions regarding the allocation of capital and/or fail to adequately read the property cycle or market conditions (including global investor appetite for commercial real estate and offices) such that its acquisitions, disposals or development activities do not align with the value of the properties being acquired, sold or developed. This could result in inadequate investment returns, restrict the Group's ability to finance its operations or result in inappropriate asset concentration, building mix and/or level of development undertaken as a percentage of the portfolio, any of which could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects and the price of the Securities. For further discussion on the potential impact of decreased investor appetite and lack of liquidity of the commercial real estate market, see "*—The Group's Development and Refurbishment Programme may expose it to increased risk, liability and cost from any inaccurate assessment of a development and/or refurbishment opportunity, increased environmental compliance, contractor default and construction disruption and delay.*"

Finally, although the Group typically obtains warranties or representations from the seller of a real estate property with respect to certain legal or factual issues, these warranties will not typically cover all of the problems that may arise following the purchase, and may not fully compensate the Group for any diminution in the value of such property or other loss it may suffer. In addition, it may be difficult or impossible to enforce warranties or representations against a seller for various reasons, including the insolvency of the seller, inadequacy of the seller's insurance coverage or the expiration of limitation periods or expiry of enforcement periods for such warranties or representations. In certain cases, the Group may rely on warranty and indemnity insurance arranged by a seller in lieu of warranties and representations, and as a result may face the risk that the insurance provider is unable to stand behind its obligations upon facing a claim.

1.5 ***Failure to profitably deliver the Group's Flex strategy may have a negative impact on customer satisfaction and demand.***

As at 31 March 2024, 23.5% of the Group's office space was available on a Flex basis (by sq ft), featuring units which are typically smaller and fitted, often with higher service levels and a shorter lease term. While Flex arrangements are still relatively nascent in the London commercial real estate market, the Directors believe that the provision of Flex space is increasingly a prerequisite for maximising returns from smaller, sub 5,000 sq ft, central London spaces, and the Group's strategy is to develop more Flex offerings to meet growing customer needs for flexibility in space and

lease terms. As at 31 March 2024, 51% of the Group's Flex rent roll was subject to expiration or break clauses by the end of March 2025, and a further 76% of the Group's Flex rent roll was subject to expiration or break clauses by the end of March 2026. As Flex offerings are by their nature shorter term and subject to re-letting risk, they are thus more subject to the cyclicality of the broader economy than traditional leases. Any material increase in the proportion of office space subject to Flex arrangements may correspondingly increase the Group's exposure to a sustained economic downturn. In a prolonged economic downturn, the Group may have difficulty re-letting its Flex properties upon lease expiry, and thus experience higher vacancy rates and longer void periods from its Flex properties.

Moreover, any failure of the Group or its Flex partners to deliver on their obligations to Flex customers, achieve appropriate pricing, maximise operational efficiencies or adequately control costs will impact the effectiveness of its Flex office strategy and its ability to generate appropriate risk-adjusted returns. Further, as the Group continues to expand its Flex offering, and increase its focus on service provision, failure by the Group and/or its service partners to deliver high quality service will negatively impact customer satisfaction and demand, and reduce customer retention and asset values, all of which could materially adversely affect the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

1.6 ***An adverse change in competitive dynamics in the retail property market could affect the Group's ability to let vacant space and result in decreased property values.***

As at 31 March 2024 and 31 March 2023, 31% and 29%, respectively of the Group's rent roll was derived from retailers and leisure customers.

The current challenging macro-economic environment in the United Kingdom, which continues to impact consumer confidence and spending, along with the accompanying general decline in retail sales in-store over the last few years due to increased competition in the retail market, the continual growth in the popularity of online shopping as well as the abolition of tax-free shopping for tourists in 2020, has adversely impacted consumer-facing businesses and reduced the overall level of demand for and profitability of retail property, with weaker retailers struggling to remain viable. These factors have led to, and may continue to contribute to, difficulties letting vacant retail space, the need for rental incentives or alternative leasing structures (such as turnover rents or shorter lease terms) to attract customers, a decline in rental yields and a decrease in retail property valuations.

Furthermore, the bankruptcy or insolvency of a major retail customer would result in not only the loss of revenue from that property, but could further contribute to consumers finding that property or nearby properties less attractive, resulting in lower retail sales. The occurrence of any of these events could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects or the price of the Securities.

1.7 ***Future developments and acquisitions may be limited by the failure to identify and acquire suitable properties at satisfactory prices and difficulties in obtaining planning permissions.***

Future developments and acquisitions, which are a core component of the Group's strategy, may be limited by the Group's ability to identify and acquire suitable property at satisfactory prices. In addition, the Group is likely to face competition from a variety of other potential purchasers in identifying and acquiring suitable properties; see also "*—The Group faces competition from other property investors and other organisations active in the central London property market.*" Planning permission for developments may be delayed or refused or granted on onerous terms (including requirements to make substantial contributory payments to local authorities or carry out infrastructure works as part of the authorised development). Furthermore, the limited supply of buildings in central London which are suitable for development because of planning and ESG requirements further increases the impact of competition. Refusal of planning permission will result in a development not proceeding as originally intended and significant abortive costs may have been incurred by the Group. Delays in obtaining planning permission could result in developments not being progressed in a timely manner or at significant additional cost, which could impact the development rate of return. The success or failure of a development will rely, from the outset, on the grant of satisfactory planning permission.

Furthermore, planning permissions have become harder to obtain as UK government bodies have introduced increasingly stringent regulations and policies to address environmental, social and design issues, such as the National Planning Policy Framework, the London Plan and local authority planning policies. The Group's property is often located in conservation areas, and redevelopment of existing assets (including conversion into Flex space) is necessary to respond to customer demand and sustainability concerns. Given conservation areas have higher development standards, they typically require more consultation with planning authorities. Moreover, under-resourcing of planning departments has also caused, and is expected to continue to cause, material delays in obtaining planning permissions. For example, Westminster City Council, which is the governing local authority for the majority of the Group's properties, introduced a carbon price for developments with effect from 7 March 2024, which could negatively impact the Group's expected development returns on its future asset pipeline, to the extent planning is yet to be secured. These policies aim to promote sustainable development, high-quality design, affordable housing/

workspace, and climate resilience, but they also impose more challenges and constraints for developers to meet the required standards and expectations. A recent example was the refusal of planning permission by the Secretary of State for the Group's proposed New City Court development on various grounds including harm to the heritage and townscape of the area. Additionally, sellers may be required to obtain consent from their own freeholders before selling leasehold titles to properties to the Group, and such consent may be slow to be obtained and/or may not be granted. Failure to acquire suitable properties or to obtain planning permission in a timely manner could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

1.8 ***The Group faces competition from other property investors and other organisations active in the central London property market.***

The Group operates in the competitive environment of the central London property market. Competitors include not only private investors with in-depth knowledge of the local markets, but also other property companies including UK REITs, funds that invest nationally and internationally, institutional investors and foreign investors. In periods of heightened macro-economic uncertainty or reduced consumer confidence, there may be a flight to quality among customers, buyers, and investors, who may seek more attractive properties or locations. This may increase the demand and pricing for certain types of properties or markets, while reducing the demand and pricing for others, especially those that are older, less well-maintained, or located in less desirable areas. Moreover, in periods of higher property prices, the Group may also face heightened competition as existing or new investors seek to deploy additional capital into property investments, fuelling further price appreciation for prime properties.

As a result, the Group may face increased competition from other real estate companies, developers, owners or flexible space operators who have access to more capital, resources, or expertise, or who offer more favourable terms, amenities, or services to attract or retain customers. Furthermore, if the Group is outbid by its competitors for properties that it has identified as attractive opportunities, the Group may incur costs and expenses in pursuing such properties without realising any benefits or being able to deploy the proceeds of the Rights Issue in a manner consistent with its strategy, which could reduce returns and impair its development strategy.

Competition may also cause difficulty in achieving rents in line with the Group's expectations and may result in increased pressure to offer new and renewing customers financial and other incentives. The Group competes with a large number of real estate investors, owners and developers and (in respect of its Flex business) alternative providers of flexible working spaces, some of which may be willing to accept lower returns on their investments, may be less leveraged than the Group and have more liquidity with which to take advantage of acquisition opportunities, or may have properties that are better located with higher quality of facilities than the Group's properties. Such competition may adversely affect the Group's ability to increase the occupancy levels at its properties, to maintain or grow rental income or to obtain customers for its development projects.

1.9 ***The Group's Development and Refurbishment Programme may expose it to increased risk, liability and cost from any inaccurate assessment of a development and/or refurbishment opportunity, increased environmental compliance, contractor default and construction disruption and delay.***

The Group uses its development and refurbishment programme (the **Development and Refurbishment Programme**) to create new properties or refurbish existing properties to improve customer appeal and longevity that target increased rental values and incremental return on investment. As at 31 March 2024, the Group had committed capital expenditure of approximately £498 million relating to seven on-site schemes and a development pipeline consisting of a further potential five sites and opportunities.

The Group's potential and current development programme involves a higher degree of risk than its standing investment properties and requires the Group to accurately assess each specific development opportunity, including the expected return on investment, the adequacy of transport and other infrastructure attributes of the location, sustainability features, quality of specification, configuration and flexibility of accommodation, and timing and delivery of the completed property (including with respect to matching development activity to the appropriate point in the London property market cycle), together with an assessment of legal and regulatory compliance costs and the risks of contractor default, price inflation, and construction disruption and delay. An inaccurate assessment of a development opportunity, particularly in the context of an increasingly challenging regulatory environment (which features a very challenging planning approval process as well as the potential of legislation such as the Building Safety Act 2022 to delay projects), can result in a planned development project failing to meet the Group's expectations and/or weak performance in letting up new developments. Other risks to the development programme include (i) failure to agree acceptable terms and/or disputes with freeholders, adjoining owners or other stakeholders; (ii) a decrease in customer demand by the time the project is completed due to competition from other commercial real estate properties; (iii) failure to meet customer needs including sustainability expectations that affect planning agendas and the possibility of obsolescence if market expectations change after the development is committed;

(iv) contractor failure; or (v) adverse market conditions such as supply chain disruption, inflation, adverse yield movements or challenging international trade relationships. Any of these or other factors could result in reduced development and/or refurbishment activity, weak leasing performance, reputational damage and diminished return on the Group's investment.

The Group's development programme (as well as its general acquisition and portfolio management strategy) may also expose it to certain environmental clean-up liabilities or costs as a result of environmental regulations that can impose liability for cleaning up contaminated land, watercourses or groundwater on the person causing or knowingly permitting the contamination. If the Group owns or acquires contaminated land, it could also be liable to third parties for harm caused to them or their property as a result of the contamination, and to hazards and risks normally associated with the construction and development of commercial real estate, either of which could result in increased costs, reputational harm and/or damage to persons or property.

In addition, the cost of available debt financing has also increased, which has resulted and may continue to result in fewer opportunities for the Group to engage in its development programmes due to the cost of capital.

1.10 ***Decreased investor demand and a less liquid market for commercial properties may result in low disposal prices or an inability to sell certain properties.***

The Group seeks to apply a disciplined capital recycling approach through the sale of properties where business plans have been executed, projected returns are insufficient or where the Group has an opportunity to monetise expected future profits. Delays or other difficulties in selling underperforming properties could lead to a decrease in the Group's portfolio value and make asset recycling and deployment into new projects more challenging. In addition, the sale of premises can give rise to actions against members of the Group in connection with defects in the sold property.

Furthermore, the Group's existing commercial real estate properties, and those in which the Group may invest in the future, may be relatively illiquid in that there may not be ready buyers available and willing to pay fair value at the time the Group desires to sell. In respect of its Flex properties in particular, because the Directors believe that the Group's Flex strategy is relatively new and innovative, there have not been to-date a significant number of Flex-style properties disposed of in the Group's key markets, and as a result benchmarking peer valuation upon disposal is difficult to predict. Furthermore, some investors may be reluctant to purchase property in the current market due to the general view that property values may decrease in the short term, the increased cost or unavailability of debt financing (in the context of higher interest rates) and concern that macro-economic uncertainty (including high inflation) will adversely affect customer demand and rental growth. Properties of the type included in the Group's portfolio can be illiquid assets for reasons such as the long-term nature of leases, commercial properties being tailored to customers' specific requirements and reduced demand for commercial property. In particular, given the current level of macro-economic uncertainty, there is currently less funding appetite in the London commercial real estate market as a result of rising interest rates resulting in lower demand for real estate investments as fewer buyers are able to raise finance on attractive terms to purchase real estate, thereby making commercial real estate investments more illiquid than they have been in the recent past.

Reduced appetite in commercial real estate may inhibit the Group's ability to sell properties at attractive valuations. This may affect the Group's ability to vary its portfolio, dispose of or liquidate part of its portfolio on a timely basis or at satisfactory prices, or to acquire other properties in response to changes in general economic conditions, property market conditions or other conditions. Additionally, in the U.S. and German commercial property markets, higher interest rates have recently contributed to significant declines in commercial property valuations, leading certain owners to dispose of commercial real estate assets at depressed valuations, which could create fire-sale conditions that further reduce property values. If investors in other markets such as the UK similarly lose confidence in commercial property values, this could negatively impact sentiment in the London real estate market and make it more difficult for the Group to dispose of its properties at desired valuations. Any such difficulties or delays in executing and completing sales could, over the longer term, have a material adverse effect on the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

1.11 ***Property valuation is subject to a degree of uncertainty and based on assumptions which may prove to be inaccurate or affected by factors outside of the Group's control.***

The valuation of the Group's commercial real estate properties is inherently subjective and uncertain due to, among other factors, the individual nature of each property, its location and the expected future rental revenues from that particular property. As a result, the valuations of the Group's commercial real estate properties, which account for the vast majority of the Group's assets, are made on the basis of assumptions by third-party valuers, which are subjective and may not prove to be accurate, particularly in periods of volatility or low transaction flow in the commercial real estate property market.

The Group's wholly-owned property portfolio and the properties held through joint ventures in which the Group has

an interest are valued by third-party valuation agents on the basis of "Market Value" in accordance with the Valuation – Global Standards of the Royal Institution of Chartered Surveyors (**RICS**), defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

In addition, in determining Market Value, the Group's third-party valuers are required to make certain assumptions. These assumptions include but are not limited to matters such as the existence of willing buyers and willing sellers (including in uncertain market conditions), title, condition of structure and services, deleterious materials, environmental matters, areas, statutory requirements and planning, leasing, expected future rental revenues from the property, market-based yields and other information. In respect of properties which may require development, redevelopment or refurbishment, the valuers make assumptions as to the achievability of the development, the timescale, and the future development cost. Such assumptions may prove to be inaccurate. Incorrect assumptions underlying the valuation reports could negatively affect the value of the Group's commercial real estate assets and thereby have a material adverse effect on the Group's financial condition. This is particularly so in periods of volatility or when there is limited real estate transactional data against which property valuations can be benchmarked. In addition, these valuations speak only as of their valuation date, and market volatility since that date may cause further significant declines in the value of the Group's properties. There can also be no assurance that these valuations will be reflected in the actual transaction prices, even where any such transactions occur shortly after the relevant valuation date, or that the estimated yield and annual rental income will prove to be attainable. In addition, any changes in the Group's valuation agents in the future, as required by current RICS standards, could result in changes to the underlying assumptions applied to value the Group's properties, which may result in lower valuations for the Group's property portfolio.

In addition, the current level of macro-economic uncertainty in the UK and in the world's financial markets has created and may continue to create a degree of volatility in the commercial real estate market. In this environment, real estate prices and values have decreased and could continue to decrease significantly or be subject to heightened volatility. As a result, as at 31 March 2024, the value of the Group's property portfolio net of the present value of future ground rents, including the share of investment properties in joint ventures, was £2,331.2 million, a significant decrease of 12.1% on a like-for-like basis net of capital expenditure since 31 March 2023. Furthermore, the value of the Group's properties can be affected by other factors outside the Group's control, including declining demand for office and retail space, changes in general economic conditions (including if interest rates continue to rise), changing local supply, changes in regulatory requirements or market expectations regarding sustainability and the attractiveness of real estate to other investment choices. A further decline of more than approximately 34% in value of the Group's property portfolio from the value reported as at 31 March 2024, while not anticipated in the next 12 months based on the current assumptions in the Group's working capital model, would eliminate the available headroom on certain of its financial covenants and may result in a breach of the covenant stipulating that the ratio of unencumbered net asset value to consolidated unsecured borrowings is not less than 1.66:1 at any time. If a breach of covenant occurs which, to the extent not cured, results in an event of default, the Group would be required to repay the outstanding amounts under the relevant debt facility immediately upon notice by the facility agent and/or noteholders. A default under certain instruments of the Group could also result in cross default or cross acceleration under certain of the Group's other debt facilities. Failure to achieve successful sales of properties in the future at acceptable prices could have an adverse effect on the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

1.12 ***The Group's consolidated balance sheet and income statement may be significantly affected by fluctuations in the fair market value of its properties as a result of revaluations.***

In accordance with IAS 40, as adopted by the International Accounting Standards Board, the Group's properties are independently re-valued on a semi-annual basis, and any increase or decrease in the value of its properties is recorded as a revaluation gain or loss in the Group's consolidated income statement for the period during which the revaluation occurs. For example, the value of the Group's property portfolio net of the present value of future ground rents, including its share of investment properties in joint ventures, was £2,331.2 million as at 31 March 2024 as compared to £2,380.0 million on 31 March 2023, reflecting a significant valuation decrease of 12.1% on a like-for-like basis net of capital expenditure since 31 March 2023. Valuation changes to the Group's investment and development properties resulted in the recognition of a loss of £267.3 million in the year ended 31 March 2024, compared with a loss of £145.0 million in the year ended 31 March 2023.

The Group may continue to experience such significant non-cash revenue gains and losses from period to period depending on the change in fair market value of its properties, whether or not such properties are sold. For example, if market conditions (including high interest rates) and the prices of comparable commercial real estate properties continue to be unfavourable, revaluation declines from the Group's existing properties may continue in the future and, over the longer term, absent an amendment to or waiver of the covenant requiring the Group to maintain a

certain ratio of unencumbered net asset value to consolidated unsecured borrowings under the Group's existing debt obligations, could result in non-compliance with the covenant. For further discussion of the impact of decreasing property valuations on headroom under the Group's debt covenants, see "*—Property valuation is subject to a degree of uncertainty and based on assumptions which may prove to be inaccurate or affected by factors outside of the Group's control.*" A substantial decrease in the fair market value of its properties, over the longer term, could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

Moreover, the Group's borrowings or other leverage may increase the volatility of the Group's financial performance, and amplify the effect of any change in the valuation of the Group's assets on its financial position and results of operations.

1.13 ***A default by a major customer or a significant number of customers in the Group's portfolio could result in a significant loss of rental income, higher void costs, a reduction in asset value and increased bad debts from customers.***

A significant majority of the Group's revenue is derived directly or indirectly from rent received from a number of office and retail customers operating within a number of sectors. The Group's top 10 customers accounted for 25.3% of the Group's share of rent roll, of which none accounted for 5% or more of annual income from its portfolio as at 31 March 2024. A significant downturn in business, or one or more bankruptcy or insolvency events among the Group's most significant customers, could prompt certain of the Group's major office and retail customers to default on their rental obligations and/or vacate the premises. Such a default, in particular by more than one of the Group's customers in any one asset or by several of the Group's major customers, could result in a significant loss of rental income, higher void costs, an increase in bad debts from customers, and decrease the value of the Group's portfolio. Such a default may also prevent the Group from increasing rents or result in lease terminations by, or reductions in rent for, other customers.

Any of the above consequences of a default by one or more significant customers could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

1.14 ***The Group may be unable to let a property or re-let a property following the expiry of a tenancy.***

As at 31 March 2024 and 31 March 2023, the Group's vacancy rate was 1.3% and 2.5%, respectively. The ability of the Group to attract new customers will depend on demand for space at the relevant property, which can be influenced by a number of factors. Rental levels and the affordability of rents, the size, design and quality of the building (including its sustainability and wellness credentials), the amenities and facilities offered, the convenience, flexibility, location and local environment of the relevant property, the amount of competing space available, the transport infrastructure, the other customers renting adjacent and nearby properties, the age and facilities of the building in comparison with the alternatives and changing trends in both the office and retail markets are all examples of factors which influence customer demand. In addition, various sustainability factors, including carbon impact and energy intensity, are taking on greater prominence in customer determinations of the attractiveness of a given property. Levels of business rates (which are borne by customers) in a given location are also relevant to the economic attractiveness of a building to customers. Changes to the infrastructure, demographics, planning regulations, business rates, and economic circumstances relating to the surrounding areas on which the relevant property depends for its customer base may adversely affect the demand for such property.

As at 31 March 2024, 21.4% of the Group's rent roll (comprising 46% HQ and 54% Flex) was subject to expiration or break clauses by the end of March 2025, and a further 17.2% of the Group's rent roll (comprising 63% HQ and 37% Flex) was subject to expiration or break clauses by the end of March 2026. For further discussion of risks associated with the Group's Flex strategy, see "*—Failure to profitably deliver the Group's Flex strategy may have a negative impact on customer satisfaction and demand.*" There can be no assurance that the Group's customers will renew their leases at the end of their current tenancies or, if they do not, that new customers of equivalent standing (or any new customers) will be found to take up replacement leases, which may result in increased vacancy rates, or in lower levels of rental uplift than anticipated upon renewal. This is particularly the case where a property requires refurbishment or redevelopment following the expiry of a tenancy (including to meet evolving sustainability expectations and/or regulatory requirements), or where the Group decides to convert part or all of a building to Flex. During void periods, the Group will suffer a rental shortfall and incur additional expenses until the property is re-let. Even if the Group is able to agree customer renewals or replacements, there can be no assurance that such renewals or replacements will be on terms (including rental levels and rent review terms) that are as favourable to the Group as anticipated in the asset business plan, or that new customers will be as creditworthy as previous customers.

In addition, significant expenditure associated with each property, such as property taxes, service charges and renovation and maintenance costs, are generally not reduced in proportion to any decline in rental revenue from that property. If rental revenue from a property declines while the related costs do not decline and the Group is unable to

pass on or recoup the costs, then the Group's income and cash receipts may be materially and adversely affected.

1.15 ***The Group may be adversely affected if it fails to meet its decarbonisation objectives.***

The Group faces challenges and uncertainties in achieving its decarbonisation objectives and managing its climate risks. The Group may incur substantial capital expenditures, operating costs, and liabilities to retrofit its existing buildings to improve their sustainability credentials (e.g., minimum energy efficiency standards and building ratings) and acquire or develop new properties with high sustainability ratings. Further, the Group has adopted certain environmental, social and governance (**ESG**) policies and objectives in relation to both its operations in the commercial property market and its internal management. For example, the Group has energy and carbon targets which have been verified by the World Resources Institute's Science Based Targets initiative as being in line with a 1.5°C warming scenario. The above and other policies and objectives, particularly in relation to environmental projects, are publicly promoted by the Group. Although these environmental objectives are not a strict legal or regulatory requirement, failure to meet such objectives may adversely impact the reputation and financial performance of the Group and the price of its Securities.

The Group monitors and assesses its climate risks and opportunities on an ongoing basis. However, there can be no assurance that the Group's ongoing decarbonisation efforts will be sufficient, effective, or timely to avoid or reduce the adverse impacts of climate change on its business, or that the Group will be able to capture the potential benefits of the transition to a low-carbon and resilient economy. Furthermore, evolving net zero / carbon measurement and verification standards could have an adverse impact on the Group's ability to meet its net-zero goals using its current data architecture and initiatives. Climate change is a complex, dynamic, and uncertain phenomenon that may cause material and unforeseen changes in the Group's operating environment, strategy, and results. Failure to meet the Group's stated goal of decarbonising and its other related sustainability commitments could impact the Group's ability to both raise capital and deliver buildings (profitably or at all) under its development programme. Any such failure could also result in exposure to pressure from environmental activists, contribute to significant reputational damage, and in turn reduce customer demand for the buildings the Group owns, contributing to the affected properties suffering from unanticipated or premature write-downs or devaluation, and becoming stranded assets.

Any of the foregoing factors may have an adverse impact on the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

1.16 ***The Group may be adversely affected if it fails to comply with applicable environmental laws, regulations and planning restrictions.***

The Group is subject to existing and future environmental laws and regulations, including prospective Energy Performance Certificate (**EPC**) regulations and significant changes to concepts such as net zero as well as embodied carbon measurement. The UK government is currently proposing legislation which enforces the transition to net zero by 2050, and the stated 78% reduction of greenhouse gases by 2035 (based on a 1990 baseline). This is understood to include an update to the Minimum Energy Efficiency Standards, which is expected to increase the minimum requirements for non-domestic properties from an EPC rating of E (since 2018) to a rating of B in 2030. These regulations, coupled with increasing requirements of new global and national reporting frameworks, could lead to an increase in compliance costs or make properties obsolete or unattractive to potential customers or buyers. If the Group fails to comply with existing or future environmental laws and regulations or fails to deal adequately with environmental issues, including any failure to hold the requisite permits or licences, the Group may be subject to fines, penalties, third-party claims, reputational damage and other costs.

In addition, the Group's ability to execute its strategy and profitably execute its development programme, or its ability to redevelop future assets, may be reduced due to ESG-related planning restrictions, increased regulation and stakeholder expectations, (including difficulty to obtain planning permissions due to ESG requirements), the increased cost of low carbon technology, materials or processes and potentially the price of carbon. The Group may also face competitive disadvantages, including reduced demand, lower rents, higher vacancy rates, or may experience impaired asset values, if it fails to meet the expectations of its stakeholders or the market standards for low-carbon and resilient real estate.

There can be no assurance that the Group will be able to plan for and comply with the extensive and onerous framework of environmental legislation and regulation to which it is subject. Owners and occupiers of property are under a duty to locate, record, manage and (where appropriate) remove asbestos and other hazardous or toxic substances from relevant properties. Further, landlords are under a duty to co-operate with tenants in this regard and will have responsibility for common areas within properties or parts of properties that are temporarily or permanently vacant. Failure to comply with this duty is an offence and could give rise to contingent civil liabilities in respect of personal injury arising out of exposure to asbestos or other hazardous or toxic substances.

Environmental legislation imposes strict and retrospective liability for cleaning up contaminated land, buildings,

watercourses or groundwater on the person causing or knowingly permitting the contamination in circumstances where such contamination is causing, or where there is a significant possibility of it causing, significant harm to people or the environment. The costs of any required removal, investigation or remediation of such substances may be substantial regardless of whether the Group originally caused the contamination. The presence of such substances, or the failure to remedy the situation properly, may also adversely affect the value of the real estate or the Group's ability to sell, let or re-purpose the affected properties.

Any of the foregoing factors may have an adverse impact on the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

1.17 ***The departure of key personnel or the failure to attract, incentivise and retain high quality, suitably diverse and experienced personnel could adversely affect the Group's business and its ability to execute its strategy.***

The Group's business model requires a relatively small staff of high quality, suitably diverse and experienced professionals to manage a relatively large property portfolio. If the Group is unable to retain, or find capable replacements for, such professionals in a timely manner or at all, this could cause disruption to the Group's management structure and key third-party relationships, have a detrimental impact on the Group's values and organisational culture, or result in an increase in costs associated with staff replacement, lost business relationships or reputational damage. Additionally, failure to design and implement the right organisational structure (reflecting the optimal allocation of roles, skills, and resourcing levels) may impede the Group's ability to retain its talent and achieve its strategic objectives or deploy the proceeds of the Rights Issue in accordance with its strategy. The loss of such high quality, suitably diverse and experienced professionals and their industry and property-specific knowledge could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects, the price of the Securities, and the ability to execute its strategy (including its Flex strategy) and employ the use of proceeds in line with this strategy, especially if such persons transfer to the Group's competitors.

1.18 ***The Group may face physical risks to its business as a result of climate change or severe weather events.***

The Group may face physical risks to its business, including high temperatures, flooding, storm damages and fires, as well as increasing longer term transitional risks as a result of climate change. There can be no assurance that the Group will successfully mitigate these climate-related risks and the related impacts. In the event of extreme weather, flooding or significant issues with the Group's energy supply, the Group's operations may be adversely impacted, as might the attractiveness of central London property.

In addition, the Group's properties may suffer direct or indirect damage from these severe weather events, which could impair the value of the Group's assets, increase the costs of maintenance, repair, or insurance, and reduce the marketability and attractiveness of the Group's properties. The Group's customers may also be affected by physical risks from climate change, such as disruptions to their operations, supply chains, or access to the Group's properties. This could reduce the demand for the Group's offerings, lower the occupancy rates and rental income of the Group, and increase the risk of customer default or renegotiation.

If the Group is perceived as being unprepared or irresponsive to the environmental impacts of its operations or if its competitors respond better to severe weather events caused by climate change, the Group could suffer damage to its brand image, customer loyalty and stakeholder relations. As a result, the Group's profits may decline due to higher expenses, lower asset values, customer default or lower customer satisfaction. Any of the foregoing factors may have an adverse impact on the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

1.19 ***The Group is potentially liable for health and safety incidents relating to its operations and properties and any uninsured loss or injuries to visitors, employees, residents, employees of customers and contractors at its properties.***

There is a risk of accidents, including serious accidents causing loss of life, very serious injury (or near misses of the same), involving visitors, residents, the Group's employees, employees of customers and contractors at properties owned or occupied by the Group, particularly in respect of the construction projects the Group initiates in its development properties. Accidents of this nature may cause an adverse impact on the Group's reputation, and, in circumstances where the claim is not adequately covered by the Group's public liability insurance and employer's liability insurance, may result in the Group incurring significant costs in relation to any claim.

Changes in legislation and practice relating to health and safety matters, including those relating to fire safety and building safety pursuant to the Building Safety Act 2022, could also increase the potential liabilities of the Group in relation to these risks as well as the costs of compliance. Non-compliance with, or liabilities under, existing or future health and safety regulations, including failure to hold the requisite permits or licences, could result in

fines, penalties, third-party claims and other costs or criminal proceedings. The costs of increasingly burdensome compliance obligations may also impact property returns.

Any of the foregoing factors may have an adverse impact on the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

1.20 ***Failure by the Group to comply with the financial covenants governing indebtedness would result in an event of default.***

The Group has a substantial amount of outstanding unsecured indebtedness. As at 31 March 2024 and 31 March 2023, total indebtedness (including secured and unsecured borrowings but excluding lease liabilities) for the Group was £740.4 million and £458.5 million, respectively. The Group's secured debt consists of its debenture and the unsecured debt consists of the RCF, a £250.0 million unsecured term loan facility (the **2023 Term Loan Facility**), the £200.0 million unsecured bridge loan facility (the **2024 Short Term Facility**) (undrawn) and private placement notes. The terms of the Group's secured debt contain covenants in relation to income deriving from the assets securing such indebtedness and certain secured assets' coverage ratios. The Group's unsecured indebtedness contains financial covenants in relation to ratios on the amount of net unsecured indebtedness: (i) Inner Borrowing (i.e. the ratio of unencumbered asset value to consolidated unsecured borrowings); (ii) Net Gearing (i.e. the ratio of consolidated net borrowings to consolidated shareholders' funds); and (iii) Interest Cover (i.e. the ratio of consolidated profit before interest and tax to consolidated net interest). While the Group does not believe any such event will occur within the next 12 months, if the Group is unable to comply with, or obtain waivers for, applicable financial covenants within the medium to long term, including as a result of events outside of its control, such as any significant fall in property values or economic downturn proving to be more severe than expected or a change of control at the relevant borrower entity, it would lead to the acceleration of the related debt and the acceleration of debt under any other debt instruments containing cross-acceleration or cross-default provisions or cancellation of these credit facilities in the longer term. The Group could be forced to sell assets under potentially unfavourable conditions in order to provide capital to avoid a breach of a financial covenant or default under its debt instruments. The trustee on behalf of the holders of the secured debt in certain circumstances would be able to enforce their security over the secured assets and lenders of any guaranteed debt would be able to make a demand on any guarantees given in respect of the RCF, private placement notes, 2023 Term Loan Facility and 2024 Short Term Facility. The RCF, private placement notes, 2023 Term Loan Facility and 2024 Short Term Facility are each guaranteed by certain of the Group's subsidiaries. If any debt owed by the Group were to be accelerated or cross-accelerated, the Group might not have sufficient cash to be able to refinance or otherwise repay its indebtedness. Were this to occur, the Group would experience immediate financial strain and disruptions in its ability to manage its business, and if the situation persisted, the Group may be forced to liquidate assets or consider restructuring or insolvency. The occurrence of any of these events could have a material adverse effect on its business, financial condition, results of operations, future prospects and the price of the Securities.

Although the Directors do not believe any such event will occur within the next 12 months, the uncertain macro-economic outlook and high interest rate environment could inhibit the Group's ability to draw on these facilities or to rollover existing borrowings within the medium to long term if the Group were unable to comply with applicable financial covenants or to meet its financial obligations when they fall due or otherwise obtain new financing on favourable terms. It is difficult to predict how long these conditions will exist or how the Group's business and the businesses of the Group's customers could be affected.

If the Group is unable to access funding available under its existing credit facilities, or is unable to access cash on deposit with financial institutions, it may be unable to meet its financial obligations (including interest payments, loan repayments, operating expenses, development costs and dividends) when they fall due and to replace funds needed to finance its operations. Were this to occur, the Group would experience immediate financial strain and disruptions in its ability to manage its business, and if the situation persists, the Group may be forced to liquidate assets or consider restructuring or insolvency. If any of the foregoing circumstances were to arise, this could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

1.21 ***The Group may be insufficiently insured against all losses, suffer uninsured losses or suffer material losses in excess of insurance proceeds.***

The Group's properties could suffer damage resulting in losses (including loss of rent) which may not be fully compensated by insurance. In particular, certain types of risk (e.g., risk of war or terrorist acts, pandemics, certain natural disasters or weather catastrophes, such as flooding, as well as certain "acts of God") may be, or may become in the future, uninsurable or not economically insurable. For further discussion on the risk of terrorist attacks and their potential impact on the Group, see "*—Much of the Group's property portfolio in central London is located close to areas that have a high profile with visitors to London and might be considered to be at particular risk of a terrorist*

act; any such act could have a negative impact on the Group's business and reduce the value of the Group's property portfolio." In the event such a loss occurs, there can be no assurance that the insurance proceeds, if any, will fully cover the Group's loss with respect to the affected properties. In the event of an uninsured loss or a loss in excess of insured limits, the Group could lose capital invested in a property asset and future revenue income from that property. The Group could also be liable to repair any damage as well as remain liable for any debt or other financial obligation related to that property. There can be no assurance that the Group is sufficiently and effectively insured against all contingencies. If the Group suffers an uninsured loss or has to pay damages, it may have a material adverse effect on the Group's business, financial condition, results of operations, future prospects and the price of the Securities. Furthermore, no assurance can be given that material losses in excess of insurance proceeds will not occur in the future.

1.22 ***The Group's business could be disrupted or harmed by cyber attacks, IT system or infrastructure system failures.***

The operations of the Group are dependent on reliable and efficient IT systems, as well as equivalent systems of third parties, for the efficient running of its business, including with respect to finance, accounting, data processing, secretariat, IT, communications and other systems and facilities. These systems may: (i) fail to operate properly or become disabled as a result of events that are wholly or partially beyond the Group's control, (ii) be vulnerable to damage or interruption from fire, telecommunication failures, floods, physical or electronic break-ins, computer viruses, malicious code, phishing, ransomware or other types of cyber threats that have a security impact, power outages and other malfunctions or disruptions, and/or (iii) become obsolete, potentially contributing to additional costs and operational disruption during any downtime needed for replacement or upgrade. These or similar incidents could disrupt the Group's business and result in a loss of assets, loss of data, litigation claims, financial or regulatory penalties from the regulatory authorities and reputational damage. The Group may be required to expend significant additional resources to modify its protective measures or to investigate and remedy vulnerabilities or other exposures, and it may be subject to litigation and financial losses that are either not insured against or not fully covered through any insurance maintained by it. Any such incident has a potential for greater impact on Fully Managed customers, to which the Group provides increased infrastructure support. If such an incident were to occur to a Fully Managed customer, the Group may suffer reputational harm and harm to its relationship with such customer, as well as loss of revenue. Such activities, or a significant failure in performance of the Group's information technology systems could materially adversely affect the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

1.23 ***The Group is exposed to disputes and potential claims, including those relating to its leasing, selling and developing of real estate.***

The Group may be party to disputes with and claims from its customers and other counterparties. In particular, there is a risk of claims due to defects relating to the development and leasing of the Group's properties. This liability may apply to defects in properties that were unknown to the Group but could have, or should have, been discovered. In addition, the Group may be exposed to substantial undisclosed or unascertained liabilities embedded in properties that were incurred or that arose prior to the completion of the Group's acquisition of such properties. These liabilities could include, but are not limited to:

- liabilities for or remediation of contamination (including the presence of asbestos within buildings) or other environmental conditions;
- in cases where the Group has acquired the entity which owned the properties, liabilities (including tax liabilities and other liabilities) to state entities, to existing customers, to creditors or to other persons involved with the properties prior to the acquisition;
- indemnification claims by parties claiming to be entitled to be indemnified by the former owners of the properties; and
- an obligation for the Group to pay deferred consideration for the properties if certain events occur (for example, the grant of planning permission upon letting or completion of the development).

Although the Group may have obtained contractual protection against such claims and liabilities from the seller, there can be no assurance that such contractual protection has always been or will always be successfully obtained, or that it would be enforceable or effective if obtained under contract. Such potential liabilities, if realised, could have a material adverse effect on the returns realised on the property by the Group.

Any claims for recourse the Group may have against parties from which the Group has purchased such a property may fail because of the expiration of warranty periods and the statute of limitations, lack of proof that the previous seller knew or should have known of the defect, the insolvency of the previous seller, or for other reasons.

The Group may also be subject to claims by purchasers of its properties as a result of representations and warranties about those properties provided by the Group at the time of disposal. The Group's representations and warranties could pertain to, among other things, title to the property, environmental liabilities, and liabilities for the payment of tax. The Group may become party to claims, disputes or litigation concerning such representations and warranties and may be required to make payments to third parties as a result. In addition, following the disposal of any property, the Group may be obligated under contract or by law to retain certain liabilities or potential liabilities that exist in respect of such assets, such as liabilities for environmental clean-up or remediation. The costs of any such claims, disputes, litigation or remediation, to the extent they materialise, would reduce the Group's available cash flow and could have an adverse effect on its business, financial condition, results of operations, future prospects and the price of the Securities.

1.24 ***The Group owns and operates a significant portion of its property portfolio through joint ventures, which may inhibit the Group's ability to make sales and purchases from these entities as they are not controlled by the Group.***

A significant portion (20.4% as at 31 March 2024 and 22.0% as at 31 March 2023 by value) of the Group's portfolio is owned and operated through joint venture entities, each of which is 50% owned by the Group.

Due to the nature of the shareholding structure of these joint venture arrangements, the Group does not control an overall majority of the votes available for shareholders. As such, decisions in respect of those portfolio properties held in the joint ventures, including decisions to acquire, sell or retain assets, will be taken in the best interests of such joint ventures and these may not be in the best interests of the Group. Accordingly, the Group may not be able to resolve all the issues that arise with respect to such decisions, or it may have to provide financial or other inducements to its joint venture partners to obtain a resolution in its favour. In the absence of dispute resolution, major conflict with joint venture partners may lead to deadlock and result in the Group being unable to pursue its desired strategy for the joint venture.

Although the Group is generally able to exercise control over property sales in its joint ventures, it does not have such control over the GVP joint venture, which represents 7.7% of properties owned in joint ventures as at 31 March 2024 by value. In the case of the GVP joint venture, because the interests of the Group's joint venture partner may not be aligned with those of the Group, the Group could be prevented from selling certain properties without resorting to deadlock procedures which may lead to a sale on disadvantageous terms.

Each of the Group's joint venture partners (with the exception of the GVP joint venture) is able to exercise control over which properties the joint ventures sell. Such action may force the Group to sell an interest which may not be in line with its strategy for that interest. However, in each case the Group has an option to purchase the relevant interest at the resulting market price.

If the Group is not able to implement its strategy effectively, it could face lower growth in rental income or suffer vacant space on lease expiration or lower property values, which would decrease the value of the joint ventures in which the Group has an interest. The Group's joint venture partners may have different objectives, strategies, or financial resources, which could create disagreements over business plans and objectives, impede decision-making, or limit the Group's ability to pursue opportunities or exit investments. Furthermore, the Group's joint venture partners may fail to fulfil their obligations or commitments under the joint venture agreements, such as providing additional capital, guarantees, or services, or complying with covenants, representations, or warranties. This could result in defaults, litigation, or losses for the Group or the joint venture in question.

The bankruptcy, insolvency or severe financial distress of one of the Group's joint venture partners could materially and adversely affect the relevant joint venture property or properties. In the majority of cases, the Group has the right to acquire certain joint ventures assets upon the insolvency or other default of a joint venture partner. However, the Group may be unwilling or unable to do so, for example due to an inability to secure the necessary funding. This could result in a significant decline in the value of the joint venture's assets, the joint venture's insolvency, or both. Alternatively, a joint venture partner's interest may be acquired by a party whose interests differ or are in conflict with the Group's, which may require the Group to exit the joint venture on disadvantageous terms. In addition, if properties held by joint ventures in which the Group has an interest are sold due to their dissolution, less than their anticipated value may be realised, which could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

1.25 ***Much of the Group's property portfolio in central London is located close to areas that have a high profile with visitors to London and might be considered to be at particular risk of a terrorist act; any such act could have a negative impact on the Group's business and reduce the value of the Group's property portfolio.***

A majority of the Group's property portfolio is located on or close to Oxford Street or Regent Street in central London,

locations which have a particularly high profile with visitors to London and which may as a result be considered to be at greater risk of a terrorist act than other parts of central London. On this basis, some customers in these markets, particularly those in office buildings, may choose to relocate their businesses to other markets or to lower-profile buildings within these markets that may be perceived to be less likely targets of future terrorist activity. This could result in an overall decrease in the demand for office space in these markets generally or in particular properties, which could increase vacancies in the Group's properties or reduce rental values. A terrorist act in or close to one of these locations could have a negative impact on the Group's business or the business of its customers and reduce the value of the Group's property portfolio. The potential negative impact on the Group's business and reduction in value of the portfolio could be exacerbated by the concentration of the portfolio in or close to these high-profile locations.

2. **Risks Related to Taxation and Regulation**

2.1 ***The Group faces certain risks relating to its REIT status, including changes to tax legislation, which may affect the Group and restrict its flexibility in implementing its strategy.***

The Company and relevant members of its group for tax purposes (the **REIT Group**) converted to REIT status in the United Kingdom with effect from 1 January 2007. In summary, the REIT Group is exempt from UK tax on income and gains derived from its qualifying investment property rental business. However, in order to qualify for this regime and benefit from the tax exemption, the REIT Group has to meet certain conditions on an ongoing basis. These include various tests relating to the structure and ownership of the Company, the nature of the REIT Group's business, the percentage of profits derived from, and assets involved in, the REIT Group's property rental business, interest cover, and the level of distributions to Shareholders. In the event that the REIT Group fails to meet the requirements necessary to maintain REIT status, the REIT Group may lose the benefit of the REIT regime and the corresponding tax benefits, which could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects or the price of the Securities.

Prospective investors should note that there is no guarantee that the REIT Group will continue to maintain REIT status. The REIT Group could lose its status as a REIT as a result of, among other matters, the actions of third parties (for example, in the event of a successful takeover by a company that is not a REIT) or due to a breach of the "close company" condition for REIT status if it is unable to remedy the breach within a specified period.

The constraints surrounding REIT status could limit the Group's flexibility in implementing its strategy, which could also have a material adverse effect on its business, financial condition, results of operations, future prospects or the price of the Securities. For example, the Company is required to distribute a minimum of 90% of the REIT Group's income profits (as defined in section 530(2) of the Corporation Tax Act 2010) from the REIT Group's property rental business to its shareholders, and this requirement (combined with the impact of the timing of recognition of income and expenses) could impact on the REIT Group's resources available to fund acquisitions and capital expenditure. The REIT Group must also meet tests in relation to the percentage of profits derived from, and assets involved in, the property rental business, which may also restrict flexibility.

Further, any change (including a change in interpretation) in the legislative provisions relating to REITs or in tax legislation more generally in the United Kingdom, could adversely impact the Group. Changes to tax legislation could include the imposition of new taxes or increases in tax rates in the United Kingdom. All of these matters could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects or the price of the Securities. In particular, an increase in the rates of stamp duty land tax could have a material impact on the price at which UK land can be sold, and therefore on asset values.

2.2 ***The Company may be treated as a passive foreign investment company for U.S. federal income tax purposes which may result in adverse tax consequences for U.S. Shareholders.***

There is a risk that the Company may be considered a passive foreign investment company (**PFIC**) for U.S. federal income tax purposes (because its net property income may be considered passive income or because of its cash balances or other factors). In general, a non-U.S. company is a PFIC in any taxable year in which, after taking into account the income and assets of certain 25% or more owned subsidiaries, either (i) at least 75% of its gross income is passive income or (ii) at least 50% of the quarterly average market value of its assets is attributable to assets that produce or are held to produce passive income. Passive income for this purpose generally includes dividends, interest, royalties, rent and gains from commodities and securities transactions. However, rents derived in the active conduct of a trade or business from unrelated persons generally are considered active income for purposes of determining PFIC status.

The PFIC determination is made annually, and the Company's status could change depending, among other things, upon changes in the Company's activities, composition and relative value of gross receipts and assets subsequent to the Rights Issue, which may depend on the market value of the Company's shares. In the case of the Company, this determination is also based in part on certain income tax regulations proposed by the U.S. Treasury Department

on which taxpayers may rely until final regulations are published, regarding rules applicable to rents derived in the active conduct of a business when such business is conducted by a group of affiliated corporations. There can be no assurance that when final regulations are published that they will include the same rules as the proposed regulations. It is not clear that the Company's property income would be considered to be derived in the active conduct of a trade or business under the proposed regulations.

If the Company is classified as a PFIC for any taxable year during which a U.S. Holder held New Ordinary Shares or Existing Ordinary Shares, Nil Paid Rights or Fully Paid Rights, such U.S. Holder would be subject to an adverse U.S. federal income tax regime. Unless a U.S. Holder makes a valid mark-to-market election with respect to such shares or rights, a U.S. Holder generally will be required to treat any excess distribution received on its shares, including New Ordinary Shares, or any gain realised upon the disposition of shares, Nil Paid Rights or Fully Paid Rights, as ordinary income, and to pay an interest charge on a portion of such distribution or gain. U.S. Holders are encouraged to consult their tax advisors about the application of the PFIC rules to their particular circumstances.

2.3 ***If for any reason the assets of the Company are deemed to be plan assets subject to Title I of ERISA or Section 4975 of the Code, both the Company and fiduciaries causing Plans to acquire or hold the Company's Securities could be adversely affected.***

In an effort to prevent the Company's assets from being treated as plan assets for purposes of the United States Employee Retirement Income Security Act of 1974, as amended (**ERISA**) or Section 4975 of the United States Internal Revenue Code of 1986, as amended (the **Code**), purchasers or transferees of New Ordinary Shares, by their acquisition of New Ordinary Shares, will be deemed to represent, warrant and agree that they are not, are not acting on behalf of, and for so long as they hold any Securities will not be, and will not be acting on behalf of, Benefit Plan Investors, including (1) any employee benefit plan (as defined in Section 3(3) of ERISA), that is subject to part 4 of Title I of ERISA, (2) any plan (as defined in Section 4975(e)(1) of the Code) to which Section 4975 of the Code applies, and (3) any entity whose underlying assets include plan assets by reason of such an employee benefit plan's or a plan's investment in the entity. However, notwithstanding such deemed representations and warranties, there can be no assurance that the Company's underlying assets will not be treated as plan assets subject to Title I of ERISA or Section 4975 of the Code. Investors are advised to consult their own legal counsel with regard to this issue.

If for any reason the assets of the Company are deemed to be plan assets within the meaning of the Plan Asset Regulation, both the Company and fiduciaries causing Plans to acquire or hold the Company's Securities could be adversely affected. With regard to the Company itself, although the reach of ERISA outside the United States is uncertain, these adverse effects could include: (i) certain transactions that the Company might enter into, or may have entered into, in the ordinary course of its business might constitute non-exempt "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code, which generally require rescission of prohibited transactions and could result in an excise tax on the amount of the transaction; (ii) various providers of fiduciary or other services to the Company, and any other parties with authority or control with respect to the Company, could be deemed to be Plan fiduciaries or otherwise Parties in Interest or Disqualified Persons by virtue of their provision of such service; and (iii) the payment of certain of the fees by the Company might be considered to be a non-exempt "prohibited transaction" under Section 406 of ERISA or Section 4975 of the Code. With regard to fiduciaries causing Plans to invest in the Company's Securities, among other consequences (i) the underlying assets of the Company could be subject to ERISA's reporting and disclosure requirements, in which case a Plan fiduciary would be required to report the Plan's share of each of the Company's assets as an asset of the Plan; (ii) a fiduciary causing a Plan to make an investment in the equity of the Company could be deemed to have delegated its responsibility to manage the assets of the Plan and could be held responsible under ERISA for investment decisions made by the Company, and (iii) it is not clear that Section 404(b) of ERISA, which generally prohibits Plan fiduciaries from maintaining the indicia of ownership of assets of Plans subject to Title I of ERISA outside the jurisdiction of the district courts of the United States, would be satisfied in all instances.

2.4 ***The Group's business is subject to various regulations; the UK regulatory environment in which the Group operates may change.***

All of the Group's operations are in the UK and it must comply with laws, regulations and administrative actions and policies which relate to, among other matters, listing regulations, tax, REITs, financial accounting, planning, developing, building, land use, fire, health and safety, corporate fraud, environment and employment applicable to companies operating in the UK. These regulations often provide broad discretion to the administering authorities. Each aspect of the regulatory environment in which the Group operates is subject to change, which may be retrospective, and changes in regulations could affect existing planning consent, costs of property ownership and the value of properties. For example, there have been significant changes in health and safety and fire safety regulations (including pursuant to the Building Safety Act 2022) and practice, driven by government intervention following events such as Grenfell. Changes in regulations could have an adverse impact on the Group's business, financial condition, results of operations, future prospects and the price of the Securities.

In addition, there is a risk that legislation could be introduced to regulate all commercial leases which could impact rental incomes, property values and tenant rights in ways which cannot be foreseen. For example, legislation that restricts or prohibits upwards-only rent reviews could result in lower rental revenue receipts for the Group and could therefore have a material adverse effect on the Group's business, financial condition, results of operations, future prospects and the price of the Securities. The Group does not, however, currently expect that any resulting legislation would apply retroactively to render invalid pre-existing upwards-only rent review clauses or other potentially inconsistent provisions.

There can be no guarantee that incidents or accidents are not suffered by the Group's employees, contractors or third parties at the Group's properties. If any incidents occur or the Group breaches any of the regulatory requirements it is subject to then the Group could be subject to prosecutions and litigations which could lead to fines, penalties, damages and reputational harm. These incidents could therefore have a direct financial consequence both in terms of remediation and in relation to the penalties themselves. They could also impact the occupier and investor demand for the Group's properties.

2.5 ***Any property in the UK may at any time be compulsorily purchased by UK government departments or local authorities.***

Any property or part of any property in the UK may, at any time, be compulsorily acquired by a UK government department or local authority in connection with proposed redevelopment or infrastructure projects, such as the compulsory purchase of land under Crossrail and HS2.

If a compulsory purchase order is made in respect of a property or part of a property, compensation becomes payable on the basis of the value of all owners' and customers' proprietary interests in that property at the time of the related purchase, as determined by reference to a statutory compensation code, but the compensation could be less than the Group's assessment of the property's current market value (or the relevant apportionment of such market value where only part of a property is subject to a compulsory purchase order). In the case of an acquisition of the whole or any part of that property, the relevant freehold, heritable or long leasehold estate and any lease would both be acquired. If the amount received from the proceeds of purchase of the relevant freehold, heritable or long leasehold estate were inadequate, the operations, financial position and prospects of the Group may be adversely affected.

There may be a delay between the compulsory purchase of a property or part of any property and the payment of compensation, the length of which will largely depend upon the ability of the property owner and the entity acquiring the property to agree on the open market value. Should such a delay occur in the case of a property or part of any property of the Group, the operations, financial position and prospects of the Group may be adversely affected. If only part of a property is compulsorily purchased, the Group's financial position and prospects could be materially adversely affected if such part was of strategic importance to a Group development property or investment property.

2.6 ***Unexpected tax costs could arise through changes to tax law or tax rates in the UK.***

From time-to-time changes in tax laws or regulations are enacted which may result in an increase in the Group's tax liability. A shortfall in tax revenues due to a slowing economic environment may lead to an increase in the frequency and size of such changes. If such changes occur, the Group may be required to pay additional taxes on its assets or income irrespective of the Group's REIT status. These increased tax costs could adversely affect the Group's financial condition and results of operations and the amount of cash available for payment of dividends.

3. **Risks Related to the Rights Issue and the New Ordinary Shares**

3.1 ***The value of an investment in the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares could be subject to volatility.***

The market price of the Nil Paid Rights, the Fully Paid Rights and/or the New Ordinary Shares could be volatile and subject to significant fluctuations due to a change in sentiment in the market regarding the Nil Paid Rights, the Fully Paid Rights and/or the New Ordinary Shares. Such risks depend on the market's perception of the likelihood of completion of the Rights Issue, and/or in response to various facts and events, including any industry sector changes affecting the Group's operations, additional focus on the scale and liquidity of companies in the Group’s industry, variations in the Group's operating results and financial position, business developments of the Group and/or its competitors, the operating and share price performance of other companies in the industries and markets in which the Company operates, or speculation about the Group's business in the press, media or the investment community. Stock markets have, from time to time, experienced significant price and volume fluctuations that have affected the market prices for securities and which may be unrelated to the Group's operating performance or prospects. In recent years, the amount and frequency of these fluctuations has increased as a result of stress in the global financial markets. Furthermore, the Group's operating results, prospects or the underlying value of the Group's assets from time to time may be below the expectations of market analysts and investors. Any of these events could result in a decline in the

market price of the Nil Paid Rights, the Fully Paid Rights and/or the New Ordinary Shares.

3.2 ***An active trading market for the Nil Paid Rights may not develop as expected.***

An active trading market in the Nil Paid Rights may not develop on the London Stock Exchange. In addition, because the trading price of the Nil Paid Rights depends on the trading price of the Ordinary Shares, the Nil Paid Rights price may be volatile and subject to the same risks to which the Ordinary Shares are subject. The market price for the Ordinary Shares may fluctuate, including decline below the Rights Issue Price, and may not always reflect the underlying asset value of the Group.

3.3 ***Shareholders who do not (or are not permitted to) acquire New Ordinary Shares in the Rights Issue will experience dilution in their ownership of the Company.***

If any Shareholder does not (or is not permitted to) take up the offer of New Ordinary Shares under the Rights Issue, such Shareholder's proportionate ownership and voting interests in the Company as well as the percentage that their shares will represent of the total issued ordinary share capital of the Company will be diluted by 37.5% as a result of the Rights Issue. Even if a Shareholder elects to sell their unexercised Nil Paid Rights, or such Nil Paid Rights are sold on their behalf, the consideration the Shareholder receives may not be sufficient to compensate them fully for the dilution of their percentage ownership of the Company's share capital that may be caused as a result of the Rights Issue.

In addition, if, the Underwriters are unable to find subscribers for such New Ordinary Shares or are unable to achieve a price at least equal to the Rights Issue Price and the related expenses of procuring such subscribers, Shareholders will not receive any consideration for the Nil Paid Rights that they have not taken up.

3.4 ***Overseas Shareholders may not be permitted to take up their entitlements under the Rights Issue.***

Securities laws of certain jurisdictions may restrict the Company's ability to allow participation by Shareholders resident in such jurisdictions in the Rights Issue. In particular, the Rights Issue will not be registered under the U.S. Securities Act and therefore Shareholders located in the United States may not be permitted to take up their entitlements under the Rights Issue unless an exemption from the registration requirements of the U.S. Securities Act is available. Securities laws of certain other jurisdictions may restrict the Company's ability to allow participation by Shareholders in such jurisdictions in any future issue of shares carried out by the Company. Qualifying Shareholders with a registered address in, or who are incorporated, registered, resident in or are citizens of, countries other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their Nil Paid Rights or to acquire Fully Paid Rights or the New Ordinary Shares.

3.5 ***As a holding company, the Company's ability to pay dividends and effect returns of capital to Shareholders will depend upon the level of distributable reserves and the level of cash balances generated by the Group.***

The ability of the Company to pay dividends on its Ordinary Shares and to effect certain capital returns is not certain and is dependent upon it having sufficient distributable cash resources and, where necessary, sufficient distributable reserves in accordance with UK company law out of which any proposed dividend may be paid. The Company holds its real estate investments indirectly through subsidiaries, including subsidiaries formed for 50:50 joint ventures. As a holding company, its ability to pay dividends will therefore depend upon the level of distributable reserves and the level of cash balances generated by the Group as a whole, and its receipt of sufficient dividends or distributions from its subsidiaries. The payment of dividends or distributions to the Company by its subsidiaries is, in turn, subject to restrictions including the existence of sufficient distributable reserves and cash in those subsidiaries, and applicable tax laws. The continued payment of any dividends, and any future increase in the dividend, will also depend upon a number of factors, including but not limited to, the Company's financial condition, the Company's level of interest expense, any gains realised from the disposal of properties, relevant legal and regulatory restrictions, and such other factors as the Company may deem relevant.

As the principal company of a REIT Group, the Company is required to distribute to shareholders (by way of a property income distribution (**PID**)) at least 90% of the income profits of the UK-resident members of the REIT Group in respect of their investment property rental business. If the Company is unable to distribute at least 90% of its income profits from UK-resident members of the REIT Group, as a result of its ability to receive dividends or distributions from its subsidiaries, it may be unable to maintain its REIT status which may have an adverse impact on its business, financial condition and/or results of operations.

3.6 ***Investors acquiring 10% or greater of the Company's share capital may not be able to receive dividends and may be required to dispose of shares.***

An investor that is a company or any body corporate that becomes beneficially entitled (directly or indirectly) to 10% or more of the shares or dividends of the Company or controls (directly or indirectly) 10% or more of the voting rights of the Company will be a "Substantial Shareholder". Under the UK-REIT regime, a tax charge may be levied on the Company if it makes a distribution to a "Substantial Shareholder", unless the Company has taken reasonable steps to avoid such a distribution being paid.

In order to prevent this tax charge from arising, the Company (in common with other UK-REITs) has included certain provisions in its Articles. Accordingly, the Articles provide that the Company may refuse to pay dividends to any Substantial Shareholder. Furthermore, a Substantial Shareholder may be required to dispose of its beneficial entitlement to dividends or of its Ordinary Shares. Accordingly, Shareholders and other investors should be careful to avoid a situation where they may have a holding of over 10% of the issued share capital of the Company, as this would adversely affect their ability to receive dividends and may result in a requirement for all or some of the Ordinary Shares (including any recently acquired New Ordinary Shares) held by them to be sold.

3.7 ***Further issues of Ordinary Shares may dilute the interests of existing holders of Ordinary Shares, which could have a material adverse effect on the market price of outstanding Ordinary Shares.***

Other than the Rights Issue or pursuant to the Share Plans, the Company has no current plans for a subsequent offering of its Ordinary Shares or of rights to subscribe for its Ordinary Shares in the next 12 months. However, it is possible that the Company may decide to offer additional Ordinary Shares in the future, for example to effect an acquisition, finance future development projects, repay indebtedness or for other business purposes. Any such offering by the Company as well as large sales of Ordinary Shares by employees or significant Shareholders could dilute the interests of existing holders of Ordinary Shares if they do not, or cannot, participate in such an offering or sale. Any such offering or sale, or the public perception that an offering or sale may occur, could have an adverse effect on the market price of the New Ordinary Shares and dilute the holdings of Shareholders. In such cases, the offering price, conversion price or exercise price may also be below the Rights Issue Price or the prevailing market price of the New Ordinary Shares.

3.8 ***The ability of Overseas Shareholders to bring actions or enforce judgments against the Company or the Directors may be limited.***

The rights afforded to Shareholders are governed by English law and by the Company's Memorandum of Association and Articles, and these rights differ in certain respects from the rights of shareholders in non-UK corporations, including typical corporations in the United States. In particular, English law significantly limits the circumstances under which shareholders of English companies may bring derivative actions, and, in most cases, only the corporation can bring an action in respect of wrongful acts committed against it. Neither an individual shareholder nor any group of shareholders has any right of action in such circumstances. In addition, English law does not afford appraisal rights to dissenting shareholders in the form typically available to shareholders of a corporation in the United States.

An Overseas Shareholder may not be able to enforce a judgment against some or all of the Directors. All of the Directors are residents of the UK. Consequently, it may not be possible for Overseas Shareholders to effect service of process upon the Directors within the Overseas Shareholder's country of residence or to enforce against the Directors judgment of courts of the Overseas Shareholder's country of residence based on civil liabilities under that country's securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the UK against the Directors who are residents of the UK. In addition, English or other courts may not impose civil liability on the Directors in any original action based solely on foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction in England and Wales or other countries.

3.9 ***Overseas Shareholders may be subject to exchange rate risks.***

The New Ordinary Shares are denominated in pounds sterling and will be quoted and traded in pound sterling. In addition, any dividends the Company pays in respect of the New Ordinary Shares will be declared and paid in pounds sterling. Accordingly, holders of the New Ordinary Shares whose principal currency is not pounds sterling are subject to risks arising from adverse movements in the value of their local currencies against pound sterling, which may impact the value of their investment in the New Ordinary Shares, as well as that of any dividends paid by the Company to such holders of the New Ordinary Shares.

Part III. Directors, Secretary, Registered Office and Advisers

Directors	Richard Mully (*Non-Executive Chair*) Toby Courtauld (*Chief Executive*) Nick Sanderson (*Chief Financial & Operating Officer*) Dan Nicholson (*Executive Director*) Nick Hampton (*Senior Independent Director*) Mark Anderson (*Non-Executive Director*) Karen Green (*Non-Executive Director*) Vicky Jarman (*Non-Executive Director*) Champa Magesh (*Non-Executive Director*) Emma Woods (*Non-Executive Director*)
General Counsel and Company Secretary	Darren Lennark
Registered Office of the Company	33 Cavendish Square London W1G 0PW United Kingdom
Joint Global Co-ordinator, Joint Bookrunner, and Sole Sponsor	Merrill Lynch International 2 King Edward Street London EC1A 1HQ United Kingdom
Joint Global Co-ordinator and Joint Bookrunner	Numis Securities Limited (trading as Deutsche Numis) 45 Gresham Street London EC2V 7BF United Kingdom
Joint Global Co-ordinator and Joint Bookrunner	J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove) 25 Bank Street Canary Wharf London E14 5JP United Kingdom
Co-Lead Manager	Banco Santander, S.A. Paseo de Pereda 9-12 Santander Spain
English and U.S. legal advisers to the Company	Allen Overy Shearman Sterling LLP One Bishops Square London E1 6AD United Kingdom
English and U.S. legal advisers to the Underwriters	Herbert Smith Freehills LLP Exchange House, Primrose Street London EC2A 2EG United Kingdom
Financial Adviser to the Company	Lazard & Co., Limited 50 Stratton Street London W1J 8LL United Kingdom

Reporting Accountant to the Company	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH United Kingdom
Independent Auditor to the Company	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT United Kingdom
Independent Auditor to the Company from appointment by shareholders from 15 July 2003 to 31 March 2023	Deloitte LLP 1 New Street Square London EC4A 3HQ United Kingdom
Registrar and Receiving Agent	Equiniti Limited Aspect House, Spencer Road Lancing West Sussex BN99 6DA United Kingdom

Part IV. Expected Timetable of Principal Events and Rights Issue Statistics

Expected Timetable of Principal Events

Record date for entitlements under the Rights Issue	6.00 p.m. on 22 May 2024
Announcement of the Rights Issue	23 May 2024
Publication of this Prospectus	24 May 2024
Dispatch of Provisional Allotment Letters (to Qualifying Non-CREST Shareholders only)[(1)]	24 May 2024
Ex-entitlement date for the Rights Issue	8.00 a.m. on 28 May 2024
Admission and commencement of dealings in New Ordinary Shares, nil paid, on the London Stock Exchange	8.00 a.m. on 28 May 2024
Stock accounts credited with Nil Paid Rights (for Qualifying CREST Shareholders only)	as soon as practicable after 8.00 a.m. on 28 May 2024
Nil Paid Rights and Fully Paid Rights enabled in CREST	as soon as practicable after 8.00 a.m. on 28 May 2024
Latest time and date for receipt of instructions under Special Dealing Service in respect of Cashless Take-up or disposal of Nil Paid Rights	4.00 p.m. on 4 June 2024
Recommended latest time and date for requesting withdrawal of Nil Paid Rights or Fully Paid Rights from CREST (i.e. if your Nil Paid Rights or Fully Paid Rights are in CREST and you wish to convert them into certificated form)	4.30 p.m. on 5 June 2024
Dealings expected to commence in relation to Cashless Take-up or disposal of Nil Paid Rights under Special Dealing Service	5 June 2024
Latest time and date for depositing renounced Provisional Allotment Letters, nil paid or fully paid, into CREST or for dematerialising Nil Paid Rights or Fully Paid Rights into a CREST stock account (i.e. if your Nil Paid Rights or Fully Paid Rights are represented by a Provisional Allotment Letter and you wish to convert them to uncertificated form)	3.00 p.m. on 6 June 2024
Latest time and date for splitting Provisional Allotment Letters, nil paid or fully paid	3.00 p.m. on 7 June 2024
Expected settlement of dealings in relation to Cashless Take-up or disposal of Nil Paid Rights under Special Dealing Service	7 June 2024
Dispatch of cheques in relation to proceeds of disposal of Nil Paid Rights under Special Dealing Service	11 June 2024
Latest time and date for acceptance and payment in full and registration of renounced Provisional Allotment Letters	11.00 a.m. on 11 June 2024
Results of Rights Issue to be announced through a Regulatory Information Service	12 June 2024
Commencement of dealings in New Ordinary Shares fully paid on the London Stock Exchange	8.00 a.m. on 12 June 2024
New Ordinary Shares credited to CREST accounts (for Qualifying CREST Shareholders only)	as soon as practicable after 8.00 a.m. on 12 June 2024
Dispatch of definitive share certificates for New Ordinary Shares in certificated form (to Qualifying Non-CREST Shareholders only)	by no later than 26 June 2024

(1) Subject to certain restrictions relating to Overseas Shareholders. See paragraph 8 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document.

Each of the times and dates in the above timetable is subject to change in which event details of the new times and dates will be notified to the Financial Conduct Authority, the London Stock Exchange and, where appropriate, Qualifying Shareholders through a Regulatory Information Service. References to times are to London time unless otherwise stated.

Rights Issue Statistics

Rights Issue Price	230 pence
Basis of Rights Issue	3 New Ordinary Shares for every 5 Existing Ordinary Shares
Discount to the Closing Price of 414.6 pence per Existing Ordinary Share on 22 May 2024 (when adjusted for the recommended final dividend for the year ended 31 March 2024)	44.5%
Number of Existing Ordinary Shares in issue as at the Latest Practicable Date[(1)]	253,867,911
Number of New Ordinary Shares to be provisionally allotted pursuant to the Rights Issue[(2)]	152,320,747
Number of Ordinary Shares in issue immediately following the completion of the Rights Issue[(2)]	406,188,658
New Ordinary Shares as a percentage of the enlarged issued share capital of the Company immediately following completion of the Rights Issue[(1)]	37.5%
Estimated gross proceeds of the Rights Issue	£350 million
Estimated commissions, fees and expenses	£14 million
Estimated net proceeds of the Rights Issue, after deduction of commissions, fees and expenses	£336 million

(1) There are no shares held in treasury.

(2) The actual number of New Ordinary Shares will be subject to rounding to eliminate fractions.

Part V. Important Information

Notice to All Investors

This document comprises a prospectus for the purposes of Article 6 of the UK Prospectus Regulation and amendments thereto and is issued in compliance with the Listing Rules.

The contents of this document are not to be construed as legal, business or tax advice. Each prospective investor must rely on its own examination, analysis and enquiry of the Company and the terms of the Rights Issue. Neither the Company, the Underwriters nor any of their respective representatives is making any representation to any offeree of the Nil Paid Rights, the Fully Paid Rights and/or the New Ordinary Shares regarding the legality of an investment in the Nil Paid Rights, the Fully Paid Rights and/or the New Ordinary Shares by such offeree. Each prospective investor should consult his or her own legal adviser, financial adviser or tax adviser for legal, financial or tax advice.

Investors should rely solely on the information contained in this document and the information incorporated by reference into this document (and any supplementary prospectus produced to supplement the information contained in this document) when making a decision as to whether to acquire New Ordinary Shares, Nil Paid Rights or Fully Paid Rights. No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representation must not be relied upon as having been so authorised by the Company, the Directors, or the Underwriters. None of the Company, the Directors, or the Underwriters, or any of their respective representatives, is making any representation to any Shareholder or purchaser of the New Ordinary Shares or Existing Ordinary Shares regarding the legality of an investment by such Shareholder under the laws applicable to such Shareholder or purchaser.

Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to Article 23 of the UK Prospectus Regulation and Rule 3.4.1 of the Prospectus Regulation Rules, neither the delivery of this document nor any issue or sale made under this document shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company or of the Company and its subsidiaries taken as a whole since the date of this document or that the information contained herein is correct as at any time subsequent to its date. The Company will update the information provided in this document by means of a supplement hereto if required by law or regulation pursuant to Article 23 of the UK Prospectus Regulation and Rule 3.4 of the Prospectus Regulation Rules. The Prospectus and any supplement thereto will be subject to approval by the FCA and will be made public in accordance with the Prospectus Regulation Rules.

None of the Underwriters nor any of their respective affiliates, directors, officers, employees or advisers accept any responsibility whatsoever for, or make any representation or warranty, express or implied, as to the contents of this document, including as to the accuracy, completeness or verification of the information set forth in this document 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, the New Ordinary Shares, the Nil Paid Rights, the Fully Paid Rights, the Rights Issue or Admission, and nothing in this document should be relied upon as a promise of representation in this respect, whether as to the past or the future. Each of the Underwriters and their respective affiliates, directors, officers, employees and advisers accordingly disclaim to the fullest extent permitted by law all and any responsibility or liability whatsoever, whether arising in tort, contract or otherwise, which it might otherwise have in respect of this document or any such statement.

The prospective investors also acknowledge that: (i) they have not relied on the Underwriters or any person affiliated with the Underwriters in connection with any investigation of the accuracy of any information contained in this document or their investment decision; (ii) they have relied only on the information contained in this document; and (iii) no person has been authorised to give any information or to make any representation concerning the Company or its subsidiaries or the New Ordinary Shares, Nil Paid Rights or Fully Paid Rights (other than as contained in this document) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company or the Underwriters. The Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters and the New Ordinary Shares have not been approved, disapproved or recommended by the U.S. Securities and Exchange Commission, any state's securities commission in the United States or any U.S. regulatory authority, nor have any of the foregoing authorities reviewed, passed upon or endorsed the merits of the offering of the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters or the New Ordinary Shares or confirmed the accuracy or completeness or determined the adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

In connection with the Rights Issue, the Underwriters and any of their respective affiliates may take up a portion of the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares as a principal position and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for their own account in securities of the Company and related or other securities and instruments (including Shares, Nil Paid Rights and Fully Paid Rights) and may offer or sell such security otherwise than in connection with the Rights Issue.

Accordingly, references in this document to Nil Paid Rights, Fully Paid Rights or New Ordinary Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Underwriters and any of their affiliates acting as investors for their own account. In addition, certain of the Underwriters or their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of Shares.

Except as required by applicable law or regulation, none of the Underwriters propose to make any public disclosure in relation to such transactions.

Notice to Investors in the United States of America

The Nil Paid Rights, the Fully Paid Rights, the New Ordinary Shares and the Provisional Allotment Letters have not been and will not be registered under the U.S. Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, pledged, renounced, transferred or delivered, directly or indirectly, into or within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any State or other jurisdiction of the United States.

Subject to certain exceptions, neither this Prospectus nor the Provisional Allotment Letter, constitutes or will constitute, or forms or will form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, Nil Paid Rights, Fully Paid Rights or New Ordinary Shares to any Shareholder with a registered address in, or who is resident or located in, the United States. Subject to certain exceptions, if you are in the United States, you may not acquire any Nil Paid Rights, Fully Paid Rights or New Ordinary Shares offered hereby.

Notwithstanding the foregoing, the Company reserves the right to deliver the Provisional Allotment Letter to, and the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares may be offered to and acquired by, investors in the United States reasonably believed to be QIBs in reliance on Rule 144A in offerings exempt from, or in transactions not subject to, the registration requirements of the U.S. Securities Act. The New Ordinary Shares are being offered outside the United States in reliance on Regulation S of the U.S. Securities Act.

A QIB will be permitted to subscribe for the New Ordinary Shares only if the QIB (i) returns a duly completed and executed U.S, Investor Representation Letter to the Company and the Underwriters, in accordance with the instructions of its custodian or nominee; and (ii) such U.S. Investor Representation Letter has been accepted by the Company in writing.

Any envelope containing a Provisional Allotment Letter and post-marked from the United States will not be valid unless it contains a duly executed U.S. Investor Representation Letter in the appropriate form, which is accepted by the Company in writing. Similarly, any Provisional Allotment Letter in which the exercising holder requests New Ordinary Shares to be issued in registered form and gives an address in the United States will not be valid unless it contains a duly executed U.S. Investor Representation Letter, which is accepted by the Company in writing. The payments paid in respect of a Provisional Allotment Letter that do not meet the foregoing criteria will be returned without interest, at the risk of the payer.

No representation has been, or will be, made by the Company, the Underwriters or any of their respective affiliates as to the availability of Rule 144 under the U.S. Securities Act or any other exemption under the U.S. Securities Act or any state securities laws for the re-offer, resale, pledge or transfer of the New Ordinary Shares.

Any person in the United States who obtains a copy of this Prospectus or the Provisional Allotment Letter and who is not a QIB is required to disregard it.

Overseas Territories Other than the United States of America

The distribution of this document in certain jurisdictions other than the UK may be restricted by law. No action has been taken by the Company or the Underwriters to permit a public offering except in the UK or distribute this document (or any other offering or publicity materials relating to the Nil Paid Rights, Fully Paid Rights or New Ordinary Shares) in any other jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this document nor any advertisement may be distributed or published in any other jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document comes are required by the Company to inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Shareholders who held Ordinary Shares on the Record Date and who have registered addresses in or who are resident in, or who are citizens of, all countries other than the UK should refer to paragraph 8 of Part VII: "*Letter From the Chair of the Company*" of this document.

Presentation of Financial Information

The Consolidated Financial Statements have been prepared in accordance with UK-adopted International Accounting Standards as applied in accordance with the provisions of the Companies Act.

The preparation of financial statements in accordance with UK-adopted International Accounting Standards (**IFRS**) requires management to make judgements, estimates and assumptions that affect the application of policies. The areas that require a high level of judgement or areas of judgement and estimation that are significant to the Group are disclosed in the notes accompanying the Consolidated Financial Statements.

Unaudited Pro Forma Financial Information

In this document, any reference to "pro forma" financial information is to information which has been extracted without material adjustment from the unaudited pro forma financial information contained in Part XVII: "*Unaudited Pro Forma Financial Information of the Group*" of this document.

The unaudited pro forma financial information is for illustrative purposes only, to illustrate the effect on the net assets of the Group of the Rights Issue. The unaudited pro forma statement of net assets has been presented assuming the Rights Issue had occurred on 31 March 2024. Owing to its nature, the unaudited pro forma financial information addresses a hypothetical situation and, therefore, does not represent the actual financial position or results of the Group. Further results of operations may differ materially from those presented in the unaudited pro forma information due to various factors. The Unaudited Pro Forma Financial Information has not been prepared, or shall not be construed as having been prepared, in accordance with the Regulation S-X under the U.S. Securities Act.

Key Performance Indicators (KPIs) and Alternative Performance Measures (APMs) Used by the Group

This document contains certain key performance indicators and alternative performance measures that are not defined or recognised under IFRS and certain of which are unaudited. There are no generally accepted principles governing the calculation of these measures and the criteria upon which these measures are based require a level of judgement and can vary from company to company.

These key performance indicators and alternative performance measures are included because the Directors believe that they are used widely by certain investors, securities analysts and other interested parties as supplemental measures of operating performance and liquidity. The Group uses such measures to measure operating performance and liquidity, in presentations to the Board and as basis for strategic planning and forecasting as well as monitoring certain aspects of its operating cash flows. These measures of operating performance are not derived in accordance with IFRS, and non-IFRS measures have certain limitations as analytical tools, and should not be considered in isolation or as a substitute for analysis of the Group historical financial results based on IFRS. Caution should be exercised in comparing non-IFRS measures as reported by the Group compared to non-IFRS measures of other companies.

These unaudited key performance indicators and alternative performance measures include:

Key Performance Indicators

- **Total Accounting Return (TAR)** — Total accounting return is calculated from the growth (or reduction) in EPRA Net Tangible Assets (**NTA**) per share (EPRA NTA being the industry standard measure of a real estate company's success at creating value) plus any ordinary dividends paid, expressed as a percentage of EPRA NTA per share at the beginning of the period. EPRA NTA assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax. To arrive at diluted net assets per share, EPRA NTA is adjusted to remove the cumulative fair value movements on interest-rate swaps and similar instruments, the carrying value of goodwill arising as a result of deferred tax and other intangible assets. For reconciliation of TAR to EPRA NTA, please see Part XIII: "*Selected Financial Information of the Group*."

Pre-Existing Alternative Performance Measures

- **Total Shareholder Return (TSR)** — Total shareholder return represents the growth in the ordinary share price as quoted on the London Stock Exchange plus dividends per share received for the period expressed as a percentage of the share price at the beginning of the period. The Directors believe that TSR is the most direct way of measuring the increase in shareholder value during the year. The Group's TSR is benchmarked against the TSR of the FTSE 350 Real Estate Index, as the Directors believe this represents the most relevant group of comparable companies over a year.

  Total Property Return (TPR) — Total property return is calculated from capital growth in the portfolio plus net rental income (defined as gross rental income adjusted for the spreading of lease incentives less expected

credit losses for rental income and ground rents) derived from holding these properties plus profit on sale of disposals, expressed as a percentage return on the period's opening value. The Group's portfolio TPR is compared to a universe of over £16 billion of similar assets included in the IPD central London benchmark. This is an independent index and for the years ended 31 March 2022 and 2023, the Directors believed that it was the most appropriate way of benchmarking asset level returns against comparable buildings in the Group's market. From the year ended 31 March 2024, the Group no longer includes TPR as a standalone APM.

New Alternative Performance Measures

For the year ended 31 March 2024, the Group moved to a more target-based operational scorecard, designed to motivate management to optimise returns for shareholders and focus on clear and measurable objectives to deliver its strategic priorities. As a result, the following operational metrics were introduced.

Optimising financial performance

- Rent achieved on market lettings during the year v. ERV — rent achieved on market lettings during year versus the CBRE Limited (**CBRE**) ERV as at 31 March. Performance against a benchmark range of 0.0% to 3.5% is measured on a straight line basis.
- Vacancy rate at period end — vacancy rate of the investment portfolio (excluding space under development or refurbishment) at period end (including recently completed development or refurbished space during the year and the Group's share of joint ventures) divided by the ERV of the whole portfolio. Performance against a benchmark range of 6.0% to 8.0% is measured on a straight line basis.
- Maintains appropriate liquidity — total sum of cash and undrawn committed debt facilities available to the Group as at 31 March 2024, measured in pounds sterling. Performance against a benchmark range of £150 million to £350 million is measured on a straight line basis.

Net Zero Carbon Roadmap

- Energy consumption — energy consumption is measured in the amount of Kilowatt-hour (**kWh**) consumed by the Group's portfolio and all energy purchased by the Group, including electricity sub-metered to its customers.
- New developments — the percentage of new developments on track to generate net zero carbon emissions once completed, calculated as the number of development/refurbishment schemes that meet or exceed annualised targets for Embodied Carbon and Energy Use Intensity, as independently reviewed by Arup.

Personal and business culture

- Inclusion — maintaining and facilitating a positive and inclusive culture, measured through employee engagement. Employee engagement is measured through an annual survey of all employees, by comparing a blended Employee Engagement Index and Employee Inclusion Index (**EEII**) score of the Group to a 65% hurdle. The Directors believe that maintaining high levels of employee engagement, and an inclusive culture, is key to motivation, productivity and ultimately the delivery of its business plans.
- Diversity — ensuring diverse talent to develop and deliver the Group's strategy, measured by achievements against gender and diversity targets. The Group aims to increase both the proportion of women in leadership roles and ethnic minorities in people management roles, both measured against annual percentage targets.

Transforming the business and putting customers first

- Planning milestones — achieving planning milestones in year, as measured by a combination of planning submissions and planning approvals across the Group's portfolio. These are specific to each development project and are therefore not quantified on a Group-wide basis.
- Flex space — commitments to new Flex space over the year. Growth in the Group's committed Flex space is measured by the amount of square feet dedicated to Flex space. Growth of the Group's Flex offer is an integral part of the Group's strategy and a near-term strategic priority designed to enhance its valuation and income growth. This measure has been updated for the year ended 31 March 2024.
- Customer NPS — Customer satisfaction is measured by the Group's Net Promoter Score (**NPS**). The NPS of the Group is compared to the office industry average, expressed as a number between -100 and +100, with a minimum target of the industry average. The Directors believe that high levels of customer satisfaction are critical to both attracting and retaining businesses in the Group's buildings.
- Customer retention rate — Customer retention rate is the percentage of the Group's customers at the start of a period who remain customers at period-end.

Other operational metrics

- **Profit on cost** — The value of a development at completion, less the value of the land at the point development is commenced, and less costs to construct (including for example, finance charges, letting fees, void costs and marketing expenses).
- **Profit on cost %** — The profit on cost divided by the sum of the land value at the point development is commenced together with the costs to construct (including finance charges, letting fees, void costs and marketing expenses).
- **Development yield —** total rental income of the completed development scheme (net of any head rent payable, once fully let and post expiry of any rent free incentives) as a percentage of total development costs (the value of the land at the point of development commencement and costs to construct, including finance charges, letting fees, void costs and marketing expenses).
- **Internal Rate of Return (IRR)** — The rate of return that if used as a discount rate and applied to the projected cash flows that would result in a net present value of zero.
- **Like-for-like basis** — calculation on the basis of properties that have been held for the whole of the periods of account.
- **Ungeared IRR** — The ungeared IRR is the interest rate at which the net present value of all the cash flows (both positive and negative) from a project or investment equal zero, without the benefit of financing. The internal rate of return is used to evaluate the attractiveness of a project or investment.
- **Net operating income** — Rental income less rent fees, or lease incentives and flex related operating expenses.
- **Net rental income** — Gross rental income adjusted for the spreading of lease incentives less expected credit losses and ground rents. See Note 2 to the 2024 Financial Statements for more detail.
- **Cash flow premium** (over a ten year period) — the 10-year net cashflow derived from Flex assets divided by the 10-year net cashflow derived from Ready to Fit assets.

Rounding

Certain data in this document, including financial, statistical and operating information, have been rounded to the nearest whole number or the nearest decimal place. As a result of rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data. Percentages have also been rounded and accordingly may not add up to 100%.

Profit Forecast

Unless otherwise stated, nothing in this document is intended, or is to be construed, as a profit forecast for the Company or the Group or to be interpreted to mean that earnings per Ordinary Share for the current or future financial years will necessarily match or exceed the historical earnings per Ordinary Share.

Forward-looking Information

This document and documents incorporated by reference into this document include statements that are, or may be deemed to be, "forward-looking statements" regarding the financial condition, results of operations, cash flows, dividends, financing plans, business strategies, operating efficiencies or synergies, budgets, capital and other expenditures, competitive positions, growth opportunities, plans and objectives of management and other matters relating to the Group. Statements in this document that are not historical facts are hereby identified as "forward-looking statements." In some instances, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and therefore are based on current beliefs and expectations about future events. These risks and uncertainties include, but are not limited to:

- changes in the macroeconomic conditions and the real estate market conditions in central London;
- demand for prime commercial property in the Group's market, including any changes in demand that arise from longer-term structural changes in working practices;
- macroeconomic factors impacting broader real estate market conditions;

- changes or challenges that arise as a result of competition or alternative markets that may develop;
- unanticipated changes to the Group's strategy or the Group's inability to delivery its strategy;
- changes to the planning regime, difficulties, challenges or extended timelines to achieve planning permission or unexpected outcomes from planning permissions sought by the Group;
- changes in interest rates, consumer spending and inflation rates;
- the availability and cost of financing;
- the Group's ability to comply with the financial covenants governing its indebtedness;
- the Group's assessment of the property cycle and the correct timing for making acquisitions or sales of properties;
- the Group's ability to effectively manage the refurbishment, leasing and occupancy of its investment properties;
- customer defaults and delinquencies;
- contractor defaults or construction disruption or delay;
- significant changes or inaccuracies in the valuation of the Group's properties, including any that arise from a decrease in market liquidity for commercial properties;
- negative developments in the business or operations of its joint venture partners;
- adverse changes in the Group's legal or regulatory risks as a result of legal or regulatory changes (including environmental or sustainability laws and policies), changes in tax laws (including real estate taxes), or legal or regulatory actions against the Group; and
- market volatility or disruptions arising from events that are outside of the Group's control.

Such forward-looking statements are necessarily based on a number of estimates and assumptions that, although considered reasonable by the Company at the time they are made, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements.

Investors are cautioned that forward-looking statements are not guarantees of future performance. Forward-looking statements may, and often do, differ materially from actual results. Any forward-looking statements in this document speak only as at the date of this document, reflect the Board's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's or the Group's operations, results of operations and growth strategy. All of the forward-looking statements made in this document are qualified by these cautionary statements. Important factors which may cause actual results to differ include, but are not limited to, those described in Part II: "*Risk Factors*" of this document.

Save as required by law, or by the UK Market Abuse Regulation, the Listing Rules, the Prospectus Regulation Rules or the Disclosure Guidance and Transparency Rules, the Company undertakes no obligation to release publicly the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors' expectations or to reflect events or circumstances after the date of this document. Nothing in this section should be interpreted as qualifying the statements as to the working capital position of the Group in paragraph 1 of Part XX: "*Additional Information*" of this document.

Market and Industry Data

All references to market data, industry statistics and forecasts and other information in this document consist of estimates based on data and reports compiled by industry professionals, organisations, analysts, publicly available information or the Company's own knowledge of its sales and markets. The third-party data used herein includes Arup, CBRE, Instant Offices, Oxford Economics, RealService and S&P.

The Company confirms that information sourced from a third-party has been accurately reproduced, and as far as the Company is aware and is able to ascertain from information published by that third-party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third-party information has been used in this document, the source of such information has been identified.

In addition, in many cases, statements in this document regarding the markets in which the Company operates and the Company's position within those markets have been made based on internal surveys, industry forecasts and market research, as well as the Company's own experiences. Although the Directors believe these statements to be reliable, they have not been independently verified.

References in this document to the term "market", or similarly construed words, are not intended, and should not be read, as an admission of a properly defined market for the purpose of any competition, antitrust or regulatory analysis.

Available Information

If, at any time, the Company is neither subject to Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the **Exchange Act**), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, the Company will furnish, upon request, to any holder or beneficial holder of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares, or any prospective purchaser designated by any such holder or beneficial owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the U.S. Securities Act. In such cases, the Company will also furnish to each such owner all notices of general Shareholders' meetings and other reports and communications that the Company generally makes available to Shareholders.

No Internet Site is Part of this Document

Without prejudice to the sections of the documents incorporated by reference into this document, which will be made available on the Company's website, information contained in or otherwise accessible through the website of the Company is not a part of this document, and prospective investors should not rely on it. With the exception of those elements of the specific documents incorporated by reference into this document as described in Part VI: "*Information Incorporated by Reference*" of this document, all references in this document to these internet sites are inactive textual references to these internet addresses and are for information only.

Time Zones

Unless otherwise indicated, all references in this document to time of day are references to the time in London, United Kingdom.

Definitions

Certain terms used in this document, including all capitalised terms and certain technical and other terms, are defined and explained in Part XXI: "*Definitions*" of this document.

Part VI. Information Incorporated by Reference

The following documents, which have been approved, filed with or notified to the FCA, and which are available for inspection in accordance with paragraph 22 of Part XX: "*Additional Information*" of this document, contain information about the Group which is relevant to this document:

- 2024 Annual Report and Financial Statements (the **2024 Annual Report**);
- 2023 Annual Report and Financial Statements (the **2023 Annual Report**); and
- 2022 Annual Report and Financial Statements (the **2022 Annual Report**).

The table below sets out the sections of these documents which are incorporated by reference in, and form part of, this document, and only the parts of the documents identified in the table below are incorporated by reference in, and form part of, this document. The parts of these documents which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this document. To the extent that any part of any information referred to below itself contains information which is incorporated by reference, such information shall not form part of this document.

The 2024 Annual Report, the 2023 Annual Report and the 2022 Annual Report can be accessed at https://www.gpe.co.uk/investors/reports-and-presentations/financial-reports.

Information incorporated by reference in this Prospectus

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Part VII. Letter From the Chair of the Company

Great Portland Estates plc

(Incorporated and registered in England and Wales with registered number 596137)

Registered and Head Office
33 Cavendish Square
London W1G 0PW
United Kingdom

Directors
Richard Mully (*Non-Executive Chair*)
Toby Courtauld (*Chief Executive*)
Nick Sanderson (*Chief Financial & Operating Officer*)
Dan Nicholson (*Executive Director*)
Nick Hampton (*Senior Independent Director*)
Mark Anderson (*Non-Executive Director*)
Karen Green (*Non-Executive Director*)
Vicky Jarman (*Non-Executive Director*)
Champa Magesh (*Non-Executive Director*)
Emma Woods (*Non-Executive Director*)

24 May 2024

Dear Shareholder

3 for 5 Rights Issue of 152,320,747 Ordinary Shares at 230 pence per New Ordinary Share

1. Introduction

On 23 May 2024, the Group announced a fully underwritten Rights Issue to raise gross proceeds of approximately £350 million. The purpose of this document is to provide further details regarding the Rights Issue and explain why the Directors believe this is in the best interests of the Group and its shareholders.

1.1 *Background to and reasons for the Rights Issue*

The Group's strategy is to deliver superior returns by applying its specialist skills to acquire, reposition, redevelop and manage properties to produce high-quality, highly sought-after sustainable spaces, with the high levels of service that modern central London customers demand. The Group's disciplined approach to allocating capital shapes its activities, ensuring it operates in line with London's cyclical property markets with the objective of maximising stakeholder returns. The Directors believe that compelling new investment opportunities are starting to emerge in the central London commercial property market and, given an increasing shortage of high-quality space, potential returns from the Group's existing development pipeline are increasingly attractive. The Directors believe that timing is right to capture the opportunity given their view that valuations are at or around trough levels and central London offices are trading close to 2009 real capital values (with current real capital values down 58% from their 2015 peak, according to CBRE (Central London Office Quarterly Slidebank)). The Group has already been capitalising on the current market conditions and over the course of the last 18 months has become a net buyer of central London real estate for the first time since 2013. The Group purchased £122.9 million of investment property assets off market in the year ended 31 March 2024, at more than a 25% discount to the Group's view of replacement cost, and also recently exchanged on the acquisition of The Courtyard, WC1, at 69% discount to the Group's view of replacement cost. Accordingly, the Group is seeking to further capitalise on this opportunity through the Rights Issue, whilst maintaining its disciplined approach to capital management and balance sheet strength.

The £350.3 million Rights Issue is expected to result in an increase in available investment capacity of approximately £450 million (including existing credit lines and assuming GPE remains in its through-cycle LTV range of 10-35%)

and to allow the Group to be prepared to seize upon near term acquisition pipeline opportunities in central London, as well as committing to development capital expenditure at newly purchased properties. In the short term, the proceeds will be used to repay the £47.0 million drawn on the RCF (representing £46.1 million on the Group's consolidated balance sheet at 31 March 2024), with the balance placed on short-term deposit.

The Group has the benefit of an experienced management team, with a depth of specialist skills, local knowledge and stakeholder relationships (including navigating the current planning environment), allowing the team to forensically track its target markets for potentially attractive acquisition opportunities, with the vision and capabilities to identify and seek to execute return-enhancing repositioning and redevelopment. Leveraging this market access, management are currently tracking approximately £1.4 billion of near-term acquisition targets and have a further watchlist of an additional £1.4 billion acquisition opportunities that have potential for repositioning and redevelopment into HQ and Flex schemes. The Group will also use at least £168 million of the proceeds from the Rights Issue to unlock and accelerate the significant potential within the existing Group development pipeline, including through funding the development of the recently exchanged office and retail property The Courtyard and the Soho Square Estate, acquired last summer, with the intention of developing and delivering these assets into what is expected to be an undersupplied central London office market.

The Directors expect that the acquisitions and developments which the Group intends to fund with proceeds of the Rights Issue will, in aggregate, enhance shareholder returns and be accretive to both EPRA earnings and NTA per share over time, and support the Group's ambition to deliver Total Accounting Returns in excess of its cost of capital. GPE is targeting a Total Accounting Return of 10% or more over the near to medium term, before yield compression, with additional upside available should property yields contract in a falling interest rate and improving rental growth environment.

Higher interest rates have disrupted the commercial property investment market, creating significant near to medium term acquisition opportunities in central London

The Directors believe that in an elevated interest rate environment, attractive investment opportunities have started to emerge in the central London commercial property market. Since the peak of the recent market cycle in March 2022, central London office values have experienced a rapid correction, bringing them in line in real terms with capital values last seen during the financial crisis in 2009. Central London yields have corrected aggressively since 2022, with prime net initial yields up by 200 basis points (a 44% increase) in the City and up 75 basis points (a 19% increase) in the West End (according to CBRE(Central London Office Quarterly Slidebank)). As a consequence, the Directors are starting to identify central London real estate acquisition opportunities at or below the Group's view of replacement cost and have already started to capitalise on the opportunity through the purchase of £122.9 million in investment property assets off market during the year ended 31 March 2024, becoming a net buyer of central London commercial property for the first time since 2013. Given the market dynamics, the Group has sought to limit its asset recycling, with its last substantial sale being 50 Finsbury Square in October 2022 for £190.0 million. As a result of these evolving market dynamics, the Directors believe that central London property values are approaching trough valuations and therefore the timing is right to capture this opportunity.

The heightened interest rate environment has significantly disrupted the commercial property investment market in central London. Turnover in central London's real estate investment market was £4.6 billion during year ended 31 March 2024, 59% below the ten-year average of £11.3 billion, and lower than levels seen in 2009, according to CBRE (Central London Office Quarterly Slidebank). The Group's specialist management team continuously assesses the commercial property stock traded across its markets and has observed that vendors are starting to be more realistic, presenting opportunities to acquire commercial property closer to the Group's view of fair value. Of the 12 potential purchases that the Group had under detailed review and subsequently transacted with a third party during the year ended 31 March 2023, only 6% were within the Group's assessment of fair value and 71% were in excess of 10% above the Group's assessment of fair value. For the year ended 31 March 2024, the proportion within the Group's assessment of fair value increased to 31% (with the Group acquiring four properties out of five that were deemed to be of fair value, at a total price of £152 million and a 42% discount to the Group’s view of replacement cost), with only 43% being overpriced by more than 10%.

With market pricing becoming more realistic, the Group is identifying a greater number of compelling new investment opportunities. The Group's senior management is tracking approximately £1.4 billion of near-term A list targets and B list targets based on an assessment of the probability of a potential purchase and an additional watchlist of £1.4 billion that meet the Group's investment criteria. The opportunities are split between HQ development and Flex targets, with the largest component in the West End. Of the near-term A list targets, one building, The Courtyard, WC1 recently exchanged in an off-market acquisition.

Structurally undersupplied central London office market and strong operational markets underpin future rental growth

The Directors believe that London's occupational markets for prime office space remain healthy, as demonstrated in the Group's results for the year ended 31 March 2024 which highlight strong leasing against ERV and very low vacancy at 1.3% as at 31 March 2024. Recent leasing data indicates that active demand for West End and City offices remains at a near record high. Leasing activity remains healthy at 10.5 million sq ft over the 12 months to 31 March 2024, and space currently under offer totals 4.1 million sq ft across central London (3.2 million sq ft in the West End and City), compared to the ten-year average of 3.4 million sq ft, in each case according to CBRE (Central London Office Quarterly Slidebank).

The Directors believe that the nature of demand for office space in London is undergoing a significant transformation, with occupiers increasingly focused on prime office spaces and discounting the rest. Whilst London's overall vacancy rate, according to CBRE (Q1 2024 Slidebank), is currently 8.8%, the vacancy rates for prime offices are substantially lower at 1.1% in the West End, where the Group's properties are predominantly located, and 2.2% in the City. As at 31 March 2024 the Group had a vacancy rate of 1.3% across the portfolio and only 1.5% in its Flex portfolio. Further detail on the London office market dynamics is contained within Part XI: " *Market Overview*."

Furthermore, the Directors believe that new office working patterns have now been established in central London following the pandemic with customers increasingly focused on high quality, central locations, with high amenity provision, close proximity to good transport links and London's broader cultural offer.

With prime office demand remaining robust, and current levels of vacancy remaining low, the Group expects market conditions to remain favourable, and looking forward, anticipates new office supply within London to tighten further. The Directors believe that in part this is because the already high barriers to entry to developing new space in central London are rising further. The evolving UK planning regime and the growing requirement for sustainable and climate friendly buildings means that established developers such as the Group with extensive resources, experience and a track record of navigating these challenges, are ideally placed to deliver the prime spaces which customers are demanding.

The Group's internal analysis of the forward-looking supply of new space indicates that only 3.0 million sq ft of prime speculative space is expected to complete annually between May 2024 and December 2027, compared to a ten-year average take up of 4.9 million sq ft annually. This constitutes a potential shortfall of approximately 1.9 million sq ft a year over the next 4 years, with an additional 63% supply required each year.

The Directors believe that the forecast imbalance between robust demand, low vacancy rates and lack of anticipated supply of high-quality new space is a positive driver for rental growth. As a result, the Group has upgraded its forecast range for rental growth across the office portfolio to between 4.0% and 6.0% for the year ended 31 March 2025, with rental growth across the Group's prime office portfolio upgraded to between 5.0% and 10.0%.

The Group has a track record of operating in tune with the London property cycle and delivering developments profitably

The Group has three Executive Directors with a combined 92 years of central London real estate experience. In addition, the Group's experienced senior management team has a track record of repositioning properties and adhering to a disciplined capital management approach of matching risk to the timing of the central London commercial property cycle. For example, the Group raised £304 million from new equity in 2009 and 2012 to purchase £1.1 billion of assets between 31 March 2009 and 31 March 2015 at compelling valuations given the impact of the financial crisis on London commercial real estate. Many of these buildings were acquired for development, with the Group subsequently delivering 2.4 million sq ft of new office, retail and residential space between 2009 and 2023, resulting in a total profit to completion of approximately £533 million and a profit on cost of 22%. Given the quality of the spaces created, and supportive central London leasing markets, the majority of these developments were let before the buildings completed. In line with its then-stated strategy, the Group sold £2.5 billion of repositioned real estate into improved property markets between 31 March 2015 and 31 March 2024, with most sales in the earlier part of this period as markets peaked. More recently the Group has continued to sell properties, with £231.2 million of sales completed within the two years ended 31 March 2024. As a result, the Group returned a total of £616 million to shareholders between 2017 and 2020 through capital returns by way of share buybacks, a B-share scheme and a special dividend, demonstrating an approach to returning the Group's equity to shareholders which is equivalent to the discipline shown in allocating capital at an asset level. In the period from 2009 to 2016, the Group delivered Total Accounting Return of 271%. In light of recent market data, the Directors believe the timing is now opportune to accelerate capital deployment in the Group's acquisition and development pipeline.

Whilst the Group is a long-term investor, it also remains focused on crystallising the returns on its activities through asset sales over time. The Group typically seeks to sell assets once the Group's business plans have been delivered,

often when buildings have been redeveloped, let on long-leases and have limited opportunities to add further value. At 31 March 2024, the Directors believe there was approximately £660 million worth of assets within the Group's portfolio which were earmarked for sale over the near to medium term as business plans are complete.

The Group is well placed to capitalise on the growing sustainability-led bifurcation opportunity in the London office market

The Directors believe that there is growing bifurcation within the central London office market between the most sustainable assets versus the wider market. Not only are customers demanding and willing to pay a premium for sustainable properties, regulation is at the same time accelerating, both through the existing UK planning regime and from forthcoming legislation to tighten EPC and other sustainability regulations. Sustainability is also having an impact on property values. The latest CBRE Sustainability Index demonstrates the continued relationship between energy efficiency and investment performance. CBRE's analysis of over 1,000 properties showed that efficient assets reported stronger total returns than inefficient assets across all sectors, as observed in the results to the fourth quarter of 2023.

Therefore, creating sustainable spaces is at the heart of the Group's purpose. The Directors believe that increasingly buildings can no longer be considered to be prime if they are not sustainable, and sustainability is becoming a key differentiator between prime spaces and the rest, with the demand for highly sustainable space growing rapidly. The Directors believe that minimising carbon emissions during development, along with the design of climate resilient buildings, serves to maximise customer appeal, enhance long-term property value and reduce obsolescence of the Group's redeveloped assets. The Group has a strong track record of developing sustainable spaces: its development of 50 Finsbury Square, for example, had sustainability and wellbeing at the heart of the refurbishment. 50 Finsbury Square was the first of the Group's developments to achieve net carbon as defined by the UK Green Building Council (**UKGBC**) and contributed to a successful sale in October 2022 for £190 million, broadly in line with the March 2022 book value and reflecting a topped-up net initial yield of 3.85%. The Directors believe the sustainability profile of the development was a key contributor in pre-letting the property to Inmarsat Global Limited and in determining the ultimate sale price.

Delivering the Group's differentiated Flex offering into growing market demand, enhancing rental growth and potential returns

The Group places customer needs at the heart of its strategy, providing customers with a variety of office solutions and choices to create the space the way they want it and on flexible terms that suit them. These spaces are designed to meet and exceed customer expectations and are delivered with a personalised service where the Group works closely with customers to understand their changing needs to seek to deliver and maintain the highest standard. Having a strong and enduring relationship with the customer positions the Group to enhance satisfaction in the customer's existing space, but to also retain or relocate them when their occupation requirements change. This is reflected in the Group attaining a strong office Net Promoter Score of +30.2 versus an industry standard of +6.9 as measured by RealService.

The Directors believe that the provision of Flex space is increasingly a prerequisite for maximising returns from smaller, sub 5,000 sq ft, central London spaces. Since 2018, the Group has been expanding its Flex office space offering, capturing a first mover advantage in providing space both on a Fitted and Fully Managed basis. The Group provides Fitted space to offer dedicated, fully furnished space on flexible terms, allowing customers to move in and out of the space with ease. Where customers want a higher level of service provision it has a Fully Managed offer, which extends its proposition to provide additional services and amenity. These offerings cater to the varying demands of a broad range of modern customers from SMEs to larger corporates seeking flexibility and convenience in prime central London locations. The Group's Flex spaces are an integral part of its office offering and as at 31 March 2024 accounted for a total of 503,000 sq ft (with average unit size of 3,250 sq ft for Fitted and Fully Managed offerings), or 23.5% of its office portfolio, with 102,353 sq ft added in the year ended 31 March 2024. There is further detail on the Group's Fitted and Fully Managed office offering within Part XII: "*Information on Great Portland Estates Group*".

The Directors believe that evolving patterns of work are changing what many customers want from their office space, with a growing demand for spaces that are convenient, flexible in lease term and provide a high level of service. Increasingly, flexible space is becoming the default choice for customers seeking sub 5,000 sq ft office space. The Directors anticipate this trend to continue, with the wider flexible office market expected to constitute 50 million sq ft by 2025 across the UK (according to Instant Offices, an office rental agency, in 2023). The Directors believe the Group's portfolio is well suited to deliver further Flex growth given the size and nature of its portfolio.

The Group's Flex spaces have a diverse customer base which is broader than just SMEs and includes a number of large institutions, such as Morgan Stanley, Reventus Power and Aggreko, seeking elements of flexibility within a

broader office portfolio. The Group had 61 Flex customers with an average lease term of 3.6 years as at 31 March 2024 with 98.5% occupancy (including space under offer). The Group's Flex customers tend to be sticky with a customer retention rate of 63% in the year ended 31 March 2024.

Furthermore, the Group is generating significant returns from its Fully Managed initiatives and expects this to continue. Flex customers are increasingly willing to pay a rental premium for the Group's high quality convenient spaces, as demonstrated by its +117% Net Effective Rent beat (calculated as the difference between Fully Managed Net Effective Rent less operating expenditures divided by Ready to Fit Net Effective Rent) for the year ended 31 March 2024 and its anticipated 82% cash flow premium over a ten year period (calculated as the 10-year net cashflow derived from Flex assets divided by the 10-year net cashflow derived from Ready to Fit assets).

The Group remains committed to growing Flex both organically and through acquisition. The Group intends to grow Flex to more than 605,000 sq ft organically by 2028, with a one million sq ft target to be achieved over the medium term from acquisitions funded from future asset recycling and proceeds from the Rights Issue. The Directors believe that one million sq ft of Flex office space constitutes expected net operating income of approximately £76 million per annum, with approximately 75% expected to be Fully Managed (constituting a more than seven-fold growth in net operating income from May 2024). This Fully Managed Flex office space is expected to generate an additional £13 million in services profit compared to that generated by Fitted Flex office space. The majority of the organic Flex growth is expected to be delivered through the completion of the refurbishment of 6 St Andrew Street, EC4 and 31/34 Alfred Place, WC1 in 2024 and 141 Wardour Street, W1, Egyptian & Dudley, W1, which are anticipated to complete in 2025. A portion of the proceeds from the Rights Issue is expected to allow the Group to expand its Flex offers further through the acquisition of buildings, such as The Courtyard, that lend themselves to the Group's flexible space offer. The remaining one million sq ft target is currently expected to be achieved through further acquisitions funded through additional financing sources.

2. Use of Proceeds

The £350.3 million Rights Issue is expected to result in an increase in available investment capacity of approximately £450 million (including existing credit lines) and to allow the Group to be prepared to seize upon near term acquisition pipeline opportunities in central London, as well as committing to development capital expenditure at newly purchased properties. In the short term, the proceeds will be used to repay the £47.0 million drawn on the RCF (representing £46.1 million on the Group's consolidated balance sheet at 31 March 2024), with the balance placed on short-term deposit. As described above, the Group will also use at least £168 million of the proceeds from the Rights Issue to unlock and accelerate the significant potential within the existing Group development pipeline, including through funding the development of the recently exchanged office and retail property The Courtyard and the Soho Square Estate, acquired last summer, with the intention of developing and delivering these assets into what is expected to be an undersupplied central London office market.

The Group will continue seeking to match risk to the market cycle through the potential pre-letting of future developments and forward sales of existing assets within the Group's portfolio. Typically, the Group has sold stabilised refurbishments and developments where the Group's business plans are complete and the buildings are let on long-term leases. However, the Directors do not believe that the current market conditions provide an optimal selling environment for the Group's prime HQ assets. Currently, the Group has approximately £660 million worth of assets earmarked for sale over the near-to medium term as business plans are complete. The Group will continue to monitor the central London investment market as it evolves and will seek to bring these assets to market at the right time to maximise returns.

Proceeds from any nearer term asset recycling, in addition to the Rights Issue proceeds, will be used to capitalise on the Group's extensive watchlist of acquisition opportunities, with the intention of further enhancing shareholder returns.

Seizing the near-term acquisition pipeline opportunity

The Group's near-term acquisition targets of £1.4 billion within central London are split into an A list and B list based on the Group's assessment of the probability of a potential purchase. In addition to these targets, the Group has an additional watchlist of 15 sites totalling approximately £1.4 billion. It is anticipated that the Group will opportunistically deploy the proceeds earmarked for acquisitions from the Rights Issue over the next 12 to 18 months, subject to market conditions.

The Group's A list acquisition targets consist of eight higher probability opportunities with a potential acquisition price of approximately £244 million (which are expected to have an additional £491 million of associated capital expenditure, for a total cost of £735 million; £350 million once adjusted to account for the Group's view of the likelihood of conversion). From the A list acquisition targets, the Group has recently exchanged on The Courtyard and has a further two near term potential Flex off-market acquisitions under review which are adjacent to existing

Flex properties of the Group. The estimated total acquisition cost for The Courtyard and the two further near term opportunities is approximately £250 million. The Group has identified a further 19 lower probability B list acquisition targets with a potential acquisition price of approximately £1.2 billion (£0.3 billion once adjusted to account for the Group's view of the likelihood of conversion).

The acquisition opportunities currently being tracked by the Group are based in attractive central London locations supported by established infrastructure and good levels of local investment, with 63%, 11%, 16% and 10% of the A and B list acquisition targets by value (excluding the capital expenditure cost) in the West End, Midtown, City and Southwark, respectively. Of the 49% and 51% of these A and B list acquisition targets are intended for HQ and Flex, respectively, with the predominant majority of the A and B list acquisition targets in the West End Flex opportunities and the predominant majority of those in the remaining locations HQ opportunities. The Group typically targets acquisitions that are off-market, with the majority of its A list and B list targets (by value) currently being tracked falling into the off-market category. The Group seeks to maintain a disciplined approach to capital management and will target acquisition opportunities where it believes the potential for strong returns is high on the basis of the investment criteria set out below:

The Group's criteria for HQ repositioning:

- Tired inefficient properties often with poor sustainability credentials and low EPC ratings;
- Low existing rents and low capital values per square foot;
- Accretive assets capable of potentially delivering a 10%-15% unlevered IRR over the two to three year development period, a 150bp-200bp return above the capitalisation rate and a 12.5%-20.0% profit on cost (depending on planning and whether the asset is a new build or retrofit);
- Ability to add floor area; and
- Discount to the Group's view of replacement cost.

The Group's criteria for its Flex portfolio:

- Amenity rich locations with excellent transportation links;
- Clustering around existing GPE holdings desirable; targeting Soho, Mayfair/St James's, Fitzrovia, Southwark, Farringdon/Midtown plus potential future clusters around Liverpool Street, Waterloo and Kings Cross stations;
- 30,000 - 60,000 sq ft with divisible floorplates, unit size of 2,000 - 6,000 sq ft;
- Ability to create internal and external amenity space, including end-of-trip facilities (i.e. "journey end" facilities in a building that are most commonly used by active commuters);
- High quality ground floor experience;
- Product or market appropriate refurbishment capital expenditure;
- Opportunity to deliver a stabilised yield on cost of 6%, along with attractive profit on refurbishment; and
- For Fully Managed space, the capability to deliver a cashflow premium in excess of 35% and a Net Effective Rent in excess of 50% relative to Ready to Fit and a service margin of greater than 20%.

The Group has already started to capitalise on the current market conditions and in the year ended 31 March 2024 has become a net buyer of central London real estate for the first time since 2013, purchasing £122.9 million of investment property assets at or below the Group's view of replacement cost. More recently, the Group has exchanged on The Courtyard, WC1, which will be purchased off market, significantly below the Group's view of replacement cost, for net proceeds of £10.4 million (£462 psf on existing area) and through a property exchange of the Group's prime space at 95/96 New Bond Street for £18.2 million (£2,039 psf), thus securing a 155-year City headlease at peppercorn. The Courtyard comprises 62,000 sq ft of vacant office and partially let retail space, which the Group expects to substantially refurbish to deliver its Fully Managed offer, including the delivery of high quality workspaces with attractive customer amenities, a large roof terrace and re-configured modern retail space.

Unlocking potential in the existing Group pipeline through committing development capital expenditure

From the proceeds of the Rights Issue, the Directors intend to develop properties in its existing pipeline, including through the re-development of two recently purchased assets, The Courtyard, WC1 and the Soho Square Estate, W1. The Directors expect to be committing £168 million in capital expenditure to these two developments, increasing the Group's total committed capital expenditure across developments from approximately £498 million as at 31 March 2024 to approximately £666 million by the second quarter of 2027. This is expected to bring the total prime HQ and Flex office space that GPE will be developing into an under-supplied market to 840,600 sq ft over the coming years.

The Directors believe that together The Courtyard, Soho Square Estate and other Flex acquisitions acquired from the proceeds of the Rights Issue are expected to generate a further future rent roll of £38.8 million once fully let.

The Group exchanged on the off-market acquisition of The Courtyard in April 2024. The character-rich building is located in a vibrant West End sub-market located opposite existing Group Flex holdings on Alfred Place, WC1. The Directors believe it is well-suited to being repositioned into the Group's Fully Managed office offering and will add to a growing Flex cluster in the area. The Directors expect that with an assumed refurbishment capital expenditure spend until the second quarter of 2027 of £62 million on The Courtyard, the building can potentially deliver average Fully-Managed ERV of £216 psf, potential net operating income of £4.9 million, annual rent roll of £9.0 million, potential profit on cost of 12.4%, a development yield of 6.6% and a target ungeared IRR of 11.4%. It is anticipated that refurbishment will commence in the third quarter of 2025 and complete in the second quarter of 2027.

The Group announced the off market acquisition of the Soho Square Estate in August 2023 for £70 million, with vacant possession over the 57,456 sq ft of existing mixed-use buildings expected by November 2024. The site benefits from planning consent to demolish the existing buildings and deliver approximately 100,300 sq ft of new prime office and prime retail space, representing an increase in the existing floor space. The buildings are located in the heart of the West End at the eastern end of Oxford Street and back onto Soho Square, just 100 metres from the new Tottenham Court Road Elizabeth line underground station. The Group intends to re-work the designs to improve the quality of office and retail space, further increasing its attractiveness to prospective customers in a materially undersupplied market. The redevelopment is expected to provide a high-quality sustainable HQ office building on Soho Square with flagship retail fronting Oxford Street, arranged over basement, lower ground, ground and eight upper floors, with multiple private terraces and a communal roof terrace. The Directors expect that with an assumed development capital expenditure spend of £106.0 million on Soho Square Estate, the Group's repositioning can potentially deliver office ERV of £109 psf, future rent roll of £12.3 million and a potential profit on cost of 20.7%, development yield of 5.8% and a target ungeared IRR of 10.4%. It is anticipated that development will commence in early 2025 and vacant possession is expected from November 2024.

Until such time as the net proceeds of the Rights Issue are required to execute the acquisition and development opportunities noted above, the Group intends to use the net proceeds of the Rights Issue to pay down existing RCF debt in the short term and with the balance placed on short-term deposit. The RCF will be re-drawn, as required, to execute the Group's strategy. The Group intends to continue to use financial leverage to enhance, rather than drive, the Group's returns; once the proceeds of the Rights Issue are fully deployed, the Group will seek to continue to maintain LTV through the cycle within its target range of 10 – 35% as previously communicated by the Board, with a nearer-term LTV expectation within the 20 – 30% range.

3. **Financial Impact of the Rights Issue**

The Group's pro forma EPRA LTV as at 31 March 2024, adjusted for the Rights Issue, was 18.2% and is more fully described in Part XV: "*Operating and Financial Review of the Group— Group Debt*" . As a result of the Rights Issue, the Group anticipates a 60.0% increase in the number of Ordinary Shares. As a result of the Rights Issue total available liquidity is expected to be £594.2 million (comprising cash and undrawn committed credit facilities).

The Board expects that the acquisitions and developments which it intends to fund with proceeds of the Rights Issue will, in aggregate, enhance shareholder returns and be accretive to both EPRA earnings and NTA per share over time, and support the Group's ambition to deliver Total Accounting Returns in excess of its cost of capital. GPE targets a Total Accounting Return of 10% or more over the near- to medium-term before yield compression, with additional upside available should property yields contract in a falling interest rate and rental growth environment. The Total Accounting Return is expected to be predominantly from development surplus and rental growth, alongside a modest contribution from earnings growth.

The Directors believe the Rights Issue is expected to deliver long-term value and income growth with Group committed capital expenditure spend increasing from approximately £498 million to approximately £666 million as a result of the deployment of £168 million into the development of the Soho Square Estate and The Courtyard. The Directors believe this could deliver a further future development surplus of £55 million bringing the total near-term potential development surplus to £175 million, including the anticipated £120 million development surplus from the Group’s existing committed schemes. These buildings once completed could deliver an additional 840,600 sq ft into the central London supply constrained market.

The use of proceeds will also accelerate delivery of GPE’s Flex ambitions and in particular its Fully Managed portfolio, driving income growth towards the Group's medium term ambition of £76 million net operating income (expected to be generated by ERV growth of £152.2 million) together with the potential to add additional value of £150 million from the expected services profit .

GPE has significant rent roll growth opportunity, with expected growth of 132% to come through organic growth and the use of proceeds. GPE's current rent roll, £107.5 million as at 31 March 2024, is expected to grow to £210.5

million over the medium term as a result of its existing onsite HQ developments and Flex refurbishments, with approximately one third of the remaining growth expected to come from other items (including current small office space vacancies, wider refurbishments and reversionary potential). The use of proceeds being deployed into capital expenditures for Soho Square Estate and The Courtyard, together with other Flex acquisitions, is expected to generate a further £38.8 million of future rent roll taking total rent roll to £249.3 million over the medium term. With further upside potential from acquisitions funded by the Rights Issue. Future asset recycling of the long-dated portfolio is expected to provide additional future acquisition capacity (approximately £660 million by value, with an estimated rent roll of £31 million) as business plans are delivered and investment markets stabilise.

4. Outlook

The Directors are increasingly confident that central London commercial property values are approaching trough valuations with persistent inflation in the UK starting to subside. In the occupational commercial property market, given the scarcity of high quality spaces in central London, the Directors continue to expect that leasing and rental performance of the Group's existing portfolio will remain strong into the financial year to 31 March 2025. Accordingly, the Directors have updated their target rental value growth range for the financial year to 31 March 2025 to between 3.0% and 6.0% across the portfolio with prime office expected to continue to outperform, with a target rental value growth range of between 5.0% and 10.0%. Furthermore, the Directors believe that property yields will remain stable, with possible yield compression on the best assets.

The Directors expect an inflection in EPRA earnings over the next twelve months with potential growth thereafter as the nearer term extensive pipeline of onsite development and refurbishment is delivered and Flex income growth continues.

The Directors believe strongly in the enduring appeal of high quality London offices and the robustness of the Group's business model.

5. Principal Terms of The Rights Issue and Underwriting Commitments

The Company is proposing to raise gross proceeds of approximately £350 million (approximately £336 million after deductions of estimated commissions, fees and expenses) by way of the Rights Issue.

Subject to the fulfilment of, among other things, the conditions set out below, the Company will offer 152,320,747 New Ordinary Shares to Qualifying Shareholders at a Rights Issue Price of 230 pence per New Ordinary Share, payable in full on acceptance. The Rights Issue will be offered on the basis of:

3 New Ordinary Shares for every 5 Existing Ordinary Shares

held by Qualifying Shareholders on the Record Date, and so in proportion to any other number of Existing Ordinary Shares then held and otherwise on the terms and conditions set out in Part IX: "*Terms and Conditions of the Rights Issue*" of this document.

The Rights Issue is being fully underwritten by the Underwriters, subject to certain customary conditions, on the basis set out in the Underwriting Agreement. The principal terms of the Underwriting Agreement are summarised in Part XX: "*Additional Information*" of this document. The Rights Issue Price of 230 pence per New Ordinary Share, which is payable in full on acceptance by no later than 11.00 a.m. on 11 June 2024, represents a 44.5% discount to the closing middle-market price of the Company of 414.6 pence per Existing Ordinary Share on 22 May 2024, the last trading day prior to the announcement of the Rights Issue adjusted for the recommended final dividend for the year ended 31 March 2024, which will not be paid on the New Ordinary Shares . Additionally, it represents a discount of approximately 33.4% to the theoretical ex-rights price of 345 pence per New Ordinary Share, calculated by reference to the closing middle-market price on the same basis and adjusted for the recommended final dividend for the year ended 31 March 2024, which will not be paid on the New Ordinary Shares. If a Qualifying Shareholder does not take up any of his or her entitlement to New Ordinary Shares, his or her proportionate shareholding will be diluted by 37.5%. However, if a Qualifying Shareholder takes up his or her New Ordinary Shares in full, he or she will, after the Rights Issue has been completed, and subject to the rounding down of any fractions, as nearly as practicable have the same proportionate voting rights and distribution rights as he or she had on the Record Date.

If a Qualifying Shareholder does not subscribe for the New Ordinary Shares to which he or she is entitled, such Shareholder can instead sell his or her rights to those New Ordinary Shares and receive the net proceeds in cash. This is referred to as dealing in the rights "nil paid" and, subject to the fulfilment of certain conditions, dealings on the London Stock Exchange in the Nil Paid Rights are expected to commence at 8.00 a.m. on 28 May 2024.

Qualifying Non-CREST Shareholders with registered addresses in the United States, Canada or in any of the other Excluded Territories will not be sent Provisional Allotment Letters and Qualifying CREST Shareholders in such territories will not have their CREST stock accounts credited with Nil Paid Rights, except where the Company and the Joint Global Coordinators (on behalf of the Underwriters) are satisfied that such action would not result in the

contravention of any registration or other legal or regulatory requirement in such jurisdiction.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Rights Issue. Fractions of New Ordinary Shares will not be allotted to any Qualifying Non-CREST Shareholders or Qualifying CREST Shareholders. The Joint Global Coordinators (on behalf of the Underwriters) will use their reasonable endeavours to place the aggregate of such New Ordinary Shares in the market for the benefit of the Company.

The New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive in full all dividends and other distributions declared, made or paid by reference to a record date after the date of their issue, save in respect of any dividend or distribution with a record date falling before the date of the issue of the New Ordinary Shares.

The Rights Issue is conditional upon, among other things:

- Admission of the New Ordinary Shares (nil paid) becoming effective by not later than 8.00 a.m. on 28 May 2024 (or such later time and/or date as the Company and the Joint Global Coordinators may agree);
- the delivery of certain documents to the Underwriters by the times and dates specified in the Underwriting Agreement;
- the Company having complied with its obligations under the Underwriting Agreement and under the terms of the Rights Issue, save to the extent that, in the opinion of the Joint Global Coordinators acting in good faith, would not be material in the context of the Rights Issue, the underwriting of the New Ordinary Shares or Admission;
- the warranties on the part of the Company under the Underwriting Agreement being true, accurate and not misleading on the date of the Underwriting Agreement, the date of this document and immediately before Admission;
- no event requiring a supplement to this document having arisen between the time of publication of this document and Admission and no such supplementary prospectus being published by or on behalf of the Company before Admission, which the Joint Global Coordinators (acting in good faith) consider to be material in the context of the Rights Issue; and
- in the opinion of the Joint Global Coordinators (acting in good faith), no material adverse change having occurred in respect of the Group at any time prior to Admission (whether or not foreseeable at the date of the Underwriting Agreement).

The results of the Rights Issue, including the aggregate amount raised, is expected to be announced by the Company to a Regulatory Information Service by 8.00 a.m. on 12 June 2024.

Applications have been made to the FCA for the New Ordinary Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on its main market for listed securities. It is expected that Admission of the Nil Paid Rights will become effective, and that dealings in the New Ordinary Shares, will commence, nil paid, at 8.00 a.m. on 28 May 2024 and that dealings in the New Ordinary Shares, fully paid, will commence at 8.00 a.m. on 12 June 2024.

The Existing Ordinary Shares are already admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities and to CREST. It is expected that all of the New Ordinary Shares, when issued and fully paid, will be capable of being held and transferred by means of CREST. The New Ordinary Shares will trade under ISIN GB00BF5H9P87. The ISIN number for the Nil Paid Rights is GB00BQXP7G81 and the ISIN for the Fully Paid Rights is GB00BQXP7H98.

Some questions and answers, together with further terms and conditions of the Rights Issue, are set out in Part X: "*Questions and Answers about the Rights Issue*" of this document.

6. Dividend Policy

The Board is recommending a final dividend for the financial year to 31 March 2024 of 7.9 pence per share. The New Ordinary Shares issued pursuant to the Rights Issue will not receive the final dividend. The final dividend is subject to approval by Shareholders at the Annual General Meeting of the Company to be held on 4 July 2024 and, if approved, will be paid to Shareholders on the register as 31 May 2024. If approved, this will provide a total dividend of 12.6 pence per share for the year to 31 March 2024 (£31.9 million in aggregate).

The Board intends that the total payout for the year to 31 March 2025 will be at least equal to the total payout for the year to 31 March 2024. Given the compelling pipeline of Flex and HQ opportunities that will underpin the Group's expected significant earnings growth in future years, in line with its progressive dividend policy, the total payout going forward may be increased depending on the timing of, and returns generated from, the deployment of the proceeds of the Rights Issue, as well as future asset disposals.

7. Employee Share Plans

The number of Ordinary Shares subject to awards or options outstanding under the Share Plans and the exercise price (if any) may be adjusted, in accordance with the rules of the relevant Share Plan, to take account of the issue of the New Ordinary Shares pursuant to the Rights Issue. Holders of awards or options under the Share Plans will be contacted separately and in due course with further information on how their options and awards may be affected by the Rights Issue.

8. Overseas Shareholders

The attention of Qualifying Shareholders who have registered addresses outside the United Kingdom, or who are citizens or residents of countries other than the United Kingdom, or who are holding Ordinary Shares for the benefit of such persons (including, without limitation, custodians, nominees, trustees and agents) or who have a contractual or other legal obligation to forward this document, a Provisional Allotment Letter and any other document in relation to the Rights Issue to such persons, is drawn to the information which appears in paragraphs 7 and 8 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document. In particular, subject to certain very limited exceptions, the Rights Issue is not being made to Shareholders in the United States or into any other Excluded Territory.

Notwithstanding any other provision of this document or the Provisional Allotment Letter, the Company reserves the right to permit any Qualifying Shareholder to take up his or her rights if the Company and the Joint Global Coordinators (on behalf of the Underwriters) in their absolute discretion are satisfied that the transaction in question will not violate applicable laws.

The Company has made arrangements under which the Underwriters will try to find subscribers for the New Ordinary Shares provisionally allotted to such Shareholders (and other Shareholders who have not taken up their rights) by 4.30 p.m. on the fifth dealing day after the last date for acceptance of the Rights Issue. If the Underwriters find subscribers and are able to achieve a premium over the Rights Issue Price and the related expenses of procuring those subscribers (including any applicable brokerage and commissions and amounts in respect of VAT), such Shareholders will be paid in pounds sterling by cheque, for the amount of that aggregate premium above the Rights Issue Price less related expenses (including any applicable brokerage and commissions and amounts in respect of irrecoverable VAT), so long as the amount in question is at least £5.00. If any person in the United States or any other Excluded Territory receives a Provisional Allotment Letter, that person should not seek to, and will not be able to, take up his or her rights thereunder, except as described in paragraph 7 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document. The provisions of paragraph 6 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document will apply to Overseas Shareholders who cannot or do not take New Ordinary Shares provisionally allotted to them.

Persons who have registered addresses in or who are resident in, or who are citizens of, countries other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their entitlements to the Rights Issue.

9. Taxation

Information on UK and U.S. taxation with regard to the Rights Issue is set out in paragraphs 10 and 11 of Part XX: "*Additional Information*" of this document. This information is intended only as a general guide to the current tax position in the United Kingdom and the United States.

If you are in any doubt as to your own tax position, or are subject to tax in a jurisdiction other than the United Kingdom or the United States, you should consult your own independent professional adviser without delay.

10. Actions to Be Taken in Respect of the Rights Issue

If you are a Qualifying Non-CREST Shareholder other than a Shareholder with a registered address, or who is resident or located (as applicable), in one of the Excluded Territories or, subject to certain exceptions, the United States, you will be sent a Provisional Allotment Letter giving you details of your Nil Paid Rights. If you are a Qualifying CREST Shareholder, you will not be sent a Provisional Allotment Letter. Instead, you will receive a credit to your appropriate stock accounts in CREST in respect of Nil Paid Rights, which it is expected will take place as soon as practicable after 8.00 a.m. on 28 May 2024. Such crediting does not in itself constitute an offer of New Ordinary Shares.

If you sell or have sold or otherwise transferred all of your Ordinary Shares held (other than ex-rights) in certificated form before 28 May 2024, please forward this document and any Provisional Allotment Letter at once to the purchaser or transferee or the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee, except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including, but not limited to, the United States (subject to certain exceptions), Canada (subject to certain exceptions) and the other Excluded Territories.

If you sell or have sold or otherwise transferred all or some of your Ordinary Shares (other than ex-rights) held in uncertificated form before the Ex-Rights Date, a claim transaction will automatically be generated by Euroclear which, on settlement, will transfer the appropriate number of Nil Paid Rights to the purchaser or transferee.

If you sell or have sold or otherwise transferred only part of your holding of Existing Ordinary Shares (other than ex-rights) held in certificated form before the Ex-Rights Date, you should refer to the instructions regarding split applications in Part IX: "*Terms and Conditions of the Rights Issue*" of this document and in the Provisional Allotment Letter.

The latest time and date for acceptance and payment in full in respect of the Rights Issue is expected to be 11:00 a.m. on 11 June 2024, unless otherwise announced by the Company. The procedure for acceptance and payment is set out in Part IX: "*Terms and Conditions of the Rights Issue*" of this document and, if applicable, in the Provisional Allotment Letter.

For Qualifying Non-CREST Shareholders who take up their rights other than Shareholders with a registered address, or located or resident in, the United States or Canada (subject to certain exceptions), or in one of the other Excluded Territories, the New Ordinary Shares will be issued in certificated form and will be represented by definitive share certificates, which are expected to be dispatched by no later than 26 June 2024 to the registered address of the person(s) entitled to them.

For Qualifying CREST Shareholders who take up their rights, the Registrar will instruct CREST to credit the stock accounts of the Qualifying CREST Shareholders with their entitlements to New Ordinary Shares. It is expected that this will take place as soon as practicable after 8.00 a.m. on 12 June 2024.

Qualifying CREST Shareholders who are CREST Sponsored Members should refer to their CREST Sponsors regarding the action to be taken in connection with this document and the Rights Issue. If you are in any doubt as to the action you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the FSMA or, if you are outside the United Kingdom, by another appropriately authorised independent financial adviser.

11. Risk Factors

Shareholders should consider fully and carefully the risk factors associated with the Group. We draw attention to the risk factors set out in Part II: "*Risk Factors*" of this document.

12. Further Information

Your attention is drawn to the risk factors in Part II: "*Risk Factors*" and the additional information set out in Part XX: "*Additional Information*" of this document. Investors should read the whole of this document and the information incorporated by reference and not rely solely on information summarised in this Part VII, including the summarised financial information.

13. Shareholder Authorisation

At the Annual General Meeting of the Company held on 6 July 2023, the Resolutions were passed by the requisite majorities of Shareholders. The New Ordinary Shares will be allotted and issued pursuant to the authorities granted under the Resolutions. It is therefore not necessary to obtain any further approval from Shareholders to implement the Rights Issue.

14. Board Confirmations

The Board considers that the Rights Issue is in the best interests of the Shareholders of the Group taken as a whole. Each Director who is able to participate in the Rights Issue has confirmed their intention to take up their entitlement in full, or in part, to subscribe for New Ordinary Shares under the Rights Issue in respect of their respective holding of existing Ordinary Shares, which represent approximately 0.7% of the total voting rights in the Company as at the Latest Practicable Date. In addition, certain of the Directors have indicated their intention, subject to compliance with applicable laws and regulations, and the Company's Share Dealing Code, to purchase Nil Paid Rights, Fully Paid Rights or New Ordinary Shares following Admission, and disclosures of any such dealings will be made as required by applicable law and regulations.

Yours faithfully

Richard Mully
Non-Executive Chair

Part VIII. Information Concerning the New Ordinary Shares

1. Description of the type and class of New Ordinary Shares being offered

The New Ordinary Shares to be issued by the Company will be ordinary shares with a nominal value of 15 5⁄19 pence each, with ISIN GB00BF5H9P87, being the same ISIN as that of the Existing Ordinary Shares. Following Admission of the New Ordinary Shares, nil paid, which is expected to occur on 28 May 2024, the Company will have one class of Ordinary Shares, the rights of which are set out in the Articles.

When issued (fully paid), the New Ordinary Shares will be credited as fully paid and will be free from all liens, equities, charges, encumbrances and other interests.

2. Legislation under which the New Ordinary Shares will be created

The New Ordinary Shares will be created under the Companies Act.

3. Listing

The Existing Ordinary Shares are listed on the Official List and are admitted to trading on the main market for listed securities of the London Stock Exchange. Applications have been made to the FCA for the New Ordinary Shares to be listed on the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on its main market for listed securities.

It is expected that Admission of the Nil Paid Rights will become effective, and that dealings in the New Ordinary Shares will commence, nil paid, at 8.00 a.m. on 28 May 2024 and that dealings in the New Ordinary Shares, fully paid, will commence at 8.00 a.m. on 12 June 2024.

4. Form and currency of the New Ordinary Shares

The New Ordinary Shares will, when issued, be in registered form and will be capable of being held in certificated and uncertificated form. The Registrar is Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom.

Title to the certificated New Ordinary Shares will be evidenced by entry in the register of members of the Company and title to uncertificated New Ordinary Shares will be evidenced by entry in the operator register maintained by Euroclear (which forms part of the register of members of the Company). No share certificates will be issued in respect of the New Ordinary Shares in uncertificated form. If any such shares are converted to be held in certificated form, share certificates will be issued in respect of those shares in accordance with applicable legislation. The New Ordinary Shares will be denominated in pounds sterling.

5. Rights attached to the New Ordinary Shares

Each New Ordinary Share will rank *pari passu* in all respects with each other and with each Existing Ordinary Share, and will have the same rights and restrictions as each other and as each Existing Ordinary Share, including with respect to dividends but save in respect of any dividend or distribution with a record date falling before the date of the issue of the New Ordinary Shares. There are no restrictions on the free transferability in relation to the New Ordinary Shares or Existing Ordinary Shares.

6. Dilution

Following the issue of the New Ordinary Shares to be allotted pursuant to the Rights Issue, Qualifying Shareholders who do not participate in the Rights Issue will suffer a total dilution of up to 37.5% of their interests in the Company.

7. Taxation

Please see paragraph 1 of Part XX: "*Additional Information*" of this document for information relating to UK taxation (including a discussion of UK stamp duty and SDRT which is relevant to holders of Ordinary Shares, irrespective of their tax residence) and paragraph 11 of Part XX: "*Additional Information*" for information relating to U.S. taxation.

Part IX. Terms and Conditions of the Rights Issue

1. Summary of the Rights Issue

The Company is proposing to raise gross proceeds of approximately £350 million (approximately £336 million after deductions of estimated commissions, fees and expenses) by way of a 3 for 5 Rights Issue of 152,320,747 New Ordinary Shares at a price of 230 pence per New Ordinary Share.

The Rights Issue Price of 230 pence per New Ordinary Share represents a 44.5% discount to the Closing Price of an Existing Ordinary Share of 414.6 pence on 22 May 2024 (being the last Dealing Day prior to the announcement of the Rights Issue), adjusted for the recommended final dividend for the year ended 31 March 2024, which will not be paid on the New Ordinary Shares, and an approximately 33.4% discount to the theoretical ex-rights price based on the Closing Price (also adjusted for the payment of the recommended final dividend).

The Company intends to use the net proceeds of the Rights Issue to seize upon newly identified near-term acquisition opportunities in central London and to develop recently acquired West End development opportunities.

The Underwriters have agreed to underwrite, fully and severally, the Rights Issue in accordance with the terms and subject to the conditions in the Underwriting Agreement. The Underwriters' obligations under the Underwriting Agreement are conditional (although, with certain exceptions, these conditions can be waived) upon, among other things:

- Admission becoming effective by not later than 8.00 a.m. (London time) on 28 May 2024 (or such later time and/or date as the Company and the Joint Global Coordinators may agree);
- the delivery of certain documents to the Underwriters by the times and dates specified in the Underwriting Agreement;
- the Company having complied with its obligations under the Underwriting Agreement and under the terms of the Rights Issue, save to the extent that, in the opinion of the Joint Global Coordinators acting in good faith, such non-compliance would not be material in the context of the Rights Issue, the underwriting of the New Ordinary Shares or Admission;
- the warranties and undertakings on the part of the Company under the Underwriting Agreement being true, accurate and not misleading in any respect on and as of the date of the Underwriting Agreement, the date of this document and on Admission;
- no event requiring a supplementary prospectus having arisen between the time of publication of this document and Admission and no such supplement being published by the Company before Admission which the Joint Global Coordinators in their opinion (acting in good faith) consider to be material in the context of the Rights Issue; and
- in the opinion of the Joint Global Coordinators (acting in good faith), no material adverse change having occurred in respect of the Group prior to Admission (whether or not foreseeable at the date of the Underwriting Agreement).

The Underwriting Agreement is not subject to any rights of termination after Admission (including in respect of any statutory withdrawal rights). The Underwriters may arrange sub-underwriting for some, all or none of the New Ordinary Shares which they would otherwise be required to subscribe for.

2. Terms and Conditions of the Rights Issue

Subject to the terms and conditions set out in this document (and, in the case of Qualifying Non-CREST Shareholders, the Provisional Allotment Letter), the New Ordinary Shares will be offered by way of rights to Qualifying Shareholders (other than, subject to certain exceptions, Qualifying Shareholders with registered addresses in the Excluded Territories) on the following basis:

3 New Ordinary Shares at 230 pence each for every 5 Existing Ordinary Shares

held and registered in their name at the close of business on the Record Date.

Qualifying Shareholders who do not, or who are not permitted to, take up any rights (for example because they are Qualifying Shareholders with a registered address in the Excluded Territories) will have their proportionate shareholdings in the Company diluted by approximately 37.5% following the Rights Issue. Those Qualifying Shareholders who are permitted to, and do, take up all of their rights to the New Ordinary Shares provisionally allotted to them will, subject to the rounding down of fractions, have the same proportionate voting and distribution rights as held by them at the Record Date.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings to calculate entitlements under the Rights Issue, as will holdings under different designations and in different accounts.

Fractions of New Ordinary Shares will not be provisionally allotted to Qualifying Non-CREST Shareholders or

Qualifying CREST Shareholders and fractional entitlements will be rounded down to the nearest whole number of Ordinary Shares. Such fractions will be aggregated and the Joint Global Coordinators (on behalf of the Underwriters) will use their reasonable endeavours to procure placees for such New Ordinary Shares at a premium over the expenses of the placing (including any irrecoverable VAT) or such New Ordinary Shares will be otherwise acquired by the Underwriters as principals (or subunderwriters) pursuant to the Underwriting Agreement. The net proceeds of such sales (after deduction of expenses and any irrecoverable VAT) will be aggregated and an equivalent amount will accrue for the ultimate benefit of the Company.

The attention of Qualifying Shareholders and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document or, in the case of Qualifying Non-CREST Shareholders, a Provisional Allotment Letter into a jurisdiction other than the United Kingdom is drawn to paragraphs 7 and 8 of this Part IX. In particular, subject to the provisions of this Part IX, although New Ordinary Shares will be provisionally allotted (nil paid) to all Shareholders in the register at the Record Date, including Overseas Shareholders, Qualifying Shareholders with registered addresses in the Excluded Territories will not be sent any Provisional Allotment Letters and will not have their CREST stock accounts credited with Nil Paid Rights.

The New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the rights to receive all future dividends or other distributions made, paid or declared by reference to a record date after the date of their issue.

Applications will be made to the FCA for the New Ordinary Shares (nil and fully paid) to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission of the Nil Paid Rights will become effective and that dealings in the New Ordinary Shares, nil paid, will commence on the London Stock Exchange at 8.00 a.m. on 28 May 2024 and that dealings in the New Ordinary Shares, fully paid, will commence at 8.00 a.m. on 12 June 2024.

None of the New Ordinary Shares are being made available to the public other than pursuant to the Rights Issue.

The Existing Ordinary Shares are already admitted to CREST. The Existing Ordinary Shares are, and, when issued, the New Ordinary Shares will be, in registered form and capable of being held in certificated form or uncertificated form via CREST.

Applications will be made for the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares to be admitted to CREST. Euroclear requires the Company to confirm to it that certain conditions are satisfied before Euroclear will admit the New Ordinary Shares to CREST. It is expected that these conditions will be satisfied on Admission of the New Ordinary Shares. As soon as practicable after Admission of the New Ordinary Shares, the Company will confirm this to Euroclear.

Subject to any relevant conditions being satisfied, it is expected that:

(a) Provisional Allotment Letters in respect of the Nil Paid Rights will be dispatched to Qualifying Non-CREST Shareholders (other than, subject to certain exceptions, such Qualifying Non-CREST Shareholders with registered addresses in any of the Excluded Territories) on 24 May 2024;

(b) the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of Qualifying CREST Shareholders (other than, subject to certain exceptions, such Qualifying CREST Shareholders with registered addresses in any of the Excluded Territories) with such Shareholders' entitlements to Nil Paid Rights, as soon as practicable from 8.00 a.m. on 28 May 2024;

(c) the Nil Paid Rights and the Fully Paid Rights will be enabled for settlement in CREST by Euroclear on 28 May 2024, as soon as practicable after the Company has confirmed to Euroclear that all the conditions for admission of such rights to CREST have been satisfied, which is expected to be by 8.00 a.m. on 28 May 2024;

(d) the New Ordinary Shares will be credited to the appropriate stock accounts of the relevant Qualifying CREST Shareholders (or their renouncees) who validly take up their rights as soon as practicable after 8.00 a.m. on 12 June 2024; and

(e) share certificates for the New Ordinary Shares will be dispatched to Qualifying Non-CREST Shareholders or their renouncees who validly take up their rights by no later than 26 June 2024 (at their own risk).

Shareholders taking up their rights by completing a Provisional Allotment Letter or by sending a Many-To-Many instruction (**MTM Instruction**) to Euroclear will be deemed to have given the representations and warranties set out in paragraph 5.2 of this Part IX, unless the requirement is waived by the Company.

The Underwriters have agreed to fully underwrite the Rights Issue in accordance with the terms and subject to the conditions in the Underwriting Agreement. The Underwriting Agreement is conditional upon certain conditions being

satisfied and certain undertakings not being breached, and it may be terminated by the Joint Global Coordinators (on behalf of the Underwriters) prior to Admission upon the occurrence of certain specified events (in which case the Rights Issue will not proceed). The Underwriting Agreement is not subject to any rights of termination after Admission (including in respect of any statutory withdrawal rights). The Underwriters may arrange sub-underwriting for some, all or none of the New Ordinary Shares for which the Underwriters might otherwise be required to subscribe pursuant to the terms of the Underwriting Agreement. A summary of certain terms and conditions of the Underwriting Agreement is contained in paragraph 1 of Part XX: "*Additional Information*" of this document.

The Underwriters and any of their respective affiliates may engage in certain trading activity in connection with their roles under the Underwriting Agreement and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for their own account in securities of the Company and related or other securities and instruments (including Nil Paid Rights, Fully Paid Rights and New Ordinary Shares). None of the Underwriters intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. In addition, the Underwriters and their affiliates may enter into certain financing arrangements (including swaps or contracts for difference) with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of New Ordinary Shares.

If the Rights Issue is delayed so that the Provisional Allotment Letters cannot be dispatched on 24 May 2024, Part IV: "*Expected Timetable of Principal Events and Rights Issue Statistics*" of this document will be adjusted accordingly and the revised dates will be set out in the Provisional Allotment Letter and announced through a Regulatory Information Service, in which case all references to times and/or dates in this Part IX should be read as being subject to such adjustment.

All documents, including Provisional Allotment Letters (which constitute temporary documents of title) and cheques and certificates posted to, by, from, or on behalf of Qualifying Shareholders and/or their transferees or renouncees (or their agents, as appropriate) will be posted at their own risk.

The attention of Overseas Shareholders is drawn to paragraphs 7 and 8 of this Part IX.

3. Action to Be Taken

The action to be taken by Qualifying Shareholders in respect of the New Ordinary Shares depends on whether, at the relevant time, the Nil Paid Rights or Fully Paid Rights in respect of which action is to be taken are in certificated form (that is, are represented by Provisional Allotment Letters) or are in uncertificated form (that is, are in CREST).

If you are a Qualifying Non-CREST Shareholder and (subject to certain limited exceptions as set out in paragraph 7 of this Part IX) do not have a registered address, or are not located or resident in the Excluded Territories, please refer to paragraphs 4, 6 and 8-13 (inclusive) of this Part IX.

If you are a Qualifying CREST Shareholder and (subject to certain limited exceptions as set out in paragraph 7 of this Part IX) do not have a registered address, or are not located or resident, in the Excluded Territories, please refer to paragraphs 5, 6 and 8-13 (inclusive) of this Part IX and to the CREST Manual for further information on the CREST procedures referred to below.

CREST Sponsored Members should refer to their CREST Sponsors, as only their CREST Sponsors will be able to take the necessary actions specified below to take up the entitlements or otherwise to deal with the Nil Paid Rights or Fully Paid Rights of CREST Sponsored Members.

If you are a Qualifying CREST Shareholder or a Qualifying Non-CREST Shareholder who has a registered address, or is located or resident, in any of the Excluded Territories, please refer to paragraph 8 of this Part IX.

If you have any questions relating to this document or the Provisional Allotment Letter, please telephone the Shareholder Helpline on +44 (0) 333 207 6534. 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. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Equiniti cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. For deaf and speech impaired customers, we welcome calls via Relay UK. Please see www.relayuk.bt.com for more information.

4. Action to Be Taken by Qualifying Non-crest Shareholders in Relation to Nil Paid Rights Represented by Provisional Allotment Letters

4.1 *General*

Provisional Allotment Letters are expected to be dispatched to Qualifying Non-CREST Shareholders (other than, subject to certain very limited exceptions, Qualifying Shareholders with registered addresses, or who are resident or located, in the United States, Canada or any of the other Excluded Territories) on 24 May 2024. Each Provisional

Allotment Letter will set out:

(a) the holding at the close of business on the Record Date of Existing Ordinary Shares in certificated form on which a Qualifying Non-CREST Shareholder's entitlement to New Ordinary Shares has been based;

(b) the aggregate number and cost of New Ordinary Shares provisionally allotted to such Qualifying Non-CREST Shareholder with respect to the Existing Ordinary Shares referred to in paragraph (a) above;

(c) the amount payable by a Qualifying Non-CREST Shareholder at the Rights Issue Price to take up its, his or her entitlement in full;

(d) the procedures to be followed if a Qualifying Non-CREST Shareholder wishes to dispose of all or part of its, his or her entitlement or to convert all or part of its, his or her entitlement into uncertificated form; and

(e) instructions regarding acceptance and payment, consolidation, splitting and registration of renunciation (where applicable).

On the basis that Provisional Allotment Letters are posted on or about 24 May 2024, and that dealings in Nil Paid Rights commence on 28 May 2024, the latest time and date for acceptance and payment in full will be 11.00 a.m. on 11 June 2024.

If the Rights Issue is delayed so that Provisional Allotment Letters cannot be dispatched on 24 May 2024, the expected timetable, as set out in Part IV: "*Expected Timetable of Principal Events and Rights Issue Statistics*" of this document, will be adjusted accordingly, and the revised dates will be set out in the Provisional Allotment Letters and announced through a Regulatory Information Service. All references to times and/or dates in this document should be read as being subject to such adjustment.

4.2 ***Procedure for acceptance and payment***

(a) *Qualifying Non-CREST Shareholders who wish to take up their entitlement in full*

Holders of Provisional Allotment Letters who wish to take up all of their Nil Paid Rights should do so by post, with a supporting cheque to pay for their New Ordinary Shares. The Provisional Allotment Letter must be returned, together with the cheque or building society cheque in pounds sterling, written in black ink, made payable to "Equiniti Limited Re GPE Rights Issue" and crossed "A/C payee only", for the full amount payable on acceptance, in accordance with the instructions printed on the Provisional Allotment Letter, by post to the Receiving Agent at Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom, so as to be received as soon as possible and, in any event, not later than 11.00 a.m. on 11 June 2024. A reply-paid envelope will be enclosed for use within the United Kingdom only. If you post your Provisional Allotment Letter, it is recommended that you allow sufficient time for delivery (for instance, allowing four days for first class post within the United Kingdom). Please note that banker's draft and payments via CHAPS, BACS or electronic transfer will not be accepted. Post-dated cheques will also not be accepted.

Once the Provisional Allotment Letter, duly completed, and payment have been received by the Receiving Agent in accordance with the above, the Qualifying Non-CREST Shareholder will have been deemed to have accepted the offer to subscribe for the number of New Ordinary Shares specified on their Provisional Allotment Letter.

(b) *Qualifying Non-CREST Shareholders who wish to accept in part*

Holders of Provisional Allotment Letters who wish to take up some but not all and/or sell some or all of their Nil Paid Rights can do so by post in accordance with the instructions set out below.

Qualifying Non-CREST Shareholders who wish to take up some (but not all) of their entitlement, without selling or transferring the remainder, should complete the Provisional Allotment Letter in accordance with the instructions printed thereon and return it, together with a cheque or building society cheque in pounds sterling, written in black ink, for the amount payable for the number of Nil Paid Rights such Qualifying Non-CREST Shareholder wishes to take up, by post using the reply paid envelope provided to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom, so as to arrive as soon as possible and in any event so as to be received by not later than 11.00 a.m. on 11 June 2024.

Qualifying Non-CREST Shareholders who wish to take up some (but not all) of their entitlement and wish to transfer some or all of those rights which they do not want to take up, or wish to transfer all of the Nil Paid Rights or (if appropriate) Fully Paid Rights, but to different persons, should first apply to have the Provisional Allotment Letter split (unless they wish to sell some or all of the Nil Paid Rights or to elect a Cashless Take-up through the Special Dealing Service operated by Equiniti Financial Services Limited) by returning the Provisional Allotment Letter duly completed in accordance with the instructions printed thereon, together with a covering letter stating the number of split Provisional Allotment Letters required and the number of Nil Paid Rights

to be comprised in each split Provisional Allotment Letter by post using the reply paid envelope provided to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom, so as to arrive as soon as possible and in any event so as to be received by not later than 3.00 p.m. on 7 June 2024 (the last date and time for splitting Nil Paid Rights). Shareholders should complete the split Provisional Allotment Letter in accordance with the instructions printed thereon and return it, together with a cheque or building society cheque in pounds sterling, written in black ink, for the amount payable for the number of Nil Paid Rights such Qualifying Non-CREST Shareholder wishes to take up, by post using the reply paid envelope provided to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom, so as to arrive as soon as possible and in any event so as to be received by not later than 11.00 a.m. on 11 June 2024.

Qualifying Non-CREST Shareholders who wish to sell all of their entitlement (but not through the Special Dealing Service operated by Equiniti) should complete and sign Form X on the Provisional Allotment Letter (if it is not already marked "Original Duly Renounced") and pass the entire letter to their stockbroker, bank manager or other appropriate financial adviser or to the transferee (provided they are not in any of the Excluded Territories). Please note that the ability to achieve a sale of rights is dependent on the demand for such rights and that the price for the Nil Paid Rights may fluctuate. Shareholders should allow enough time so as to enable the person acquiring the rights to take all necessary steps in connection with taking up the entitlement prior to than 11.00 a.m. on 11 June 2024.

Alternatively, Qualifying Non-CREST Shareholders who wish to use the Special Dealing Service operated by Equiniti, and who are individual certificated shareholders (including legal representatives such as executors whose details have been registered with the Registrar) aged 18 or over (in the case of natural persons), who are resident in the United Kingdom, Jersey, Guernsey or the Isle of Man (or any other country confirmed by Equiniti in writing), can use the Special Dealing Service operated by Equiniti to either (i) sell all of their Nil Paid Rights or (ii) sell a sufficient number of Nil Paid Rights to raise money to take up the remainder of their rights (that is, effect a Cashless Take-up). To use the Special Dealing Service operated by Equiniti to sell all of their Nil Paid Rights, they should place an "X" in Option 3 on page 1 of the Provisional Allotment Letter, complete, sign and date page 1 of the Provisional Allotment Letter and return it by post to Equiniti, Corporate Actions Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom so as to be received by 4.00 p.m. on on 4 June 2024.

If a Qualifying Non-CREST Shareholder wishes to sell sufficient Rights represented by their Provisional Allotment Letter to enable the take up of the remaining entitlements using the Special Dealing Service (i.e. effect a Cashless Take-up), they should place an "X" in Option 4 on page 1 of the Provisional Allotment Letter, complete, sign and date page 1 of their Provisional Allotment Letter and return it by post to Equiniti, Corporate Actions Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom so as to be received by 4.00 p.m. on 4 June 2024.

Equiniti Financial Services Limited will charge a commission of 1.5% on any sale of Nil Paid Rights effected using the Special Dealing Service.

Qualifying Non-CREST Shareholders who return the Provisional Allotment Letter and elect to use the Special Dealing Service will be deemed to be agreeing to the Special Dealing Service Terms and Conditions and make a legally binding agreement with the Registrar on those terms. The Special Dealing Service Terms and Conditions will be posted to shareholders together with the Provisional Allotment Letter if the Existing Ordinary Shares are held in certificated form. For the avoidance of doubt, the Company shall have no responsibility or liability to Shareholders in respect of the Special Dealing Service which is solely the responsibility of Equiniti Financial Services Limited.

Further details about the Special Dealing Service are set out in paragraph 4.3 of this Part IX.

(c) *Qualifying Non-CREST Shareholders who do not wish to take up their rights at all*

Qualifying Non-CREST Shareholders who do not wish to take up their rights at all do not need to do anything. If Qualifying Non-CREST Shareholders do not return their Provisional Allotment Letters by 11.00 a.m. on 11 June 2024, the Company has made arrangements under which the Underwriters will try to find investors to take up such rights. If they do find investors and are able to achieve a premium over the Rights Issue Price and the related expenses of procuring those investors (including any applicable commission and amounts in respect of irrecoverable VAT), then Qualifying Non-CREST Shareholders so entitled will be paid for the amount of that aggregate premium above the Rights Issue Price less related expenses (including any applicable commission and amounts in respect of irrecoverable VAT), so long as the amount in question is at least £5.00, in pounds sterling by cheque.

(d) *Discretion as to validity of acceptances*

If payment is not received by post in full by 11.00 a.m. on 11 June 2024, the provisional allotment will be deemed to have been declined and will lapse. However, the Company and the Joint Global Coordinators may, but shall not be obliged to, treat as valid acceptances in respect of which remittances for the full amount are received prior to 11.00 a.m. on 11 June 2024 from an authorised person (as defined in Section 31(2) of FSMA) specifying the number of

New Ordinary Shares to be acquired and an undertaking by that person to lodge the relevant Provisional Allotment Letter, duly completed, by a time and date which are satisfactory to the Company and the Joint Global Coordinators, in their sole discretion.

The Company may also (in its absolute discretion) treat a Provisional Allotment Letter as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney where required.

The Company reserves the right to treat as invalid any acceptance or purported acceptance of the New Ordinary Shares that appears to the Company to have been executed in, dispatched from, or that provides an address for delivery of definitive share certificates for New Ordinary Shares in, an Excluded Territory.

A Qualifying Non-CREST Shareholder who makes a valid acceptance and payment in accordance with this paragraph 4.2 of this Part IX is deemed to request that the New Ordinary Shares to which they will become entitled be issued to them on the terms set out in this document and the Provisional Allotment Letter and subject to the Articles.

(e) *Payments*

All payments made by Qualifying Non-CREST Shareholders must be made in pounds sterling by cheque or building society cheque, written in black ink, made payable, to "Equiniti Limited Re GPE Rights Issue" and crossed "A/C payee only." Third-party cheques may not be accepted except building society cheques where the building society has inserted the full name of the account holder and have either added the building society stamp or have provided a supporting letter confirming the source of funds. Cheques or building society cheques must be drawn on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank or building society which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and building society cheques to be cleared through facilities provided by either of these companies. Such cheques and building society cheques must bear the appropriate sorting code in the top right-hand corner. Post-dated cheques will not be accepted. Payments via bankers' drafts, CHAPS, BACS or electronic transfer will not be accepted.

Cheques and building society cheques will be presented for payment on receipt. No interest will be paid on payments made before they are due and any interest on such payments ultimately will accrue for the benefit of the Company. It is a term of the Rights Issue that cheques shall be honoured on first presentation, and the Company may elect to treat as invalid any acceptances in respect of which cheques are not so honoured. Return of a Provisional Allotment Letter by a Qualifying Non-CREST Shareholder will constitute a warranty that the cheque will be honoured on first presentation. All documents, cheques and building society cheques sent through the post will be sent at the risk of the sender. If New Ordinary Shares have already been allotted to Qualifying Shareholders prior to any payment not being so honoured or such Qualifying Shareholders' acceptances being treated as invalid, the Company may (in its absolute discretion as to manner, timing and terms) make arrangements for the sale of such shares on behalf of those Qualifying Shareholders and hold the proceeds of sale (net of the Company's reasonable estimate of any loss that it has suffered as a result of the acceptance being treated as invalid and of the expenses of sale including, without limitation, any stamp duty or SDRT payable on the transfer of such shares, and of all amounts payable by such Qualifying Shareholders pursuant to the provisions of this Part IX in respect of the acquisition of such shares) on behalf of such Qualifying Shareholders. None of the Company, the Underwriters or any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by Qualifying Shareholders as a result.

4.3 ***Special Dealing Service***

Qualifying Non-CREST Shareholders who are individuals (including legal representatives such as executors whose details have been registered with the Registrar) aged 18 or over (in the case of natural persons), and who are resident in the United Kingdom, Jersey, Guernsey or the Isle of Man (or any other country confirmed by Equiniti Financial Services Limited in writing), can use the Special Dealing Service to either (i) sell all of the Nil Paid Rights to which they are entitled or (ii) sell a sufficient number of Nil Paid Rights to raise money to take up the remainder (that is, effect a Cashless Take-up).

Following receipt of a valid election or instruction under the Special Dealing Service, the Provisional Allotment Letter to which such election or instruction relates will cease to be valid for any purpose. By making an election or giving an instruction under the Special Dealing Service a Qualifying Non-CREST Shareholder will be deemed to have represented, warranted and undertaken (a) such Nil Paid Rights will be transferred with full title guarantee and free from liens, charges, or other third-party rights of any kind, (b) that he or she and any underlying beneficial owner are entitled to sell the Nil Paid Rights, and (c) that the use of the Special Dealing Service by him or her or the sale of the Nil Paid Rights pursuant to the Special Dealing Service does not and will not breach any applicable laws. By giving an instruction under the Special Dealing Service, a Qualifying Non-CREST Shareholder will be deemed to

have renounced their Nil Paid Rights, as applicable to their instruction.

Equiniti Financial Services Limited will charge a commission of 1.5% on any sale of Nil Paid Rights effected using the Special Dealing Service.

Qualifying Non-CREST Shareholders should be aware that by returning the Provisional Allotment Letter and electing to use the Special Dealing Service, they will be deemed to be agreeing to the Special Dealing Service Terms and Conditions and make a legally binding agreement with the Registrar on those terms. The Special Dealing Service Terms and Conditions will be set out in a document accompanying the Provisional Allotment Letter.

A Qualifying Non-CREST Shareholder who is eligible and elects to use the Special Dealing Service agrees to the terms and conditions of the Rights Issue set out in this document and the Special Dealing Service Terms and Conditions (including how the price for the sale of their Nil Paid Rights is calculated and the commissions that will be deducted from the proceeds of the sale of such Nil Paid Rights). Qualifying Non-CREST Shareholders using the Special Dealing Service should note that they will be clients of Equiniti Financial Services Limited and not of the Company when using such service. Equiniti's liability to such a Qualifying Non-CREST Shareholder and its responsibility for providing the protections afforded by the UK regulatory regime to clients for whom such services are provided is as set out in the Special Dealing Service Terms and Conditions, and neither Equiniti nor the Company shall have any liability or responsibility to a Qualifying Non-CREST Shareholder using the Special Dealing Service except as set out in those Special Dealing Service Terms and Conditions. None of the Company, or the Underwriters or their agents shall be responsible for any loss, expense or damage (whether actual or alleged) arising from the terms or timing of any sale, any settlement issues arising from any sale, any exercise of discretion in relation to any sale, or any failure to procure any sale, of Nil Paid Rights pursuant to the Special Dealing Service.

The Company, Equiniti and/or their agents shall each have discretion to determine the eligibility of Qualifying Non-CREST Shareholders, and may each in their sole discretion interpret instructions on the Provisional Allotment Letter, and none of the Company, the Underwriters, Equiniti or their agents shall be responsible for any loss, expense or damage (whether actual or alleged) arising from any such exercise of discretion.

All remittances will be sent by post, at the risk of the Qualifying Non-CREST Shareholder entitled thereto, to the registered address of the relevant Qualifying Non-CREST Shareholder (or, in the case of joint holders, to the address associated with the relevant account as it appears on the register of Shareholders).

No interest will be payable on any proceeds received from the sale of Nil Paid Rights under the Special Dealing Service.

4.4 *Money Laundering Regulations*

To ensure compliance with the Money Laundering Regulations, the Receiving Agent may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Provisional Allotment Letter is lodged with payment (which requirements are referred to below as the **verification of identity requirements**). If an application is made by a UK-regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements is the responsibility of such broker or intermediary and not of the Receiving Agent. In such case, the lodging agent's stamp should be inserted on the Provisional Allotment Letter. The person lodging the Provisional Allotment Letter with payment (the **applicant**), including any person who appears to the Receiving Agent to be acting on behalf of some other person, shall thereby be deemed to agree to provide the Receiving Agent with such information and other evidence as the Receiving Agent may require to satisfy the verification of identity requirements and agree for the Receiving Agent to make a search using a credit reference agency for the purpose of confirming such identity; where deemed necessary a record of the search will be retained. Return of a Provisional Allotment Letter by a Qualifying Non-CREST Shareholder will constitute a warranty that the Money Laundering Regulations will not be breached by the acceptance of the remittance and an undertaking by the applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purpose of the Money Laundering Regulations.

If the Receiving Agent determines that the verification of identity requirements applies to any applicant or application, the relevant New Ordinary Shares (notwithstanding any other term of the Rights Issue) will not be issued to the relevant applicant unless and until the verification of identity requirements have been satisfied in respect of that applicant or application. The Receiving Agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any applicant or application and whether such requirements have been satisfied, and none of the Receiving Agent, the Company or the Underwriters will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays and potential rejection of an application. If, within a reasonable period of time following a request for verification of identity, the Receiving Agent has not received evidence satisfactory to it as

aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the application monies will be returned (at the applicant's risk) without interest to the account of the bank or building society on which the relevant cheque or building society cheque was drawn. If the acceptance is not treated as invalid and the verification of identity requirements are not satisfied within such period, being not less than seven days after a request for evidence of identity is dispatched to the applicant, as the Company may in its absolute discretion allow, the Company will be entitled to make arrangements (in its absolute discretion as to manner, timing and terms) to sell the relevant shares (and for that purpose the Company will be expressly authorised to act as agent of the applicant). Any proceeds of sale (net of expenses) of the relevant shares which shall be issued to and registered in the name of the purchaser(s) or an amount equivalent to the original payment, whichever is the lower, will be held by the Company on trust for the applicant, subject to the requirements of the Money Laundering Regulations.

The verification of identity requirements will not usually apply if:

(a) the applicant is an organisation required to comply with the Money Laundering Directive 2018/843/EU of the European Parliament and of the Council of 9 July 2018 on the prevention of the use of the financial system for the purposes of money laundering and terrorist financing;

(b) the applicant is a regulated UK broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;

(c) the applicant is a company whose securities are listed on a regulated market subject to specified disclosure obligations;

(d) the applicant (not being an applicant who delivers their application in person) makes payment through an account in the name of such applicant with a credit institution which is subject to the Money Laundering Regulations or with a credit institution situated in a non-EEA state which imposes requirements equivalent to those laid down in that directive; or

(e) the aggregate price for taking up the relevant New Ordinary Shares is less than €15,000 (or its pounds sterling equivalent).

When the verification of identity requirements applies, please note the following as this will assist in satisfying the requirements. Satisfaction of these requirements may be facilitated in the following ways:

(i) payments must be made by cheque or building society cheque in pounds sterling drawn on a branch of a bank or building society in the United Kingdom and bear a United Kingdom bank sort code in the top right-hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have sole or joint title to the funds, should be made payable, to "Equiniti Limited Re GPE Rights Issue" and crossed "A/C payee only." Third-party cheques may not be accepted except for building society cheques where the building society has inserted the full name of the account holder and have either added the building society stamp or have provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the Provisional Allotment Letter; or

(ii) if the Provisional Allotment Letter is lodged with payment by an agent which is an organisation of the kind referred to in paragraph (a) above or which is subject to anti-money laundering regulations in a country which is a member of the Financial Action Task Force (the non-EU members of which are Argentina, Australia, Brazil, Canada, China, members of the Gulf Cooperation Council (being Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), Hong Kong, Iceland, India, Japan, Mexico, New Zealand, Norway, the Republic of Korea, the Russian Federation, Singapore, South Africa, Switzerland, Turkey and the United States), the agent should provide written confirmation that it has that status with the Provisional Allotment Letter(s) and that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Receiving Agent and/or any relevant regulatory or investigatory authority; or

(iii) if a Provisional Allotment Letter is lodged by hand by the applicant in person, they should ensure that they have with them evidence of identity bearing their photograph (for example, a passport) and evidence of their address.

In order to confirm the acceptability of any written assurance referred to in paragraph (ii) above, or in any other case, the applicant should contact the Shareholder Helpline on +44 (0) 333 207 6534. 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. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Equiniti cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

4.5 ***Dealings in Nil Paid Rights***

Assuming that the Rights Issue becomes unconditional, dealings on the London Stock Exchange in the Nil Paid Rights are expected to commence at 8.00 a.m. on 28 May 2024.

A transfer of Nil Paid Rights can be made (in the case of Qualifying Non-CREST Shareholders) by renunciation of the relevant Provisional Allotment Letter in accordance with the instructions printed on it or, in the case of any person in whose favour the rights have been renounced, by delivery of such letter to the transferee, up to the latest time for acceptance and payment in full stated in the Provisional Allotment Letter, which is expected to be 11.00 a.m. on 11 June 2024.

The Company has engaged Equiniti Financial Services Limited to make available its Special Dealing Service to enable Qualifying Non-CREST Shareholders (who are individuals (including legal representatives such as executors whose details have been registered with the Registrar) aged 18 or over (in the case of natural persons), and who are resident in the United Kingdom, Jersey, Guernsey or the Isle of Man (or any other country confirmed by Equiniti Financial Services Limited in writing) to either (a) sell all of the Nil Paid Rights to which they are entitled or (b) sell sufficient Nil Paid Rights represented by the Provisional Allotment Letter to enable them to take up their remaining entitlements (known as a Cashless Take-up). Further information about the Special Dealing Service is set out in paragraph 4.3 of this Part IX and the Special Dealing Service Terms and Conditions will be posted to Qualifying Non-CREST Shareholders together with the Provisional Allotment Letter. For the avoidance of doubt, the Company accepts (and it is a term of the Rights Issue that it shall have) no responsibility or liability whatsoever to Shareholders for or in respect of the Special Dealing Service operated by Equiniti Financial Services Limited and, to the fullest extent permitted by law, disclaims any duty, liability or responsibility whatsoever (whether direct or indirect and whether arising in contract, tort, under statute or otherwise) in respect of such service or its operation.

4.6 ***Dealings in Fully Paid Rights***

After acceptance by a Qualifying Non-CREST Shareholder of the provisional allotment and payment in full in accordance with the provisions set out in this document and the Provisional Allotment Letter, the resultant Fully Paid Rights may be transferred by renunciation of the relevant fully paid Provisional Allotment Letter and delivering it by post to the Receiving Agent so as to be received not later than 11.00 a.m. on 11 June 2024. To do this, a Qualifying Non-CREST Shareholder will need to have their fully paid Provisional Allotment Letter returned to them after the acceptance has been effected by the Receiving Agent. However, fully paid Provisional Allotment Letters will not be returned to Qualifying Non-CREST Shareholders unless their return is requested by placing an "X" in the appropriate box on the Provisional Allotment Letter. The New Ordinary Shares are expected to be held in registered form and transferable in the usual way from 12 June 2024.

It should be noted that Qualifying Non-CREST Shareholders who wish to sell their Fully Paid Rights will have to take up their rights by returning their Provisional Allotment Letter and cheque in the post by following the instructions in paragraph 4.2 of this Part IX.

4.7 ***Renunciation and splitting of Provisional Allotment Letters***

The Provisional Allotment Letters are fully renounceable (save as required by the laws of certain overseas jurisdictions) and may be split up to 3.00 p.m. on 7 June 2024 nil paid and fully paid.

Qualifying Non-CREST Shareholders who wish to transfer all of their Nil Paid Rights or, after acceptance of the provisional allotment and payment in full, Fully Paid Rights represented by a Provisional Allotment Letter may (save as required by the laws of certain overseas jurisdictions) renounce such allotment by completing and signing Form X of the Provisional Allotment Letter (if it is not already marked "Original Duly Renounced") and passing the entire Provisional Allotment Letter to their stockbroker or bank or other appropriate financial adviser or to the transferee. Once a Provisional Allotment Letter has been renounced, it will become a negotiable instrument in bearer form and the Nil Paid Rights or Fully Paid Rights (as appropriate) comprised in such letter may be transferred by delivery of such letter to the transferee. The latest time and date for registration of renunciation of Provisional Allotment Letters is 11.00 a.m. on 11 June 2024 and from 12 June 2024 the New Ordinary Shares will be in registered form, transferable by written instrument of transfer in the usual common form or, if they have been issued in or converted into uncertificated form, in electronic form under the CREST system. Qualifying Non-CREST Shareholders should note that fully paid Provisional Allotment Letters will not be returned to Qualifying Non-CREST Shareholders unless their return is requested.

If a holder of a Provisional Allotment Letter wishes to have only some of the New Ordinary Shares registered in his or her name and to transfer the remainder, or wishes to transfer all the Nil Paid Rights or (if appropriate) Fully Paid Rights represented by that Provisional Allotment Letter but to different persons, they may have the Provisional Allotment Letter split, for which purpose they must sign and date Form X of the Provisional Allotment Letter. The Provisional Allotment Letter must then be delivered by post to the Receiving Agent at Equiniti Limited, Corporate

Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom, by not later than 3.00 p.m. on 7 June 2024, to be cancelled and exchanged for the split Provisional Allotment Letters required. The number of split Provisional Allotment Letters required and the number of Nil Paid Rights or (as appropriate) Fully Paid Rights to be represented by each split Provisional Allotment Letter should be stated in an accompanying letter. Form X of split Provisional Allotment Letters will be marked "Original Duly Renounced" before issue. The holder of the split Provisional Allotment Letters should then follow the instructions in the preceding paragraph in relation to transferring the Nil Paid Rights or (as appropriate) the Fully Paid Rights represented by each split Provisional Allotment Letter. Once the holder's split Provisional Allotment Letter, duly completed, and payment have been received by the Receiving Agent in accordance with the above, the holder will have accepted the offer to subscribe for the number of New Ordinary Shares specified on that split Provisional Allotment Letter.

Alternatively, Qualifying Non-CREST Shareholders who wish to take up some of their rights, without selling or transferring the remainder, should complete Form X of the original Provisional Allotment Letter and return it by post to the Receiving Agent at Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom, together with a cheque for the appropriate amount made payable to "Equiniti Limited Re GPE Rights Issue" and crossed "A/C payee only" to pay for this number of shares. In this case, the Provisional Allotment Letter and cheque or building society cheque must be received by the Receiving Agent by 11.00 a.m. on 11 June 2024, being the last time and date for acceptance. Once the holder's Provisional Allotment Letter, duly completed, and payment have been received by the Receiving Agent in accordance with the above, the holder will have accepted the offer to subscribe for the number of New Ordinary Shares specified on their Provisional Allotment Letter.

The Company reserves the right to refuse to register any renunciation in favour of any person in respect of whom the Directors believe such renunciation may violate applicable legal or regulatory requirements including (without limitation) any renunciation in the name of any person with an address outside the United Kingdom.

4.8 ***Registration in names of Qualifying Non-CREST Shareholders***

A Qualifying Non-CREST Shareholder who wishes to have all the New Ordinary Shares to which they are entitled registered in their name must accept and make payment for such allotment in accordance with the provisions set out in this document and the Provisional Allotment Letter but need take no further action. A share certificate in respect of the New Ordinary Shares is expected to be dispatched to such Qualifying Non-CREST Shareholders by post no later than 26 June 2024.

4.9 ***Registration in names of persons other than Qualifying Non-CREST Shareholders originally entitled***

To register the New Ordinary Shares in certificated form in the name of someone other than the Qualifying Shareholder(s) originally entitled, the renouncee or their agent(s) must complete Form Y of the Provisional Allotment Letter (unless the renouncee is a CREST Member who wishes to hold such New Ordinary Shares in uncertificated form, in which case Form X and the CREST Deposit Form must be completed (see paragraph 5.2 of this Part IX)) and send the entire Provisional Allotment Letter, by post to the Receiving Agent at Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom, so as to be received by not later than 11.00 a.m. on 11 June 2024. Registration cannot be effected unless and until the New Ordinary Shares represented by a Provisional Allotment Letter are fully paid for.

The New Ordinary Shares represented by two or more Provisional Allotment Letters (duly renounced where applicable) may be registered in the name of one holder (or joint holders). To consolidate rights attached to two or more Provisional Allotment Letters, complete Form Y of the Provisional Allotment Letter and attach a letter detailing each Provisional Allotment Letter number, the number of New Ordinary Shares represented by each Provisional Allotment Letter, the total number of Provisional Allotment Letters to be consolidated and the total number of New Ordinary Shares represented by all the Provisional Allotment Letters to be consolidated. All the Provisional Allotment Letters to be consolidated must be lodged in one batch together.

4.10 ***Deposit of Nil Paid Rights or Fully Paid Rights into CREST***

The Nil Paid Rights or Fully Paid Rights represented by a Provisional Allotment Letter may be converted into uncertificated form, that is, deposited into CREST (whether such conversion arises as a result of a renunciation of those rights or otherwise). Similarly, Nil Paid Rights or Fully Paid Rights held in CREST may be converted into certificated form, that is, withdrawn from CREST. As provided below in this paragraph 4.10 of this Part IX or in the Provisional Allotment Letter, normal CREST procedures and timings apply in relation to any such conversion. Shareholders are recommended to refer to the CREST Manual for details of such procedures.

The procedure for depositing the Nil Paid Rights or Fully Paid Rights represented by a Provisional Allotment Letter into CREST, whether such rights are to be converted into uncertificated form in the name(s) of the person(s) whose

name(s) and address(es) appear in the Provisional Allotment Letter or in the name of a person or persons to whom the Provisional Allotment Letter has been renounced, is as follows: Form X and the CREST Deposit Form will need to be completed and the Provisional Allotment Letter deposited with the CREST Courier and Sorting Service (the **CCSS**). In addition, the normal CREST Stock Deposit procedures will need to be carried out, except that: (a) it will not be necessary to complete and lodge a separate CREST Transfer Form (prescribed under the Stock Transfer Act 1963) with the CCSS, and (b) only the whole of the Nil Paid Rights or Fully Paid Rights represented by the Provisional Allotment Letter may be deposited into CREST. If a Shareholder wishes to deposit some only of the Nil Paid Rights or Fully Paid Rights represented by the Provisional Allotment Letter into CREST, they must first apply for split Provisional Allotment Letters. If the rights represented by more than one Provisional Allotment Letter are to be deposited, the CREST Deposit Form on each Provisional Allotment Letter must be completed and deposited.

A holder of the Nil Paid Rights (or, as appropriate, the Fully Paid Rights) represented by a Provisional Allotment Letter who is proposing to convert those rights into uncertificated form (whether following a renunciation of such rights or otherwise) is recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Nil Paid Rights (or, as appropriate, the Fully Paid Rights) in CREST following the conversion to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 11 June 2024. In particular, having regard to processing times in CREST and on the part of the Receiving Agent, the latest recommended time for depositing a renounced Provisional Allotment Letter (with Form X and the CREST Deposit Form of the Provisional Allotment Letter duly completed), with the CCSS (to enable the person acquiring the Nil Paid Rights (or, if appropriate, the Fully Paid Rights) in CREST as a result of the conversion to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 11 June 2024) is 3.00 p.m. on 6 June 2024.

When Form X and the CREST Deposit Form have been completed, the title to the Nil Paid Rights or the Fully Paid Rights represented by the Provisional Allotment Letter will cease forthwith to be renounceable or transferable by delivery and for the avoidance of doubt, any entries in Form Y of the Provisional Allotment Letter will not be recognised or acted upon by the Receiving Agent. All renunciations or transfers of the Nil Paid Rights or Fully Paid Rights must be effected through the means of the CREST system once such rights have been deposited into CREST.

CREST Sponsored Members should contact their CREST Sponsors as only their CREST Sponsors will be able to take the necessary actions to take up the entitlements or otherwise to deal with the Nil Paid Rights or Fully Paid Rights of CREST Sponsored Members.

4.11 *Issue of share certificates in respect of New Ordinary Shares*

Definitive share certificates in respect of the New Ordinary Shares to be held in certificated form are expected to be dispatched by post by 26 June 2024 (at the risk of the person(s) entitled to them) to accepting Qualifying Non-CREST Shareholders or to the person(s) entitled to them at their registered address (unless lodging agent details have been completed in the Provisional Allotment Letter). After dispatch of definitive share certificates, Provisional Allotment Letters will cease to be valid for any purpose whatsoever. Pending dispatch of definitive share certificates, instruments of transfer of the New Ordinary Shares will be certified by the Registrar against the register, and/or, in the case of renounced Provisional Allotment Letters, against the registration receipt, Form Y, bearing the stamp of the Registrar.

5. Action to Be Taken by Qualifying CREST Shareholders in Relation to Nil Paid Rights or Fully Paid Rights in CREST

5.1 *General*

Subject as provided in paragraph 7 of this Part IX in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder is expected to receive a credit to their CREST stock account of their entitlement to Nil Paid Rights as soon as practicable after 8.00 a.m. on 28 May 2024. The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Nil Paid Rights are provisionally allotted.

The maximum number of New Ordinary Shares that a Qualifying CREST Shareholder may take up is that which has been provisionally allotted to that Qualifying CREST Shareholder and for which they receive a credit of entitlement into their stock account in CREST. The minimum number of New Ordinary Shares a Qualifying CREST Shareholder may take up is one.

The Nil Paid Rights and Fully Paid Rights each constitute a separate security for the purposes of CREST and can accordingly be transferred, in whole or in part, by means of CREST in the same manner as any other security that is admitted to CREST.

If for any reason it is impracticable to credit the stock accounts of Qualifying CREST Shareholders or to enable the Nil Paid Rights, Provisional Allotment Letters shall, unless the Company decides otherwise, be sent out in

substitution for the Nil Paid Rights which have not been so credited or enabled and the expected timetable as set out in this document may be adjusted as appropriate. References to dates and times in this document should be read as being subject to any such adjustment. The Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates but Qualifying CREST Shareholders may not receive any further written communication.

CREST Members who wish to take up all or part of their entitlements in respect of, or otherwise to transfer all or part of, their Nil Paid Rights or Fully Paid Rights held by them in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below. CREST Sponsored Members should consult their CREST Sponsor if they wish to take up their entitlements as only their CREST Sponsor will be able to take the necessary action to take up their entitlement or otherwise to deal with their Nil Paid Rights or Fully Paid Rights.

5.2 ***Procedure for acceptance and payment***

(a) *MTM Instruction*

CREST Members who wish to take up all or part of their entitlement in respect of Nil Paid Rights in CREST must send (or, in the case of CREST Sponsored Members, procure that their CREST Sponsor sends) an MTM Instruction to Euroclear which, on its settlement, will have the following effect:

(i) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with the number of Nil Paid Rights to be taken up;

(ii) the creation of a settlement bank payment obligation (as this term is defined in the CREST Manual), in accordance with the RTGS payment mechanism (as this term is defined in the CREST Manual), in favour of the RTGS settlement bank of the Receiving Agent in respect of the full amount payable on acceptance in respect of the Nil Paid Rights referred to in paragraph (i) above; and

(iii) the crediting of a stock account of the accepting CREST Member (being an account under the same participant ID and member account ID as the account from which the Nil Paid Rights are to be debited on settlement of the MTM Instruction) of the corresponding number of Fully Paid Rights to which the CREST Member is entitled on taking up their Nil Paid Rights referred to in paragraph (i) above.

(b) *Contents of MTM Instructions*

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

(i) the number of Nil Paid Rights to which the acceptance relates;

(ii) the participant ID of the accepting CREST Member;

(iii) the member account ID of the accepting CREST Member from which the Nil Paid Rights are to be debited;

(iv) the participant ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 2RA07;

(v) the member account ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is RA374401;

(vi) the number of Fully Paid Rights that the CREST Member is expecting to receive on settlement of the MTM Instruction. This must be the same as the number of Nil Paid Rights to which the acceptance relates;

(vii) the amount payable by means of the CREST assured payment arrangements on settlement of the MTM Instruction. This must be the full amount payable on acceptance in respect of the number of Nil Paid Rights to which the acceptance relates;

(viii) the intended settlement date (which must be on or before 11.00 a.m. on 11 June 2024);

(ix) the Nil Paid Rights ISIN which is GB00BQXP7G81;

(x) the Fully Paid Rights ISIN which is GB00BQXP7H98;

(xi) the corporate action number (as this term is defined in the CREST Manual) for the Rights Issue. This will be available by viewing the relevant corporate action details in CREST;

(xii) a contact name and telephone number (in the free format shared note field); and

(xiii) a priority of at least 80.

(c) *Valid acceptance*

An MTM Instruction complying with each of the requirements as to authentication and contents set out in paragraph (b) above will constitute a valid acceptance where either:

(i) the MTM Instruction settles by not later than 11.00 a.m. on 11 June 2024; or

(ii) at the discretion of the Company: (A) the MTM Instruction is received by Euroclear by not later than 11.00 a.m. on 11 June 2024; (B) the number of Nil Paid Rights inserted in the MTM Instruction is credited to the CREST stock account of the accepting CREST Member specified in the MTM Instruction at 11.00 a.m. on 11 June 2024; and (C) the relevant MTM Instruction settles by 2.00 p.m. on 11 June 2024 (or such later date as the Company has determined).

An MTM Instruction will be treated as having been received by Euroclear for these purposes at the time at which the instruction is processed by the Network Provider's Communications Host (as this term is defined in the CREST Manual) at Euroclear of the network provider used by the CREST Member (or by the CREST Sponsored Member's CREST Sponsor). This will be conclusively determined by the input time stamp applied to the MTM Instruction by the Network Provider's Communications Host.

(d) *Representations, warranties and undertakings of CREST Members*

A CREST Member or CREST Sponsored Member who makes a valid acceptance in accordance with this paragraph 5.2 of this Part IX represents, warrants and undertakes to the Company that they have taken (or procured to be taken), and will take (or will procure to be taken), whatever action is required to be taken by them or by their CREST Sponsor (as appropriate) to ensure that the MTM Instruction concerned is capable of settlement at 11.00 a.m. on 11 June 2024 and remains capable of settlement at all times after that until 2.00 p.m. on 11 June 2024 (or until such later time and date as the Company may determine). In particular, the CREST Member or CREST Sponsored Member represents, warrants and undertakes that at 11.00 a.m. on 11 June 2024 and at all times thereafter until 2.00 p.m. on 11 June 2024 (or until such later time and date as the Company may determine) there will be sufficient Headroom within the Cap (as those terms are defined in the CREST Manual) in respect of the cash memorandum account to be debited with the amount payable on acceptance to permit the MTM Instruction to settle. CREST Sponsored Members should contact their CREST Sponsor if they are in any doubt. In addition, such CREST Sponsored Member taking up entitlements makes the representations and gives the warranties set out in paragraph 8 of this Part IX.

If there is insufficient Headroom within the Cap (as those terms are defined in the CREST Manual) in respect of the cash memorandum account of a CREST Member or CREST Sponsored Member for such amount to be debited or the CREST Member's or CREST Sponsored Member's acceptance is otherwise treated as invalid and New Ordinary Shares have already been allotted to such CREST Member or CREST Sponsored Member, the Company may (in its absolute discretion as to manner, timing and terms) make arrangements for the sale of such New Ordinary Shares on behalf of that CREST Member or CREST Sponsored Member and hold the proceeds of sale (net of the Company's reasonable estimate of any loss that they have suffered as a result of the acceptance being treated as invalid and of the expenses of sale including, without limitation, any stamp duty or SDRT payable on the transfer of such New Ordinary Shares, and of all amounts payable by the CREST Member or CREST Sponsored Member pursuant to the provisions of this Part IX in respect of the acquisition of such shares) on behalf of such CREST Member or CREST Sponsored Member. None of the Company, the Underwriters nor any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by such CREST Member or CREST Sponsored Member as a result.

(e) *CREST procedures and timings*

CREST Members and CREST Sponsors (on behalf of CREST Sponsored Members) 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 relation to the input of an MTM Instruction and its settlement in connection with the Rights Issue. It is the responsibility of the CREST Member concerned to take (or, if the CREST Member is a CREST Sponsored Member, to procure that his or her CREST Sponsor takes) the action necessary to ensure that a valid acceptance is received as stated above by 11.00 a.m. on 11 June 2024. In this connection, CREST Members and (where applicable) CREST Sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(f) *CREST Member's undertaking to pay*

A CREST Member or CREST Sponsored Member who makes a valid acceptance in accordance with the procedures set out in this paragraph 5.2 of this Part IX: (i) undertakes to pay to the Company, or procure the payment to the Company of the amount payable in pounds sterling on acceptance in accordance with the above procedures or in such other manner as the Company may require (it being acknowledged that, where payment is made by means

of the RTGS payment mechanism (as defined in the CREST Manual) the creation of a RTGS settlement bank payment obligation in pounds sterling in favour of the Receiving Agent's RTGS settlement bank (as defined in the CREST Manual), in accordance with the RTGS payment mechanism shall, to the extent of the obligation so created, discharge in full the obligation of the CREST Member (or CREST Sponsored Member) to pay the amount payable on acceptance); and (ii) requests that the Fully Paid Rights and/or New Ordinary Shares, to which they will become entitled, be issued to them on the terms set out in this document and subject to the Articles.

If the payment obligations of the relevant CREST Member in relation to such New Ordinary Shares are not discharged in full and such New Ordinary Shares have already been issued to the CREST Member or CREST Sponsored Member, the Company may (in its absolute discretion as to the manner, timing and terms) make arrangements for the sale of such shares on behalf of that CREST Member or CREST Sponsored Member and hold the proceeds of sale (net of the Company's reasonable estimate of any loss that it has suffered as a result of the same and of the expenses of sale including, without limitation, any stamp duty or SDRT payable on the transfer of such shares, and all amounts payable by the CREST Member or CREST Sponsored Member pursuant to the provisions of this Part IX in respect of the acquisition of such shares) or an amount equal to the original payment of the CREST Member or CREST Sponsored Member (whichever is lower) on trust for such CREST Member or CREST Sponsored Member. In these circumstances, neither the Underwriters nor the Company shall be responsible for, or have any liability for, any loss, expenses or damage arising as a result.

(g) *Discretion as to rejection and validity of acceptances*

The Company may agree (having consulted with the Underwriters and taken into account their reasonable comments) to:

(i) reject any acceptance constituted by an MTM Instruction, which is otherwise valid, in the event of breach of any of the representations, warranties and undertakings set out or referred to in this paragraph 5.2. Where an acceptance is made as described in this paragraph 5.2 that is otherwise valid, and the MTM Instruction concerned fails to settle by 2.00 p.m. on 11 June 2024 (or by such later time and date as the Company may determine), the Company shall be entitled to assume, for the purposes of its right to reject an acceptance as described in this paragraph 5.2, that there has been a breach of the representations, warranties and undertakings set out or referred to in this paragraph 5.2 unless the Company and the Joint Global Coordinators are aware of any reason outside the control of the CREST Member or CREST Sponsor (as appropriate) concerned for the MTM instruction to settle;

(ii) treat as valid (and binding on the CREST Member or CREST Sponsored Member concerned) an acceptance which does not comply in all respects with the requirements as to validity set out or referred to in this paragraph 5.2;

(iii) accept an alternative properly authenticated dematerialised instruction from a CREST Member or (where applicable) a CREST Sponsor as constituting a valid acceptance in substitution for, or in addition to, an MTM Instruction and subject to such further terms and conditions as the Company may determine;

(iv) treat a properly authenticated dematerialised instruction (the **first instruction**) as not constituting a valid acceptance if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and/or

(v) accept an alternative instruction or notification from a CREST Member or (where applicable) a CREST Sponsor, or extend the time for acceptance and/or settlement of an MTM Instruction or any alternative instruction or notification if, for reasons or due to circumstances outside the control of any CREST Member or CREST Sponsored Member or (where applicable) CREST Sponsor, the CREST Member or CREST Sponsored Member is unable validly to take up all or part of their Nil Paid Rights by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of facilities and/or systems operated by the Receiving Agent in connection with CREST.

5.3 ***Money Laundering Regulations***

If a person holds their Nil Paid Rights in CREST and applies to take up all or part of their entitlement as agent for one or more persons and they are not a United Kingdom or EU-regulated person or institution (e.g. a United Kingdom financial institution), then, irrespective of the value of the application, the Receiving Agent is required to take reasonable measures to establish the identity of the person or persons on whose behalf such person is making the

application. Such person must therefore contact the Receiving Agent before sending any MTM Instruction or other instruction so that appropriate measures may be taken.

Submission of an MTM Instruction which constitutes, or which may on its settlement constitute, a valid acceptance as described above is an undertaking by the applicant to provide promptly to the Receiving Agent any information the Receiving Agent may specify as being required for the purposes of the Money Laundering Regulations or FSMA. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent, having consulted with the Company, may take, or omit to take, such action as it may determine to prevent or delay settlement of the MTM Instruction. If satisfactory evidence of identity has not been provided within a reasonable time, then the Receiving Agent will not permit the MTM Instruction concerned to proceed to settlement, but without prejudice to the right of the Company to take proceedings to recover any loss suffered as a result of failure by the applicant to provide satisfactory evidence.

5.4 ***Dealings in Nil Paid Rights***

Assuming the Rights Issue becomes unconditional, dealings in the Nil Paid Rights on the London Stock Exchange are expected to commence at 8.00 a.m. on 28 May 2024. Dealings in Nil Paid Rights can be made by means of CREST in the same manner as any other security that is admitted to CREST. The Nil Paid Rights are expected to be disabled in CREST after the close of CREST business on 11 June 2024.

5.5 ***Dealings in Fully Paid Rights***

After acceptance of the provisional allotment and payment in full in accordance with the provisions set out in this document, the Fully Paid Rights may be transferred (in whole or in part) by means of CREST in the same manner as any other security that is admitted to CREST. The latest time for settlement of any transfer of Fully Paid Rights in CREST is expected to be 11.00 a.m. on 11 June 2024. The Fully Paid Rights are expected to be disabled in CREST after the close of CREST business on 11 June 2024.

From 12 June 2024, the New Ordinary Shares will be in registered form and transferable in the usual way (see paragraph 5.7 of this Part IX).

5.6 ***Withdrawal of Nil Paid Rights or Fully Paid Rights from CREST***

Nil Paid Rights or Fully Paid Rights held in CREST may be converted into certificated form, that is, withdrawn from CREST. Normal CREST procedures (including timings) apply in relation to any such conversion.

The recommended latest time for receipt by Euroclear of a properly authenticated dematerialised instruction requesting withdrawal of Nil Paid Rights or, as appropriate, Fully Paid Rights, from CREST is 4.30 p.m. on 5 June 2024, so as to enable the person acquiring or (as appropriate) holding the Nil Paid Rights or, as appropriate, Fully Paid Rights, following the conversion to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 11 June 2024. It is recommended that reference is made to the CREST Manual for details of such procedures.

5.7 ***Issue of New Ordinary Shares in CREST***

Fully Paid Rights in CREST are expected to be disabled in CREST after the close of CREST business on 11 June 2024 (the latest date for settlement of transfers of Fully Paid Rights in CREST). New Ordinary Shares will be issued in uncertificated form to those persons registered as holding Fully Paid Rights in CREST at the close of business on the date on which the Fully Paid Rights are disabled. The Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of those persons (under the same participant ID and member account ID that applied to the Fully Paid Rights held by those persons) with their entitlements to New Ordinary Shares as soon as practicable after 8.00 a.m. on 12 June 2024.

5.8 ***Right to allot/issue in certificated form***

Despite any other provision of this document, the Company reserves the right to allot and to issue any Nil Paid Rights, Fully Paid Rights or New Ordinary Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an interruption, failure or breakdown of CREST (or of any part of CREST) or of a part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

6. **Procedure in Respect of New Ordinary Shares Not Taken Up and Withdrawal Rights**

6.1 ***Procedure in respect of New Ordinary Shares not taken up***

If an entitlement to New Ordinary Shares is not validly taken up in accordance with the procedure laid down for acceptance and payment, then that provisional allotment shall be deemed to have been declined and will lapse. If an

entitlement to New Ordinary Shares is not validly taken up by 11.00 a.m. on 11 June 2024 in accordance with the procedure laid down for acceptances and payment, then the Underwriters will use reasonable endeavours to procure, by not later than 4.30 p.m. on 18 June 2024, subscribers for all (or as many as possible) of those New Ordinary Shares not taken up if an amount which is not less than the total of the Rights Issue Price and the expenses of procuring such subscribers (including any related commissions and amounts in respect of irrecoverable VAT) can be obtained.

Notwithstanding the above, the Underwriters may cease to endeavour to procure any such subscribers if, in their opinion, it is unlikely that any such subscribers can be so procured at such a price by such time. If and to the extent that subscribers cannot be procured on the basis outlined above, or if procurement of subscribers would give rise to a breach of law, the relevant New Ordinary Shares will be subscribed for by the Underwriters as principals pursuant to the Underwriting Agreement or their sub-underwriters (if any), in each case, at the Rights Issue Price on the terms and subject to the conditions of the Underwriting Agreement.

New Ordinary Shares for which subscribers are procured on this basis will be re-allotted to such subscribers and the aggregate of any premiums (being the amount paid by such subscribers after deducting the Rights Issue Price and the expenses of procuring such subscribers, including any applicable brokerage and commissions and amounts in respect of irrecoverable VAT), if any, will be paid (without interest) to those persons entitled (as referred to above) pro rata to the relevant lapsed provisional allotments on the basis set out below, save that no payment will be made of amounts of less than £5.00, which amounts will be aggregated and will ultimately accrue to the benefit of the Company:

(a) where the Nil Paid Rights were, at the time they lapsed, represented by a Provisional Allotment Letter, to the person whose name and address appeared in the Provisional Allotment Letter;

(b) where the Nil Paid Rights were, at the time they lapsed, in uncertificated form, to the person registered as the holder of those Nil Paid Rights at the time of their disablement in CREST; and

(c) to the extent not provided above, where an Overseas Shareholder received neither a Provisional Allotment Letter nor a credit to their CREST account, to that Overseas Shareholder.

Any transactions undertaken pursuant to this paragraph 6.1 of this Part IX shall be deemed to have been undertaken at the request of the persons entitled to the lapsed provisional allotments and none of the Company, the Underwriters or any other person procuring subscribers shall be responsible for any loss or damage (whether actual or alleged) arising from the terms of or timing of any such subscription, any decision not to endeavour to procure subscribers or the failure to procure subscribers on the basis described above.

For Qualifying Non-CREST Shareholders, payments for the amounts due will be made in pounds sterling by cheque. Where any entitlement concerned was held in CREST, the amount due will, unless the Company (in its absolute discretion) otherwise determines, be satisfied by the Company procuring the creation of an assured payment obligation in favour of the relevant CREST Member's (or CREST Sponsored Member's) RTGS settlement bank in respect of the cash amount concerned in accordance with the RTGS payment mechanism.

Shareholders will not be entitled to apply for New Ordinary Shares in excess of their entitlement.

6.2 ***Withdrawal rights***

Qualifying Shareholders wishing to exercise statutory withdrawal rights after the issue by the Company of a document supplementing this document must do so by sending a written notice of withdrawal which must include the account number, the full name and address of the person wishing to exercise such right of withdrawal and, if such person is a CREST Member, the participant ID and the member account ID of such CREST Member, in writing to the Receiving Agent at Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom, so as to be received no later than two Business Days after the date on which the supplementary document is published.

Notice of withdrawal given by any other means or which is deposited with or received by the Receiving Agent after expiry of such period will not constitute a valid withdrawal. Furthermore, the exercise of withdrawal rights will not be permitted after payment in full by the relevant person in respect of their New Ordinary Shares taken up and the allotment of those New Ordinary Shares to such person becoming unconditional, save as required by statute. In such circumstances, Shareholders are advised to consult their professional advisers. Provisional allotments of entitlements to New Ordinary Shares which are the subject of a valid withdrawal notice will be deemed to be declined. Such entitlements to New Ordinary Shares will be subject to the provisions of paragraph 6.1 of this Part IX as if the entitlement had not been validly taken up.

Following the valid exercise of statutory withdrawal rights, application monies will be returned by post to relevant Qualifying Shareholders at their own risk and without interest to the address set out in the Provisional Allotment Letter and/or the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as applicable within 14 days of such exercise of statutory withdrawal rights. Interest earned on such monies will be retained for the benefit of the Company. The provisions of this paragraph 6.2

of this Part IX are without prejudice to the statutory rights of Qualifying Shareholders. In such event, Qualifying Shareholders are advised to seek independent legal advice.

For further details, Shareholders should contact the Shareholder Helpline on +44 (0) 333 207 6534 (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom are charged at the applicable international rate. Different charges may apply to calls made from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Lines are open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales). The Shareholder Helpline cannot provide advice on the merits of the Rights Issue nor give any financial, legal, tax or investment advice. For deaf and speech impaired customers, we welcome calls via Relay UK. Please see www.relayuk.bt.com for more information.

7. Overseas Shareholders

This Prospectus has been approved by the FCA, being the competent authority in the United Kingdom. Accordingly, the making of the Rights Issue to persons resident in, or who are citizens of, or who have a registered address in, countries other than the United Kingdom may be affected by the law or regulatory requirements of the relevant jurisdiction.

It is the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside the United Kingdom wishing to take up rights under the Rights Issue to satisfy themselves as to the full observance of the laws of any relevant territory 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 issue, transfer or other taxes due in such territories. The comments set out in this paragraph 7 of this Part IX are intended as a general guide only and any Overseas Shareholder who is in doubt as to their position should consult their professional adviser without delay.

7.1 *General*

The distribution of this document or any other documents issued by the Company in connection with the Rights Issue and the making of the Rights Issue to persons who have registered addresses in, or who are located resident, or who are generally resident in, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom, or to persons who are agents or nominees of or are custodians, trustees or guardians for persons located or resident in countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirements or other formalities to enable them to take up the Nil Paid Rights and/or offer of Fully Paid Rights. In particular, subject to certain very limited exceptions, this document or any other documents issued by the Company in connection with the Rights Issue should not be distributed, forwarded or transmitted into the United States or any other Excluded Territory.

This paragraph 7 of this Part IX sets out the restrictions applicable to Qualifying Shareholders who have registered addresses outside the United Kingdom, who are citizens or residents of countries other than the United Kingdom, or who are persons (including, without limitation, custodians, nominees and trustees) who have a contractual or legal obligation to forward this document to a jurisdiction outside the United Kingdom or who hold Ordinary Shares for the account or benefit of any such person.

New Ordinary Shares (nil paid) will be provisionally allotted to all Qualifying Shareholders, including Overseas Shareholders. However, Provisional Allotment Letters have not been, and will not be, sent to, and Nil Paid Rights will not be credited to CREST accounts of, Overseas Shareholders with registered addresses in the Excluded Territories except where the Company and the Joint Global Coordinators are satisfied that such action would not result in a contravention of any registration or other legal requirement in any such jurisdiction.

Receipt of this document and/or a Provisional Allotment Letter or the crediting of Nil Paid Rights to a stock account in CREST does not and will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this document and/or a Provisional Allotment Letter must be treated as sent for information purposes only and should not be copied or redistributed. No person who has received or receives a copy of this document and/or a Provisional Allotment Letter and/or who receives a credit of Nil Paid Rights to a stock account in CREST in any territory other than the United Kingdom may (a) treat the same as constituting an invitation or offer to them, nor (b) should they in any event use the Provisional Allotment Letter or deal with Nil Paid Rights or Fully Paid Rights in CREST, in the relevant territory, unless (in the case of clause (a) or (b) above) such an invitation or offer could lawfully be made to them or the Provisional Allotment Letter or Nil Paid Rights or Fully Paid Rights in CREST could lawfully be used or dealt with without contravention of any registration or other legal or regulatory requirements.

Accordingly, persons who have received a copy of this document or a Provisional Allotment Letter or whose stock

account in CREST is credited with Nil Paid Rights or Fully Paid Rights should not, in connection with the Rights Issue, distribute or send the same in or into, or transfer Nil Paid Rights or Fully Paid Rights to any person in or into, any Excluded Territory. If a Provisional Allotment Letter or a credit of Nil Paid Rights or Fully Paid Rights in CREST is received by any person in any such territory, or by their agent or nominee, they must not seek to take up the rights referred to in the Provisional Allotment Letter or in this document or renounce the Provisional Allotment Letter or transfer the Nil Paid Rights or Fully Paid Rights in CREST unless the Company determines that such actions would not violate applicable legal or regulatory requirements. Any person who does forward this document or a Provisional Allotment Letter in or into any such territories (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this paragraph 7 of this Part IX.

Any person (including, without limitation, agents, nominees and trustees) outside the United Kingdom wishing to take up their rights under the Rights Issue must satisfy themselves as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. The comments set out in this paragraph 7 of this Part IX are intended as a general guide only and any Shareholder who is in any doubt as to their position should consult their professional advisers without delay.

The Company (after consultation with the Joint Global Coordinators (on behalf of the Underwriters)) may treat as invalid any exercise or purported exercise of Nil Paid Rights or any acceptance or purported acceptance of the offer of Fully Paid Rights or New Ordinary Shares which appears to the Company or its agents to have been executed, effected or dispatched in a manner which may involve a breach of the laws or regulations of any jurisdiction or if, in the case of a Provisional Allotment Letter, it provides for an address for delivery of the share certificates in or, in the case of a credit of New Ordinary Shares in CREST, a CREST Member or CREST Sponsored Member whose registered address is in any of the Excluded Territories or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit or if the Directors or their agents believe that the same may violate applicable legal or regulatory requirements. The attention of U.S. persons and Qualifying Shareholders with registered addresses in the United States or holding Ordinary Shares on behalf of persons with such addresses is drawn to paragraph 7.6 of this Part IX. The attention of Qualifying Shareholders with registered addresses in other Excluded Territories or holding Ordinary Shares on behalf of persons with such addresses is drawn to paragraph 7.7 of this Part IX.

Despite any other provision of this document or the Provisional Allotment Letter, the Company reserves the right (after consultation with the Joint Global Coordinators) to permit any Qualifying Shareholder to take up their rights if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question. If the Company is so satisfied, the Company will arrange for the relevant Qualifying Shareholder to be sent a Provisional Allotment Letter if they are a Qualifying Non-CREST Shareholder or, if they are a Qualifying CREST Shareholder, arrange for Nil Paid Rights to be credited to the relevant CREST stock account.

Those Qualifying Shareholders who wish, and are permitted, to take up their entitlement should note that payments must be made as described in paragraphs 4.2 and 5.2 of this Part IX.

The provisions of paragraph 6 of this Part IX will apply to all Qualifying Shareholders with registered addresses in the Excluded Territories who do not or are unable to take up the New Ordinary Shares provisionally allotted to them. Accordingly, such Qualifying Shareholders will be treated as not having taken up their rights to New Ordinary Shares and the Underwriters will endeavour to procure, on behalf of such Qualifying Shareholders, subscribers for the New Ordinary Shares.

7.2 *European Economic Area*

In relation to each Member State of the European Economic Area (each a **Relevant Member State**), an offer to the public of the New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights may not be made in that Relevant Member State pursuant to the Rights Issue prior to the publication of a prospectus in relation to the New Ordinary Shares, the Nil Paid Rights and the Fully Paid Rights which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in the first Relevant Member State, all in accordance with the EU Prospectus Regulation, except that an offer to the public in that Relevant Member State of such Nil Paid Rights, Fully Paid Rights or New Ordinary Shares may be made at any time under the following exemptions under the EU Prospectus Regulation:

(a) to any legal entity which is a "qualified investor" as defined under the EU Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the EU Prospectus Regulation); or

(c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of the New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights shall result in a requirement for the Company or any of the Underwriters to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an **offer to the public** in relation to any New Ordinary Shares, Nil Paid Rights or Fully Paid Rights in any Member State means the communication in any form and by any means of sufficient information on the terms of the Rights Issue and any New Ordinary Shares, Nil Paid Rights or Fully Paid Rights to be offered so as to enable an investor to decide to purchase or subscribe for any New Ordinary Shares, Nil Paid Rights or Fully Paid Rights and the expression **EU Prospectus Regulation** means Regulation (EU) 2017/1129. In the case of any New Ordinary Shares, Nil Paid Rights or Fully Paid Rights being offered to a financial intermediary as that term is used in Article 5(1) of the EU Prospectus Regulation, such financial intermediary will also be deemed to have represented, warranted and agreed that it is a "qualified investor" within the meaning of Article 2(e) of the EU Prospectus Regulation and (a) the New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights acquired by it have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, or in circumstances in which the prior consent of the Joint Global Coordinators (on behalf of the Underwriters) have been obtained to each such proposed offer or resale; or (b) where New Ordinary Shares, or Nil Paid Rights or Fully Paid Rights have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those New Ordinary Shares, Nil Paid Rights or Fully Paid Rights to it is not treated under the EU Prospectus Regulation as having been made to such persons. The Company and the Underwriters and each of their respective affiliates and others will rely upon the truth and accuracy of the foregoing representation, acknowledgements and agreement.

7.3 ***Australia***

This Prospectus is not a prospectus, product disclosure statement or any other form of "disclosure document" for the purposes of the Australian Corporations Act 2001 (Cth) (**Corporations Act**) and is not required to, and does not contain all the information which would be required in a disclosure document under the Corporations Act. This Prospectus and the Rights Issue is only made available in Australia to existing shareholders in the Company under ASIC Corporations (Foreign Rights Issues) Instrument 2015/356 or otherwise persons who are "sophisticated investors" or "professional investors" as respectively defined in section 708(8) and section 708(11) of the Corporations Act.

The persons referred to in this document may not hold Australian financial services licences and may not be licensed to provide financial product advice in relation to the New Ordinary Shares. No "cooling-off" regime will apply to an acquisition of New Ordinary Shares. This means that, in most circumstances, an application cannot be withdrawn once accepted.

This document does not take into account the investment objectives, financial situation or needs of any particular person. Accordingly, before making any investment decision in relation to this document, you should assess whether the acquisition of New Ordinary Shares is appropriate in light of your own financial circumstances or seek professional advice.

7.4 ***Switzerland***

This Prospectus does not constitute a prospectus pursuant to the Financial Services Act (**FinSA**) and no such prospectus has been or will be prepared for or in connection with the offering of the New Ordinary Shares, the Nil Paid Rights and the Fully Paid Rights in Switzerland.

An offer to the public of the New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights may be made in Switzerland under the following exemptions:

(a) to any investor which is a "professional client" within the meaning of FinSA (Art. 36 para. 1 lit. a FinSA);

(b) to fewer than 500 investors (Art. 36 para. 1 lit. b FinSA); or

(c) in any other circumstances falling within Art. 36 para. 1 FinSA,

provided that no such offer of the New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights shall result in a requirement for the Company or any of the Underwriters to publish a prospectus pursuant to Art. 35 para. 1 FinSA.

For the purposes of this provision, the expression an **offer to the public** in relation to any New Ordinary Shares, Nil Paid Rights or Fully Paid Rights in Switzerland shall have the meaning given to it in Art. 3 lit. h FinSA and Art. 3 para. 7 of the Financial Services Ordinance.

7.5 ***Canada***

The Nil Paid Rights, the Fully Paid Rights, the New Ordinary Shares and the Provisional Allotment Letters will not

be qualified for distribution by prospectus under the securities laws of any province or territory of Canada. None of the Nil Paid Rights, the Fully Paid Rights, the New Ordinary Shares or the Provisional Allotment Letters may be offered, sold or distributed, directly or indirectly, in Canada or to persons located or resident in Canada, other than in compliance with procedures and documentation approved by the Company for establishing a valid prospectus exemption and permitting participation.

Any Qualifying Shareholder of the Company that is located or resident in Canada and wishes to participate in the Rights Issue must first obtain and review a copy of this document and a Canadian-specific supplement attached at the front (the **Canadian Wrapper**, together, the **Canadian Offering Memorandum**), and which includes a copy of a representation letter for use by Canadian Qualifying Shareholders who wish to receive Nil Paid Rights (the **Canadian Investor Representation Letter**). Copies of the Canadian Offering Memorandum and Canadian Investor Representation Letter are available on request from the Company. Qualifying Non-CREST Shareholders in Canada will not be sent Provisional Allotment Letters and Qualifying CREST Shareholders in Canada will not have their CREST stock accounts credited with Nil Paid Rights until they have received the Canadian Wrapper.

The Underwriters may arrange for the offer of the New Ordinary Shares not taken up in the Rights Issue in Canada in the Provinces of Alberta, British Columbia, Manitoba, Ontario and Quebec, but only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and which also qualify as permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Investors in Canada who purchase New Ordinary Shares in such offer are not required to complete or return the Canadian Investor Representation Letter included in the Canadian Wrapper, which is solely for use by Qualifying Shareholders in Canada who wish to receive Nil Paid Rights from the Company in the Rights Issue. Any resale of the New Ordinary Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable Canadian securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the Canadian Offering Memorandum (which includes this document), or any amendment thereto, contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal adviser.

Pursuant to section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* (**NI 33-105**), the Underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

7.6 *United States*

Subject to certain exceptions, this document and the Provisional Allotment Letters are intended for use only in connection with offers and sales of New Ordinary Shares outside the United States and are not to be sent or given to any person with a registered address, or who is resident or located in, the United States. Subject to certain exceptions, neither this document nor the Provisional Allotment Letters constitute or will constitute an offer, or an invitation to apply for, or an offer or invitation to acquire, any New Ordinary Shares, Nil Paid Rights or Fully Paid Rights in the United States. Except in the limited circumstances described below, the Provisional Allotment Letters have not been and will not be, sent to, and the Nil Paid Rights have not been, and will not be, credited to the CREST account of, any Qualifying Shareholder with a registered address in the United States.

The Nil Paid Rights, the Fully Paid Rights, the New Ordinary Shares and the Provisional Allotment Letters have not been and will not be registered under the U.S. Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, pledged, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, into or within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The New Ordinary Shares, the Nil Paid Rights, the Fully Paid Rights and the Provisional Allotment Letters have not been approved, disapproved or recommended by the SEC, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities reviewed, passed upon or endorsed the merits of the offering of the New Ordinary Shares, the Nil Paid Rights, the Fully Paid Rights and the Provisional Allotment Letters or confirmed the accuracy or completeness or determined the adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Prospective investors are hereby notified that sellers of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares may be relying on the exemption from registration provisions under Section 5 of the U.S. Securities Act provided by Rule 144A thereunder.

Accordingly, the Company is not extending the offer under the Rights Issue into the United States unless an exemption from the registration requirements of the U.S. Securities Act is available and, subject to certain very limited exceptions, none of this document and the Provisional Allotment Letter constitutes, or will constitute, or forms any offer or an invitation to apply for or an offer or an invitation to acquire or subscribe for any Nil Paid Rights, Fully Paid Rights or New Ordinary Shares in the United States. Subject to certain very limited exceptions, neither this document nor a Provisional Allotment Letter will be sent to any Shareholder with a registered address in the United States. Subject to certain very limited exceptions, Provisional Allotment Letters or renunciations thereof sent from or post-marked in the United States will be deemed to be invalid and all persons subscribing for New Ordinary Shares and wishing to hold such New Ordinary Shares in registered form must provide an address for registration of the New Ordinary Shares issued upon exercise thereof outside the United States.

Notwithstanding the foregoing, the Nil Paid Rights may be offered and delivered to, and the Fully Paid Rights and the New Ordinary Shares may be offered to and acquired by, a limited number of Qualifying Shareholders in the United States whom the Company determines, in its sole discretion, are able, based on such procedures and certifications as it deems appropriate, to participate in the Rights Issue pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act (each a **Permitted U.S. Shareholder**). Any person in the United States who obtains a copy of this document or a Provisional Allotment Letter and who is not a Permitted U.S. Shareholder is required to disregard it.

Permitted U.S. Shareholders that satisfy the Company as to their status may exercise the Nil Paid Rights and the Fully Paid Rights by delivering a properly completed Provisional Allotment Letter to the Receiving Agent in accordance with the procedures set out in this document. Permitted U.S. Shareholders must also complete, execute and return to the Company and the Underwriters a U.S. Investor Representation Letter as described in paragraph 8.4 of this Part IX, and may be required to make certain certifications in the Provisional Allotment Letter for the Nil Paid Rights and the Fully Paid Rights. Overseas Shareholders who hold Ordinary Shares through a bank, a broker or other financial intermediary should procure that the relevant bank, broker or financial intermediary submits a U.S. Investor Representation Letter on their behalf. The Company has the discretion to refuse to accept any Provisional Allotment Letter that is incomplete, unexecuted or not accompanied by an executed U.S. Investor Representation Letter or any other required additional documentation.

Potential purchasers of the New Ordinary Shares in the United States are advised to consult legal counsel prior to making any offer for, resale, pledge or other transfer of such New Ordinary Shares. Until 40 days after the commencement of the Rights Issue, an offer, sale or transfer of the New Ordinary Shares, Nil Paid Rights or Fully Paid Rights within the United States by a dealer (whether or not participating in the Rights Issue) may violate the registration requirements of the U.S. Securities Act. No representation has been, or will be, made by the Company, the Underwriters or any of their respective affiliates as to the availability of Rule 144 under the U.S. Securities Act or any other exemption under the U.S. Securities Act or any state securities laws for the re-offer, resale, pledge or transfer of the New Ordinary Shares.

For the purposes of the Rights Issue, the Company and the Underwriters will be relying on an exemption from the registration requirements under the U.S. Securities Act for an offer and sale that do not involve a public offering in the United States. The Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares may not be deposited, or caused to be deposited, in any unrestricted depositary receipt facility in the United States. The Company is not subject to the periodic reporting requirements of the Exchange Act.

The Company and the Underwriters reserve the right to treat as invalid any Provisional Allotment Letter (or renunciation thereof) that appears to the Company and the Underwriters or their respective agents to have been executed in or dispatched from the United States, or that provides an address in the United States for the acceptance or renunciation of the Rights Issue, or which does not make the warranty set out in the Provisional Allotment Letter to the effect that the person accepting and/or renouncing the Provisional Allotment Letter does not have a registered address and is not otherwise located in the United States and is not acquiring or subscribing for the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights, Fully Paid Rights or New Ordinary Shares in the United States or where the Directors believe acceptance of such Provisional Allotment Letter may infringe applicable legal or regulatory requirements. The Company will not be bound to allot (on a non-provisional basis) or issue any Nil Paid Rights, Fully Paid Rights or New Ordinary Shares to any person with an address in, or who is otherwise located in, the United States in whose favour a Provisional Allotment Letter or any Nil Paid Rights, Fully Paid Rights or New Ordinary Shares may be transferred or renounced. In addition, the Company and the Underwriters reserve the right to reject any MTM Instruction sent by or on behalf of any CREST Member with a registered address in the United States in respect of the Nil Paid Rights.

The provisions of paragraph 6.1 of this Part IX will apply to any rights not taken up. Accordingly, subject to certain exceptions, Shareholders with a registered address in the United States will be treated as non-exercising holders and the Underwriters will endeavour to procure, on behalf of such non-exercising holders, subscribers for the New

Ordinary Shares.

7.7 ***Other Excluded Territories***

Due to restrictions under the securities laws of the other Excluded Territories (that is, those Excluded Territories other than the United States and Canada), and subject to certain exceptions, no Provisional Allotment Letters will be sent to, and no Nil Paid Rights or Fully Paid Rights will be credited to, a stock account in CREST of, persons with registered addresses, or who are resident or located, in the other Excluded Territories and the Nil Paid Rights to which they are entitled will be sold if possible in accordance with the provisions of paragraph 6.1 of this Part IX. Subject to certain exceptions, the Provisional Allotment Letters, the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares may not be transferred or sold to, or renounced or delivered in, the other Excluded Territories. No offer of New Ordinary Shares is being made by virtue of this document or the Provisional Allotment Letters into the other Excluded Territories.

7.8 ***Other overseas territories***

Qualifying Shareholders in jurisdictions other than the United States, Canada or the other Excluded Territories may, subject to the laws of their relevant jurisdiction, take up the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares under the Rights Issue in accordance with the instructions set out in this document and, if relevant, the Provisional Allotment Letter. Each person to whom the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letter or the New Ordinary Shares are distributed, offered or sold outside the United States will be deemed by its subscription for, or purchase of, the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares to have represented and agreed to the representations and warranties set out in this Part IX.

Qualifying Shareholders who have registered addresses in or who are resident or located in, or who are citizens of, all countries other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their rights.

8. **Representations and Warranties Relating to Overseas Shareholders**

8.1 ***Qualifying Non-CREST Shareholders***

Any person accepting and/or renouncing a Provisional Allotment Letter or requesting registration of the New Ordinary Shares comprised therein represents and warrants to the Company and the Underwriters that, except where proof has been provided to the Company's satisfaction that such person's use of the Provisional Allotment Letter will not result in the contravention of any applicable legal or regulatory requirement in any jurisdiction:

(a) such person is not located in the United States and is not accepting and/or renouncing the Provisional Allotment Letter, or requesting registration of the relevant New Ordinary Shares from within the United States;

(b) such person is not in any of the other Excluded Territories or in any territory in which it is not otherwise unlawful to make or accept an offer to subscribe for New Ordinary Shares or to use the Provisional Allotment Letter in any manner in which such person has used or will use it;

(c) such person is not acting on a non-discretionary basis on behalf of, or for the account or benefit of, a person located within the Excluded Territories, and in particular such person is not accepting for the account or benefit of any person who is located in the United States unless, (i) the instruction to accept was received from a person outside the United States, and (ii) the person giving such instruction has confirmed that: (A) it has the authority to give such instruction, and (B) either (I) has investment discretion over such account or (II) is an investment company that is subscribing for the New Ordinary Shares in an "offshore transaction" within the meaning of Regulation S; and

(d) such person is not subscribing for New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares into the United States or any other Excluded Territory or any other territory referred to in paragraph (b) above.

The Company, in consultation with the Underwriters, may treat as invalid any acceptance or purported acceptance of the allotment of New Ordinary Shares comprised in, or renunciation or purported renunciation of, a Provisional Allotment Letter if it: (1) appears to the Company and the Underwriters to have been executed in, or dispatched from, the United States or any of the other Excluded Territories or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if it or its agents believe the same may violate any applicable legal or regulatory requirement, (2) provides an address in the United States or any of the other Excluded Territories for delivery of definitive share certificates for New Ordinary Shares or any jurisdiction outside the United Kingdom in which it would be unlawful to deliver such certificates, or (3) purports to exclude the warranty required by this paragraph 8.1 of this Part IX.

8.2 ***Qualifying CREST Shareholders***

A Qualifying CREST Shareholder who makes a valid acceptance in accordance with the procedures set out in this Part IX represents and warrants to the Company and the Underwriters that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction:

(a) such person is not accepting and/or renouncing the Provisional Allotment Letter, or requesting registration of the relevant New Ordinary Shares, from within the United States, or otherwise located in the United States;

(b) such person is not in any of the other Excluded Territories or in any territory in which it is otherwise unlawful to make or accept an offer to acquire or subscribe for Nil Paid Rights, Fully Paid Rights or New Ordinary Shares;

(c) such person is not accepting on a non-discretionary basis on behalf of, or for the account or benefit of, a person located within the United States, or any of the other Excluded Territories, or any of the other territories referred to in paragraph (b) above at the time the instruction to accept was given, and such person is not accepting for the account or benefit of any person who is located within the United States, unless: (i) the instruction to accept was received from someone outside the United States; and (ii) the person giving such instruction has confirmed that: (A) it has the authority to give such instruction, and (B) either (I) has investment discretion over such account or (II) is an investment manager or investment company that is subscribing for the New Ordinary Shares in an "offshore transaction" within the meaning of Regulation S; and

(d) such person is not acquiring Nil Paid Rights, Fully Paid Rights or subscribing for New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights, Fully Paid Rights or New Ordinary Shares into the United States or any other Excluded Territory or any other territory referred to in paragraph (b) above.

The Company, in consultation with the Underwriters, may treat as invalid any MTM Instruction which appears to the Company to have been dispatched from the United States, any of the other Excluded Territories or in any territory in which it is otherwise unlawful to make or accept an offer to acquire the Nil Paid Rights, Fully Paid Rights or subscribe for New Ordinary Shares, or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if it or its agent believes the same may violate any applicable legal or regulatory requirement or purports to exclude the warranty required by this paragraph 8 of this Part IX.

8.3 ***Further representations applicable to Qualifying Shareholders outside the United States***

Each person or purchaser to whom the Nil Paid Rights, the Fully Paid Rights or the Provisional Allotment Letter are distributed, offered or sold, directly or through its direct or indirect nominee, will also be deemed by its subscription for, or purchase of, the New Ordinary Shares to represent, warrant and agree that:

(a) it is, and the person, if any, for whose account or benefit it is acting is, outside the United States (within the meaning of Regulation S) at the time (1) it, or its direct or indirect nominee, receives the Nil Paid Rights, Fully Paid Rights, Provisional Allotment Letters or New Ordinary Shares, (2) it, or its direct or indirect nominee, makes its subscription, or (3) in the case of a purchaser, the buy order for such securities is originated outside the United States;

(b) it understands that the Nil Paid Rights, Fully Paid Rights, Provisional Allotment Letters or New Ordinary Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and are subject to significant restrictions on transfer;

(c) if in the future it decides to offer, sell, transfer, assign or otherwise dispose of the Nil Paid Rights, Fully Paid Rights, Provisional Allotment Letters or New Ordinary Shares, it will do so only in compliance with an exemption from the registration requirements of the U.S. Securities Act;

(d) it has carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the Nil Paid Rights, Fully Paid Rights, Provisional Allotment Letters or New Ordinary Shares to any persons within the United States, nor will it do any of the foregoing;

(e) it understands that the Company and the Underwriters and their affiliates, and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and will not recognise any offer, sale, pledge or other transfer of the securities made other than in compliance with the above stated

restrictions; and

(f) if any of the representations or agreements made by it are no longer accurate or have not been complied with, it will immediately notify the Company and the Underwriters, and, if it is acquiring any Nil Paid Rights, Fully Paid Rights, Provisional Allotment Letters or New Ordinary Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and it has full power to make such foregoing representations and agreements on behalf of each such account.

8.4 ***Further representations applicable to Qualifying Shareholders in the United States***

Subject to certain very limited exceptions, each Permitted U.S. Shareholder that exercises its rights in respect of any Nil Paid Rights or Fully Paid Rights or otherwise acquires any New Ordinary Shares in the Rights Issue acknowledges, represents to and agrees with the Company and the Underwriters, that it has received a copy of this document and such other information as it deems necessary to make an investment decision and that:

(a) it is (1) a QIB as defined in Rule 144A; (2) acquiring the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares for its own account or for the account, with respect to which it has full investment discretion, of one or more QIBs with respect to whom it has the full power and authority to make, and does make, the representations and warranties set forth herein; (3) acquiring the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares for investment purposes, and not with a view to any resale or further distribution of such Nil Paid Rights, Fully Paid Rights or New Ordinary Shares within the meaning of the U.S. federal securities laws in any manner that would violate the U.S. Securities Act or any other applicable laws; and (4) aware, and each beneficial owner of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares has been advised, that the offer and sale of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares to it or to such beneficial owner is being made in reliance on Rule 144A or in reliance on another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

(b) it understands that the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares are being offered and sold in the United States only in a transaction not involving any public offering within the meaning of the U.S. Securities Act and understands that no action has been taken in any jurisdiction (including the United States) by the Company or the Underwriters that would result in a public offering of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares or the possession, circulation or distribution of this document or any other material relating to the Company or the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares in any jurisdiction where action for such purpose is required and that the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, exercised, pledged or otherwise transferred, directly or indirectly, except (1) to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account or benefit of a QIB in a transaction meeting the requirements of Rule 144A, or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act; (2) outside the United States in an "offshore transaction" in accordance with Rule 903 or Rule 904 of Regulation S; (3) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder (if available); or (4) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States. It further (i) understands that the New Ordinary Shares may not be deposited into any unrestricted depositary receipt facility in respect of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares established or maintained by a depositary bank; (ii) acknowledges that no representation is made as to the availability of the exemption provided by Rule 144 for resales of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares; and (iii) understands that the Company may not recognise any offer, sale, resale, pledge or other transfer of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares made other than in compliance with the above-stated restrictions;

(c) it acknowledges that the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares (whether in physical certificated form or in uncertificated form held in CREST) are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and understands that so long as New Ordinary Shares are "restricted securities", no such New Ordinary Shares may be deposited into any unrestricted depositary receipt facility established or maintained by a depository bank other than a restricted depository receipt facility, and that such New Ordinary Shares will not settle or trade through the facilities of The Depository Trust Company or any other U.S. exchange or clearing system;

(d) it acknowledges that it has (1) conducted its own investigation and appraisal with respect to the New Ordinary Shares and the Company and (2) received and reviewed all information, including a copy of

this document, that it believes is necessary or appropriate in connection with its investment decision to purchase the New Ordinary Shares as contemplated hereby on the basis of its own independent investigation and appraisal of the business, financial condition, prospects, creditworthiness, status and affairs of the Company, the Nil Paid Rights, Fully Paid Rights and the New Ordinary Shares. It has made its own assessment concerning the relevant tax, legal and other economic considerations relevant to an investment in the Nil Paid Rights, Fully Paid Rights or the New Ordinary Shares. It has carefully read and reviewed a copy of this document. It acknowledges that neither the Company, the Underwriters nor any person representing the Company or the Underwriters has made any representation to it with respect to the Company or the offering or sale or exercise of any Nil Paid Rights, Fully Paid Rights or New Ordinary Shares other than (in the case of the Company and its affiliates only) as set forth in the Prospectus, upon which it will rely solely in making its investment decision with respect to the Nil Paid Rights, Fully Paid Rights and such New Ordinary Shares. It has had access to and is relying exclusively on, such financial and other information (including the business, financial condition, prospects, creditworthiness, status and affairs of the Company) concerning the Company and the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares including, without limitation, the information noted above, as it has deemed necessary in connection with its own investment decision to exercise its Nil Paid Rights and/or take up the Fully Paid Rights or the New Ordinary Shares. It acknowledges that its investment decision is based upon its own judgment, due diligence and analysis and not upon any view expressed or information provided by or on behalf of the Underwriters or their respective affiliates. It acknowledges that it has not relied on any information contained in any research reports prepared by the Underwriters or any of their respective affiliates;

(e) it understands that the Company may be a passive foreign investment company for U.S. federal income tax purposes, and the Company could be a PFIC in future years. It understands that if the Company is a PFIC, U.S. taxable investors may be subject to adverse U.S. tax consequences in respect of their investment in the Securities, and it has taken independent tax advice in this regard, to the extent deemed relevant by it, to assess the relevance of the PFIC status of the Company to its investment in the Securities;

(f) it acknowledges that the Company is not a reporting company under the Exchange Act;

(g) it understands that the document has been prepared in accordance with UK format and style, which differs from U.S. format and style. In particular, but without limitation, the financial information contained in the Prospectus relating to the Rights Issue has been prepared in accordance with IFRS, and thus are not directly comparable to financial statements of U.S. companies prepared in accordance with U.S. generally accepted accounting principles;

(h) it understands that there may be certain consequences under United States and other tax laws resulting from an investment in the Fully Paid Rights and the New Ordinary Shares and it has made such investigation and has consulted its own independent advisers or otherwise has satisfied itself concerning, without limitation, the effects of United States federal, state and local income tax laws and foreign tax laws, generally, and the U.S. Securities Act, specifically;

(i) it has held and will hold this document and any Provisional Allotment Letter that it has received or will receive in confidence, and it understands that the Prospectus and any Provisional Allotment Letter are solely for its use and that it has not duplicated, distributed, forwarded, transferred or otherwise transmitted such documents or any other presentational or other materials concerning the Rights Issue (including electronic copies thereof) to any persons within the United States, and it acknowledges and agrees that such materials shall not be duplicated, distributed, forwarded, transferred or otherwise transmitted by it within the United States;

(j) it, and each other QIB, if any, for whose account or benefit it may subscribe for or acquire Nil Paid Rights, Fully Paid Rights or New Ordinary Shares, in the normal course of business, invests in or purchases securities similar to the Nil Paid Rights, Fully Paid Rights and the New Ordinary Shares, has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of purchasing or subscribing for any of the Nil Paid Rights, Fully Paid Rights and such New Ordinary Shares, fully understands the limitations on ownership and transfer and restriction on sales of the Nil Paid Rights, Fully Paid Rights and such New Ordinary Shares and is aware that it must bear the economic risk of an investment in its Nil Paid Rights, Fully Paid Rights or New Ordinary Shares for an indefinite period of time and is able to afford the complete loss of such investment and bear such risk for an indefinite period;

(k) it acknowledges and agrees that it is not taking up or acquiring Nil Paid Rights, Fully Paid Rights or New Ordinary Shares as a result of any "general solicitation" or "general advertising" (as those terms are defined in Regulation D under the U.S. Securities Act), including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over the radio or

television, or as a result of any seminar or meeting whose attendees have been invited by general solicitation or general advertising, or "directed selling efforts" (as such term is defined in Regulation S under the U.S. Securities Act) and that its acquisition of Nil Paid Rights, Fully Paid Rights or New Ordinary Shares is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act;

(l) it understands and agrees that any Provisional Allotment Letter it has received or will receive in respect of the Rights Issue shall bear a legend substantially in the form below:

THE NIL PAID RIGHTS, THE FULLY PAID RIGHTS AND THE NEW ORDINARY SHARES OF THE COMPANY TO WHICH THIS PROVISIONAL ALLOTMENT LETTER RELATES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE NIL PAID RIGHTS, THE FULLY PAID RIGHTS AND THE NEW ORDINARY SHARES MAY NOT, SUBJECT TO CERTAIN EXCEPTIONS, BE OFFERED, SOLD, TAKEN UP, EXERCISED, RESOLD, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, INTO OR WITHIN THE UNITED STATES OR ITS TERRITORIES OR POSSESSIONS.

(m) it understands that the New Ordinary Shares (to the extent they are in certificated form), unless otherwise determined by the Company in accordance with applicable law, will bear a legend substantially to the following effect:

THE SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE **U.S. SECURITIES ACT**), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, RESOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF EXCEPT (A) TO THE COMPANY; (B) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT; (C) TO A "QUALIFIED INSTITUTIONAL BUYER" (**QIB**) AS DEFINED IN AND IN COMPLIANCE WITH RULE 144A; OR (D) PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER OR ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. BY ITS ACCEPTANCE OF THESE SECURITIES THE PURCHASER REPRESENTS THAT IT IS A QIB AND THAT IT IS EITHER PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OR BENEFIT OF OTHER PURCHASERS WHO ARE QIBs AND AGREES THAT THE SECURITIES ARE NOT BEING ACQUIRED WITH A VIEW TO RESALE OR DISTRIBUTION. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT FOR RESALES OF THE SHARES REPRESENTED HEREBY. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE SHARES REPRESENTED HEREBY WILL BE "RESTRICTED SECURITIES" WITHIN THE MEANING OF RULE 144(A)(3) UNDER THE U.S. SECURITIES ACT AND FOR SO LONG AS SUCH SHARES ARE "RESTRICTED SECURITIES" (AS SO DEFINED) THE SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY MAINTAINED BY A DEPOSITARY BANK. EACH HOLDER, BY ITS ACCEPTANCE OF THESE SHARES, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS.

(n) it understands and acknowledges that the Company shall have no obligation to recognise any offer, sale, pledge or other transfer made other than in compliance with the restrictions on transfer set forth and described herein, and that the Company may make notation on its records or give instructions to the Company's registrar and any transfer agent of the Nil Paid Rights, Fully Paid Rights or New Ordinary Shares in order to implement such restrictions;

(o) it is aware and understands that an investment in the Fully Paid Rights and New Ordinary Shares involves a considerable degree of risk and that no agency of the United States or any state thereof has made any finding or determination as to the fairness of the terms of, or any recommendation or endorsement in respect of, the New Ordinary Shares;

(p) it represents that if, in the future, it offers, resells, pledges or otherwise transfers the Nil Paid Rights, Fully Paid Rights or New Ordinary Shares, it shall notify such subsequent transferee of the transfer restrictions set out herein;

(q) it understands and acknowledges that the Underwriters are assisting the Company in respect of the Rights Issue and that the Underwriters are acting solely for the Company and no one else in connection with the Rights Issue and, in particular, are not providing any service to it, making any recommendations to it, advising it regarding the suitability of any transactions it may enter into to subscribe for or purchase any Fully Paid Rights or New Ordinary Shares nor providing advice to it in relation to the Company, the Rights Issue or the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares, and it has not relied and will not rely on the Underwriters nor any of their respective affiliates in connection with its analysis or decision to participate in the Rights Issue or any investigation that the Underwriters may have conducted with respect to the Company or the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares. Further, it waives any and all claims, actions, liabilities, damages or demands it may have against the Underwriters in respect of their engagement with the Company;

(r) it is not an affiliate (as defined in rule 501(b) under the U.S. Securities Act) of the Company, and is not acting on behalf of an affiliate of the Company;

(s) it understands that the terms and provisions of these representations and agreements shall inure to the benefit of and shall be enforceable by the Company, the Underwriters, and their respective successors and permitted assigns, and the terms and provisions hereof shall constitute its legal, valid and binding obligations and the legal, valid and binding obligations on its permitted successors in title, permitted assigns and permitted transferees and of any other person for whose account it is acting. It confirms that to the extent it is acquiring or purchasing the Nil Paid Rights, Fully Paid Rights or New Ordinary Shares for the account or benefit of one or more other persons, it has been duly authorised to sign a U.S. Investor Representation Letter on their behalf and any other person for whose account or benefit they are acting;

(t) it and any person acting on its behalf have all necessary consents and authorities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto;

(u) it understands that the foregoing acknowledgements, representations, warranties, agreements and confirmations are required in connection with United States securities laws and that the Company, its affiliates and agents, the Underwriters and their respective affiliates are relying on the acknowledgements, representations, warranties, agreements and confirmations contained herein in order to comply with the U.S. Securities Act and U.S. state securities laws, and that the Company, its affiliates and agents, the Underwriters and their respective affiliates, and others are entitled to rely upon the truth and accuracy of the acknowledgements, representations, warranties, agreements and confirmations contained herein. It agrees that if any of the acknowledgements, representations, warranties, agreements and confirmations made herein are at any time no longer accurate, it will promptly notify the Company and the Underwriters in writing if any of the foregoing statements ceases to be true, and in any event prior to any attempted purchase of or subscription for, as applicable, the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares, and in any event at any time prior to 11 June 2024. If it receives any New Ordinary Shares and has failed to return an executed copy of the U.S. Investor Representation Letter to the Company, it will be deemed to have made for the benefit of the Underwriters, the Company and their respective affiliates all of the acknowledgements, representations, warranties, agreements and confirmations contained therein. It irrevocably authorises the Company, its affiliates, the Underwriters and their respective affiliates to produce these representations and agreements or a copy thereof to any interested party in any administrative or legal proceeding, dispute or official enquiry with respect to the matters set forth herein. All representations, warranties, agreements and acknowledgements it has made or will make in any Investor Representation Letter shall survive the execution and delivery thereof;

(v) it understands that the U.S. Investor Representation Letter is not a confirmation of a sale of New Ordinary Shares or the terms thereof, and that any such confirmation will be sent to it separately; and

(w) it acknowledges and agrees that its purchase will be made pursuant to a U.S. Investor Representation Letter and the terms and conditions of the Rights Issue which is governed by English law as described in this document.

The Company, the Underwriters and their affiliates will rely on the truth and accuracy of the foregoing acknowledgements, representations, warranties, agreements and confirmations.

9. **Waiver**

The provisions of paragraphs 7 and 8 of this Part IX and of any other terms of the Rights Issue relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholder(s) or on a general basis by the Company and the Joint Global Coordinators (on behalf of the Underwriters) in their absolute discretion. Subject to this, the provisions of paragraphs 7 and 8 of this Part IX supersede any terms of the Rights Issue inconsistent herewith. References in paragraphs 7 and 8 of this Part IX to Qualifying Shareholders shall include references to the person or

persons executing a Provisional Allotment Letter and, in the event of more than one person executing a Provisional Allotment Letter, the provisions of paragraph 8.3 of this Part IX shall apply to them jointly and to each of them.

10. Taxation

Information on taxation in the United Kingdom and the United States in relation to the Rights Issue is set out in paragraphs 10 and 11 (respectively) of Part XX: "*Additional Information*" of this document. The information contained in paragraph 10 of Part XX: "*Additional Information*" of this document is intended only as a general guide to the current tax position in the United Kingdom and the information contained in paragraph 11 of Part XX: "*Additional Information*" of this document is intended only as a general guide to the current tax position in the United States. Qualifying Shareholders in the United Kingdom and the United States should consult their own tax advisers regarding the tax treatment of the Rights Issue in light of their own circumstances. Shareholders who are in any doubt as to their tax position or who are subject to tax in any other jurisdiction should consult an appropriate professional adviser immediately.

Qualifying Shareholders should note that the tax legislation of their jurisdiction of tax residence may, for example, have an impact on the tax treatment of any dividends which they receive in respect of New Ordinary Shares.

11. Times and Dates

The Company shall, after consultation with its financial and legal advisers, be entitled to amend the dates on which Provisional Allotment Letters are dispatched or dealings in Nil Paid Rights commence and amend or extend the latest date for acceptance under the Rights Issue and all related dates set out in this document and in such circumstances shall notify the Financial Conduct Authority and the London Stock Exchange and make an announcement issued via a Regulatory Information Service. Qualifying Shareholders may not receive any further written communication.

If a supplementary document is issued by the Company two days or fewer before the date specified in this document as the latest date for acceptance under the Rights Issue (or such later date as may be agreed between the Company and the Joint Global Coordinators (on behalf of the Underwriters)), the latest date of acceptance under the Rights Issue shall be extended to the date which is three Dealing Days after the date of issue of the supplementary document (and the dates and times of principal events due to take place following such date shall be extended accordingly).

12. Employee Share Plans

The number of Ordinary Shares subject to awards or options outstanding under the Share Plans and the exercise price (if any) may be adjusted, in accordance with the rules of the relevant Share Plan, to take account of the issue of the New Ordinary Shares pursuant to the Rights Issue. Holders of awards or options under the Share Plans will be contacted separately and in due course with further information on how their options and awards may be affected by the Rights Issue.

13. Governing Law and Jurisdiction

The terms and conditions of the Rights Issue as set out in this document and the Provisional Allotment Letter, and any non-contractual obligations related thereto, shall be governed by, and construed in accordance with, the laws of England and Wales. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Rights Issue, this document or the Provisional Allotment Letter, including (without limitation) disputes relating to any non-contractual obligations arising out of or in connection with the Rights Issue, this document or the Provisional Allotment Letter. By accepting rights under the Rights Issue in accordance with the instructions set out in this document and, where applicable, the Provisional Allotment Letter, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

Part X. Questions and Answers about the Rights Issue

The questions and answers set out in this Part X are intended to be in general terms only and, as such, you should read Part IX: "Terms and Conditions of the Rights Issue" of this document for full details of what action you should take. If you are in any doubt as to what action you should take, you are recommended to immediately seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser, duly authorised under FSMA if you are resident in the United Kingdom, or if not, from another appropriately authorised independent financial adviser.

This Part X deals with general questions relating to the Rights Issue and more specific questions relating to Existing Ordinary Shares held by persons resident in the United Kingdom who hold their Existing Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 7 of Part IX: "Terms and Conditions of the Rights Issue" of this document and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your rights. If you hold your Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part IX: "Terms and Conditions of the Rights Issue" of this document for full details of what action you should take. If you are a CREST Sponsored Member, you should also consult your CREST Sponsor.

If you do not know whether you hold Existing Ordinary Shares in certificated form or in uncertificated form (that is, through CREST), please call the Shareholder Helpline on +44 (0) 333 207 6534. 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. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Equiniti cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

1. General

1.1 *What is a rights issue?*

A rights issue is one way for companies to raise money by giving their existing shareholders a right to buy further shares for cash in proportion to their existing shareholdings.

This Rights Issue comprises an offer by the Company of 152,320,747 New Ordinary Shares at a price of 230 pence per New Ordinary Share. If you hold Existing Ordinary Shares on the Record Date, you will be a Qualifying Shareholder. Qualifying Shareholders (other than, subject to certain exceptions, those who have a registered address, or are resident in, the Excluded Territories) will be entitled to buy New Ordinary Shares under the Rights Issue. If you hold Existing Ordinary Shares in certificated form, your entitlement will be set out in your Provisional Allotment Letter.

The Rights Issue Price of 230 pence per New Ordinary Share represents a 44.5% discount to the Closing Price as derived from the Official List of 414.6 pence per Ordinary Share on 22 May 2024 (the last Business Day prior to the announcement of the Rights Issue), adjusted for the recommended final dividend for the year ended 31 March 2024, which will not be paid on the New Ordinary Shares, and an approximately 33.4% discount to the theoretical ex rights price based on the Closing Price (also adjusted for the payment of the recommended final dividend). Because of this discount and while the market value of the Existing Ordinary Shares exceeds the Rights Issue Price, the right to buy the New Ordinary Shares is potentially valuable. The New Ordinary Shares, when fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares, respectively.

The Rights Issue is on the basis of 3 New Ordinary Shares for every 5 Existing Ordinary Shares held by Qualifying Shareholders on the Record Date.

If you are a Qualifying Shareholder other than, subject to certain exceptions, a Shareholder with a registered address, or resident, in any of the Excluded Territories, and you do not want to buy the New Ordinary Shares to which you are entitled, you can instead sell or transfer your rights (called Nil Paid Rights) to those New Ordinary Shares and receive the net proceeds, if any, of the sale or transfer in cash. This is referred to as dealing "nil paid."

1.2 *What happens next?*

The Provisional Allotment Letters are due to be dispatched on or about 24 May 2024 to Qualifying Non-CREST Shareholders and the Nil Paid Rights are due to be credited to the CREST stock accounts of Qualifying CREST Shareholders as soon as practicable after 8.00 a.m. on 28 May 2024.

2. Ordinary Shares in Certificated Form

2.1 *How do I know if I am eligible to participate in the Rights Issue?*

If you are a holder of Ordinary Shares and receive a Provisional Allotment Letter and do not, subject to certain exceptions, have a registered address in the Excluded Territories, then you should be eligible to acquire New Ordinary Shares under the Rights Issue (as long as you have not sold or otherwise transferred all of your Existing Ordinary Shares before 8.00 a.m. on 28 May 2024 (the time when the Existing Ordinary Shares are expected to be marked "ex-rights" by the London Stock Exchange), in which case you will need to follow the instructions on the front page of this document).

However, if you receive a Provisional Allotment Letter and you have a registered address in, or are a citizen, resident or national of, a country other than the United Kingdom, you must satisfy yourself as to the full observance of the applicable laws of such territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. Receipt of this document or a Provisional Allotment Letter does not constitute an offer in those jurisdictions in which it would be illegal to make such an offer. Overseas Shareholders should refer to paragraph 7 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document for further details.

If you do not receive a Provisional Allotment Letter, and you do not hold your shares in CREST, this probably means you are not eligible to acquire any New Ordinary Shares. However, see the question in paragraph 2.5 of this Part X.

2.2 *What do I need to do in relation to the Rights Issue?*

If you hold your Existing Ordinary Shares in certificated form at the Record Date and, subject to certain exceptions, do not have a registered address in any of the Excluded Territories, you will be sent a Provisional Allotment Letter that shows:

(a) how many Existing Ordinary Shares you held at 6.00 p.m. on 22 May 2024 (the Record Date for the Rights Issue);

(b) how many New Ordinary Shares you are entitled to buy; and

(c) how much you need to pay if you want to take up your right to buy all the New Ordinary Shares provisionally allotted to you in full.

Subject to certain exceptions, if you have a registered address in the Excluded Territories, you will not receive a Provisional Allotment Letter.

2.3 *What are my choices?*

(a) *If you want to take up all of your rights in full*

If you want to take up all of your rights to acquire the New Ordinary Shares to which you are entitled, you can send the Provisional Allotment Letter, together with your cheque or banker's draft for the full amount payable to "Equiniti Limited Re GPE Rights Issue" and crossed 'A/C payee only' by post to the Receiving Agent, Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom, to arrive by no later than 11.00 a.m. on 11 June 2024. Within the United Kingdom only, you can use the reply-paid envelope which will be enclosed with the Provisional Allotment Letter. Full instructions are set out in Part IX: "*Terms and Conditions of the Rights Issue*" of this document and will be set out in the Provisional Allotment Letter (if applicable). Please note third-party cheques may not be accepted other than building society cheques.

If payment is made by building society cheque (not being drawn on an account of the applicant), the building society or bank must endorse on the back of the cheque or draft the applicant's name and the number of an account held in the applicant's name at the building society or bank, such endorsement being validated by a stamp and an authorised signature. The account name should be the same as that shown on the application.

You will be required to pay in full for all the rights you take up. A definitive share certificate will then be sent to you for the New Ordinary Shares that you take up. Your definitive share certificate for New Ordinary Shares is expected to be despatched to you by no later than 26 June 2024. You will need your Provisional Allotment Letter to be returned to you if you want to deal in your Nil Paid Rights. Your Provisional Allotment Letter will not be returned to you unless you tick the appropriate box on the Provisional Allotment Letter.

(b) *If you do not want to take up your rights at all*

If you do not want to take up your rights, you do not need to do anything. If you do not return your Provisional Allotment Letter subscribing for the New Ordinary Shares to which you are entitled by 11.00 a.m. on 11 June 2024,

the Company has made arrangements under which the Underwriters will try to find investors to take up your rights and the rights of others who have not taken up their rights. If the Underwriters do find investors who agree to pay a premium above the Rights Issue Price and the related expenses of procuring those investors (including any applicable brokerage and commissions and amounts in respect of irrecoverable VAT), you will be sent a cheque for your share of the amount of that premium, provided that this is £5.00 or more. Cheques are expected to be despatched by no later than 26 June 2024 and will be sent to your existing address appearing on the Company's register of members (or to the first-named holder if you hold your Existing Ordinary Shares jointly). If the Underwriters cannot find investors who agree to pay a premium over the Rights Issue Price and related expenses so that your entitlement would be £5.00 or more, you will not receive any payment and any amounts of less than £5.00 will be aggregated and retained for the benefit of the Company. Alternatively, if you do not want to take up your rights, you can sell or transfer your Nil Paid Rights (see paragraphs (d) and (e) below).

(c) *If you want to take up some but not all of your rights*

If you want to take up some, but not all, of your rights and to transfer some or all of those you do not want to take up, or you wish to transfer all of the Nil Paid Rights or (if appropriate) Fully Paid Rights, but to different persons, you should first apply to have your Provisional Allotment Letter split (unless you elect to sell all of your Nil Paid Rights or to effect a Cashless Take-up through the Special Dealing Service operated by Equiniti Financial Services Limited) by completing Form X on page 4 of the Provisional Allotment Letter, and returning it by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom (so as to be received by 3.00 p.m. on 7 June 2024), together with a covering letter stating the number of split Provisional Allotment Letters required and the number of Nil Paid Rights to be comprised in each split Provisional Allotment Letter. You should then deliver the split Provisional Allotment Letter representing the New Ordinary Shares that you wish to accept together with your cheque or banker's draft to the Receiving Agent (see paragraph (a) above) to be received by 11.00 a.m. on 11 June 2024.

Alternatively, if you only want to take up some of your rights (but not sell some or all of the rest), you should place an "X" in Option 2 on page 1 of the Provisional Allotment Letter and write in the boxes opposite the number of New Ordinary Shares you wish to acquire and the amount payable (at 230 pence per New Ordinary Share). You should then sign and date Form X on the Provisional Allotment Letter and return it with a cheque or banker's draft in pounds sterling, in accordance with the provisions set out in the Provisional Allotment Letter. In this case the Provisional Allotment Letter and cheque or banker's draft must be received by 11.00 a.m. on 11 June 2024.

Further details are being set out in Part IX: "*Terms and Conditions of the Rights Issue*" and will be set out in the Provisional Allotment Letter.

(d) *If you want to sell some of your rights*

If you want to sell some of your rights, you will first need to apply to have your Provisional Allotment Letter split (see paragraph (c) above). Please note that the ability to sell your rights is dependent on demand for such rights and that the price of Nil Paid Rights will fluctuate.

(e) *If you want to sell all of your rights*

If you want to sell all of your rights but do not wish to use the Special Dealing Service operated by Equiniti Financial Services Limited, you should complete and sign Form X on page 4 of the Provisional Allotment Letter (if it is not already marked "Original Duly Renounced") and pass the entire letter to your stockbroker, bank manager or other appropriate financial adviser or to the transferee (provided they are not in any of the Excluded Territories).

Please note that your ability to achieve a sale of your rights is dependent on the demand for such rights and that the price for the Nil Paid Rights may fluctuate. Please ensure, however, that you allow enough time so as to enable the person acquiring your rights to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 11 June 2024.

2.4 ***If you want to use the Special Dealing Service operated by Equiniti Financial Services Limited***

If you are an individual certificated shareholder (including legal representatives such as executors whose details have been registered with the Registrar) aged 18 or over (in the case of natural persons) and who are resident in the United Kingdom, Jersey, Guernsey or the Isle of Man (or any other country confirmed by Equiniti Financial Services Limited in writing), you can use the Special Dealing Service operated by Equiniti Financial Services Limited to either (i) sell all of your Nil Paid Rights or (ii) sell a sufficient number of Nil Paid Rights to raise money to take up the remainder of your rights (that is, effect a Cashless Take-up).

If you want to use the Special Dealing Service operated by Equiniti Financial Services Limited to sell all of your Nil Paid Rights, you should place an "X" in Option 3 on page 1 of your Provisional Allotment Letter, complete, sign and

date page 1 of your Provisional Allotment Letter and return it by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom so as to be received by 4.00 p.m. on 4 June 2024.

If you wish to sell sufficient Rights represented by your Provisional Allotment Letter to enable you to take up your remaining entitlements using the Special Dealing Service (i.e., effect a Cashless Take-up), you should place an "X" in Option 4 on page 1 of your Provisional Allotment Letter, complete, sign and date page 1 of your Provisional Allotment Letter and return it by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom (so as to be received by 4.00 p.m. on 4 June 2024).

Equiniti Financial Services Limited will charge a commission of 1.5% on the gross proceeds of any sale of Nil Paid Rights effected using the Special Dealing Service.

You should be aware that by returning your Provisional Allotment Letter and electing to use the Special Dealing Service, you will be deemed to be agreeing to the Special Dealing Service Terms and Conditions and make a legally binding agreement with the Registrar on those terms. The Special Dealing Service Terms and Conditions will be posted to you together with the Provisional Allotment Letter if you hold your Existing Ordinary Shares in certificated form. For the avoidance of doubt, the Company shall have no responsibility or liability to Shareholders in respect of the Special Dealing Service which is solely the responsibility of Equiniti Financial Service Limited.

Further details about the Special Dealing Service are set out in paragraph 4.3 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document.

2.5 ***What if I do not receive a Provisional Allotment Letter?***

If you do not receive a Provisional Allotment Letter but hold your Existing Ordinary Shares in certificated form, this probably means that you are not able to acquire New Ordinary Shares under the Rights Issue. However, some Qualifying Shareholders will not receive a Provisional Allotment Letter but may still be eligible to acquire New Ordinary Shares under the Rights Issue; namely:

(a) Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form at close of business on 22 May 2024 and who have converted them to certificated form;

(b) Qualifying Non-CREST Shareholders who bought Existing Ordinary Shares prior to the close of business on the Record Date but were not registered as the holders of those Existing Ordinary Shares at the close of business on 22 May 2024; and

(c) certain Overseas Shareholders.

If you do not receive a Provisional Allotment Letter but think that you should have received one, please call Equiniti on +44 (0) 333 207 6534. 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. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Equiniti cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

2.6 ***If I buy Ordinary Shares after the Record Date, will I be eligible to participate in the Rights Issue?***

If you bought Ordinary Shares after the Record Date but prior to 8.00 a.m. on 28 May 2024 (the time when the Existing Ordinary Shares are expected to start trading ex-rights on the London Stock Exchange), you may be eligible to participate in the Rights Issue.

If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement.

If you buy Ordinary Shares at or after 8.00 a.m. on 28 May 2024 (the **Ex-Rights Date**), you will not be eligible to participate in the Rights Issue in respect of those Shares.

2.7 ***I hold my Existing Ordinary Shares in certificated form. If I take up my rights, when will I receive the certificate representing my New Ordinary Shares?***

If you take up your rights under the Rights Issue, share certificates for the New Ordinary Shares are expected to be posted by no later than 26 June 2024.

2.8 ***Can I change my decision to take up my rights?***

Once you have returned your Provisional Allotment Letter, as applicable, you cannot withdraw your application or change the number of New Ordinary Shares for which you have applied, except in the very limited circumstances set out at paragraph 6 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document.

2.9 ***I hold my Existing Ordinary Shares in certificated form. What if I want to sell the New Ordinary Shares for which I have paid?***

Provided the New Ordinary Shares have been paid for and you have requested the return of the receipted Provisional Allotment Letter, you can transfer the Fully Paid Rights by completing Form X (the form of renunciation) on the receipted Provisional Allotment Letter in accordance with the instructions set out in the Provisional Allotment Letter until 11.00 a.m. on 11 June 2024. After that time, you will be able to sell your New Ordinary Shares in the normal way. The share certificate relating to your New Ordinary Shares is expected to be dispatched to you by no later than 26 June 2024. Pending dispatch of the share certificate, instruments of transfer will be certified by the Registrar against the register.

3. **Ordinary Shares in CREST**

3.1 ***How do I know if I am eligible to participate in the Rights Issue?***

If you are a Qualifying CREST Shareholder (save as mentioned below), and on the assumption that the Rights Issue proceeds as planned, your CREST stock account will be credited with your entitlement to Nil Paid Rights on 28 May 2024. The stock account to be credited will be the account under the participant ID and member account ID that apply to your Ordinary Shares on the Record Date. The Nil Paid Rights and the Fully Paid Rights are expected to be enabled as soon as practicable after 8.00 a.m. on 28 May 2024. If you are a CREST Sponsored Member, you should consult your CREST Sponsor if you wish to check that your account has been credited with your entitlement to Nil Paid Rights. The CREST stock accounts of Overseas Shareholders with a registered address in the United States, Canada or any of the other Excluded Territories will not be credited with Nil Paid Rights. Overseas Shareholders should refer to paragraph 7 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document.

3.2 ***How do I take up my rights using CREST?***

If you are a Qualifying CREST Shareholder, you should refer to paragraph 5 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document for details on how to take up and pay for your rights.

If you are a CREST Member you should ensure that an MTM Instruction has been inputted and has settled by 11.00 a.m. on 11 June 2024 in order to make a valid acceptance. If your Ordinary Shares are held by a nominee or you are a CREST Sponsored Member, you should speak directly to the agent who looks after your stock or your CREST Sponsor (as appropriate) who will be able to help you. If you have further questions, particularly of a technical nature regarding acceptance through CREST, you should call the CREST Service Desk on 0845 964 5648 (+44 845 964 5648 if you are calling from outside the United Kingdom).

3.3 ***If I buy Ordinary Shares before 8.00 a.m. on 28 May 2024 (the date that the Ordinary Shares start trading ex-rights) will I be eligible to participate in the Rights Issue?***

If you buy Ordinary Shares before 8.00 a.m. on 28 May 2024, but are not registered as the holder of those Ordinary Shares on the Record Date, you may still be eligible to participate in the Rights Issue. Euroclear will raise claims in the normal manner in respect of your purchase and your Nil Paid Rights will be credited to your stock account(s) on settlement of those claims.

You will not be entitled to Nil Paid Rights in respect of any further Ordinary Shares acquired on or after the Ex-Rights Date.

3.4 ***What should I do if I sell or transfer all or some of my Ordinary Shares before 8.00 a.m. on 28 May 2024 (the Ex-Rights Date)?***

You do not have to take any action except, where you sell or transfer all of your Ordinary Shares before the Ex-Rights Date, to send this document to the purchaser or transferee or to the stockbroker, bank or other financial adviser through whom you made the sale or transfer. A claim transaction in respect of that sale or transfer will automatically be generated by Euroclear which, on settlement, will transfer the appropriate number of Nil Paid Rights to the purchaser or transferee.

3.5 ***How many New Ordinary Shares am I entitled to acquire?***

Your stock account will be credited with Nil Paid Rights in respect of the number of New Ordinary Shares which you are entitled to acquire. You will be entitled to acquire 3 New Ordinary Shares for every 5 Existing Ordinary Shares you hold on the Record Date. You can also view the claim transactions in respect of purchases/sales effected after this date, but before the Ex-Rights Date. If you are a CREST Sponsored Member, you should consult your CREST Sponsor.

3.6 ***If I take up my rights, when will New Ordinary Shares be credited to my CREST stock account(s)?***

If you take up your rights under the Rights Issue, it is expected that New Ordinary Shares will be credited to the CREST stock account in which you hold your Fully Paid Rights on 12 June 2024.

4. **Further Procedures for Ordinary Shares Whether in Certificated Form or in CREST**

4.1 ***What if the number of New Ordinary Shares to which I am entitled is not a whole number? Am I entitled to fractions of New Ordinary Shares?***

Your entitlement to New Ordinary Shares will be calculated at the Record Date (other than in the case of those who bought Existing Ordinary Shares after the Record Date but prior to 8.00 a.m. on the Ex-Rights Date who are eligible to participate in the Rights Issue). If the result is not a whole number, you will not receive a fraction of a New Ordinary Share and your entitlement will be rounded down to the nearest whole number. The New Ordinary Shares representing the aggregated fractions that would otherwise be allotted to Qualifying Non-CREST Shareholders and Qualifying CREST Shareholders will be aggregated and, if possible, sold in the market for the benefit of the Company.

4.2 ***Will I be taxed if I take up or sell my rights or if my rights are sold on my behalf?***

Certain information about taxation in the United Kingdom and the United States is contained in Part XX: "*Additional Information*" of this document. The information contained therein is intended as a general guide for Qualifying Shareholders as to the current tax position in the United Kingdom and the United States and Qualifying Shareholders should consult their own tax advisers regarding the tax treatment of the Rights Issue in light of their own circumstances. If you are in any doubt as to your tax position, or are subject to tax in a jurisdiction other than the United Kingdom or the United States, you should consult an appropriate professional adviser as soon as possible.

4.3 ***I understand that there is a period when there is trading in the Nil Paid Rights. What does this mean?***

If you do not want to buy the New Ordinary Shares being offered to you under the Rights Issue, you can instead sell or transfer your Nil Paid Rights to subscribe for those New Ordinary Shares and receive the net proceeds of the sale or transfer in cash. This is referred to as dealing "nil paid." This means that, during the Rights Issue offer period, you can either purchase Ordinary Shares (which will not carry any entitlement to participate in the Rights Issue) or you can trade in the Nil Paid Rights during the nil paid dealing period (between 8.00 a.m. on 28 May 2024 and 11.00 a.m. on 11 June 2024), subject to demand and market conditions. Please note that your ability to sell your rights is dependent on demand for such rights and that the price of the Nil Paid Rights will fluctuate.

If you wish to sell or transfer all or some of your Nil Paid Rights and you hold your Existing Ordinary Shares in certificated form, you will need to complete Form X (the form of renunciation) on page 4 of the Provisional Allotment Letter and send it to the stockbroker, bank or other agent through or by whom the sale or transfer was effected, to be forwarded to the purchaser or transferee.

The Company has engaged Equiniti Financial Services Limited to make available its Special Dealing Service to enable Qualifying Non-CREST Shareholders (who are individuals (including legal representatives such as executors whose details have been registered with the Registrar) aged 18 or over (in the case of natural persons), and who are resident in the United Kingdom, Jersey, Guernsey or the Isle of Man (or any other country confirmed by Equiniti Financial Services Limited in writing)) to either (a) sell all of the Nil Paid Rights to which they are entitled or (b) to sell sufficient Nil Paid Rights represented by the Provisional Allotment Letter to enable them to take up their remaining entitlements (known as a Cashless Take-up). Further information about the Special Dealing Service is set out in paragraph 4.3 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document and the Special Dealing Service Terms and Conditions will be posted to Qualifying Non-CREST Shareholders together with the Provisional Allotment Letter. For the avoidance of doubt, the Company accepts (and it is a term of the Rights Issue that it shall have) no responsibility or liability whatsoever to Shareholders for or in respect of the Special Dealing Service operated by Equiniti Financial Services Limited and, to the fullest extent permitted by law, disclaims any duty, liability or responsibility whatsoever (whether direct or indirect and whether arising in contract, tort, under statute or otherwise) in respect of such service or its operation.

If you buy Nil Paid Rights, you are buying an entitlement to take up the New Ordinary Shares, subject to your paying for them in accordance with the terms of the Rights Issue. Any seller of Nil Paid Rights who holds his or her Ordinary Shares in certificated form will need to forward to you his or her Provisional Allotment Letter (with Form X completed) for you to complete and return, with your cheque, by 11.00 a.m. on 11 June 2024, in accordance with the instructions in the Provisional Allotment Letter.

Qualifying CREST Shareholders and, subject to dematerialisation of their Nil Paid Rights as set out in the Provisional Allotment Letter, Qualifying Non-CREST Shareholders who are CREST Members or CREST Sponsored Members

can transfer Nil Paid Rights, in whole or in part, by means of CREST in the same manner as any other security that is admitted to CREST. Please consult your CREST Sponsor or stockbroker, bank or other appropriate financial adviser for further details.

4.4 ***What should I do if I live outside the United Kingdom?***

Whilst you have an entitlement to participate in the Rights Issue, your ability to take up or sell rights to New Ordinary Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your rights. Shareholders with registered addresses, or who are resident or located, in the United States or any of the other Excluded Territories are, subject to certain very limited exceptions, not eligible to participate in the Rights Issue. Shareholders with registered addresses, or who are resident or located, in the United States who are QIBs may be able to subscribe for New Ordinary Shares in the Rights Issue. Your attention is drawn to the information in paragraph 7 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document.

The Company has made arrangements under which the Underwriters will try to find investors to take up your rights and those of other Shareholders who have not taken up their rights. If the Underwriters do find investors who agree to pay a premium above the Rights Issue Price and the related expenses of procuring those investors (including any applicable brokerage and commissions and amounts in respect of value added tax (**VAT**)), you will be sent a cheque for your share of the amount of that premium, provided that this is £5.00 or more. Cheques are expected to be dispatched by no later than 26 June 2024 and will be sent to your address appearing on the Company's register of members (or to the first-named holder if you hold your shares jointly). If the Underwriters cannot find investors who agree to pay a premium over the Rights Issue Price and related expenses so that your entitlement would be £5.00 or more, you will not receive any payment and any such amount of less than £5.00 will be retained for the benefit of the Company.

4.5 ***How do I transfer my rights into the CREST system?***

If you are a Qualifying Non-CREST Shareholder, but are a CREST Member and want your New Ordinary Shares to be in uncertificated form, you should complete Form X (the form of renunciation) and the CREST Deposit Form (both on page 4 of the Provisional Allotment Letter), and ensure they are delivered to the Receiving Agent to be received by 3.00 p.m. on 6 June 2024 at the latest. CREST Sponsored Members should arrange for their CREST Sponsors to do this.

If you have transferred your rights into the CREST system, you should refer to paragraph 5.2 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document for details on how to pay for the New Ordinary Shares.

4.6 ***Will the Rights Issue affect any future dividends the Company pays?***

Following completion of the Rights Issue, any future dividend payments will be adjusted for the Rights Issue, taking into account the issued share capital of the Company as enlarged by the New Ordinary Shares.

4.7 ***What should I do if I think my holding of Ordinary Shares is incorrect?***

If you have recently bought or sold Existing Ordinary Shares, your transaction may not be entered on the register of members of the Company in time to appear on the register at the Record Date. If you are concerned about the figure in the Provisional Allotment Letter or otherwise concerned that your holding of shares is incorrect, please call the Shareholder Helpline on +44 (0) 333 207 6534. 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. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Equiniti cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

4.8 ***What if I hold options and/or awards under any of the Company's Share Plans?***

Outstanding options or awards under the Share Plans may be adjusted to take into account the Rights Issue. Holders of options and/or awards under the relevant Share Plans will be contacted separately in relation to this.

Part XI. Market Overview

The following information has been provided for background purposes only. Investors should read this "Market Overview" in conjunction with the more detailed information contained in this document, including "Risk Factors", "Information on Great Portland Estates Group" and "Operating and Financial Review of the Group". Unless the source is otherwise stated, the information in this "Market Overview" is based on Market and Industry Data as defined in Part V: "Important Information—Market and Industry Data".

1. London Overview

The Group operates solely within central London and its portfolio comprises of properties located in prime locations with 74% of the portfolio (by value) in the West End and 26% of the portfolio in the City, Midtown and Southwark as at 31 March 2024. Of these properties, 79% are offices, and 21% retail. London generates approximately a quarter of UK GDP, with one of the largest economies of any city in Europe, and is one of the world's leading commercial, creative and financial centres. London has been growing and is forecast to grow further. Oxford Economics expect inner London's population to grow by 1.4% per year over the medium term, outpacing the European city average. The development of the Elizabeth underground line is expected to bring more people within its reach, and to ease access to central London from the surrounding areas. The combination of the strong UK legal system, time zone advantages, international connectivity and a welcoming attitude to international businesses are widely perceived to have resulted in London retaining its position as a leading global city. Looking forward, the prospects for London's economy remain positive, with London having the UK's highest growth expectation (London's Purchasing Managers' Index was 57.1 as at March 2024, compared to 52.1 for the UK according to S&P), and London's long-term GDP is projected to grow by 2.1% per year through to 2027 according to Oxford Economics, outperforming the rest of the UK (1.9% for the same period) and further solidifying its position as a leading destination for businesses and investors.

Central London also has one of the world's largest commercial real estate markets, with approximately 236 million sq ft of office property. This market attracts a deep and diverse mix of occupiers and property investors, many from overseas, including sovereign wealth funds, pension funds, private equity, and ultra-high-net worth individuals. Since opening in 2022, the Elizabeth underground line has enhanced connectivity across the city, benefiting the local economy and communities near its stations. The Group is also benefiting from this growth, with 93% of its portfolio located within walking distance of an Elizabeth line station.

The Directors believe that over recent years, the nature of demand for space in central London has evolved, with a widening gap between demand for prime and non-prime spaces. Grade A buildings, in high quality locations, are attracting strong demand and achieving premium rents, with secondary spaces becoming increasingly challenging to lease.

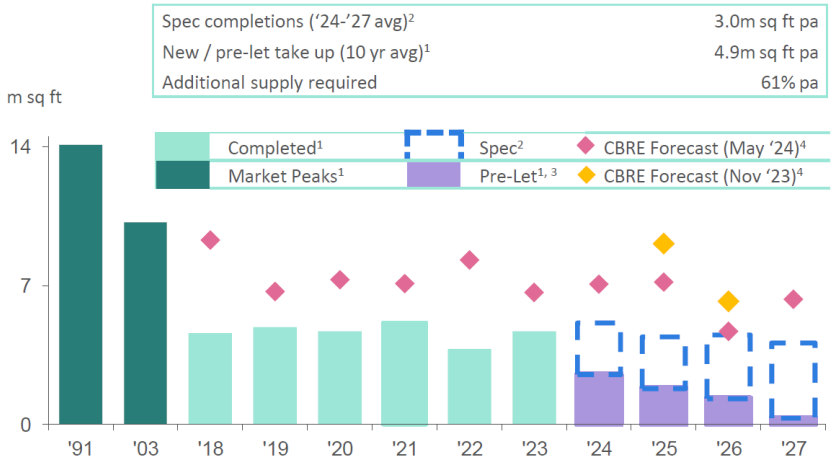
Despite recent macroeconomic uncertainties, London's occupational markets have been resilient with leasing activity robust. The following graph shows leasing activity in the West End and City according to CBRE (Central London Office Quarterly Slidebank):

Notes:

(1) (Take Up and Under Offer), West End and City combined.

During the year ended 31 March 2024, the Group signed £22.5 million of new leases (of which GPE's share, when accounting for joint venture interests, was £19.8 million), 9.1% ahead of March 2023 ERV (with offices 11.1% ahead of March 2023 ERV). The Group currently has approximately £4.8 million worth of rents under offer, 4.0% ahead of March 2024 ERV. This new leasing activity was driven by demand from a diverse range of customers who are increasingly discerning and looking for prime sustainable spaces in attractive locations. The Directors believe that customer demand is evolving, especially for smaller spaces where businesses are increasingly seeking more flexible and agile workspaces that offer 'all in' solutions including collaborative environments, local amenities and technological infrastructure, often with higher levels of service. The Group's Flex offerings are tailored to meet such growing demand, with flexible office space accounting for 61% of the Group's leasing activity for the year ended 31 March 2024. Given the growth in this demand, the Group has an ambition to further grow its Flex portfolio to over 1 million sq ft in the medium term.

The Directors believe that, despite robust demand, the supply of new space is becoming increasingly restricted. The Group's internal analysis indicates that there is a shortage of new high-quality buildings being developed in central London locations. Over the next three years, the Group forecasts that speculative development completions will total 3.0 million sq ft per annum, which is considerably less than the preceding 10-year average for new space of 4.9 million sq ft per annum. The following graph illustrates the historic and CBRE (Central London Office Quarterly Slidebank) forecast supply levels, along with the Group's forecast of central London Speculative Grade A in relation to the forecast amount:



Notes:

(1) CBRE.

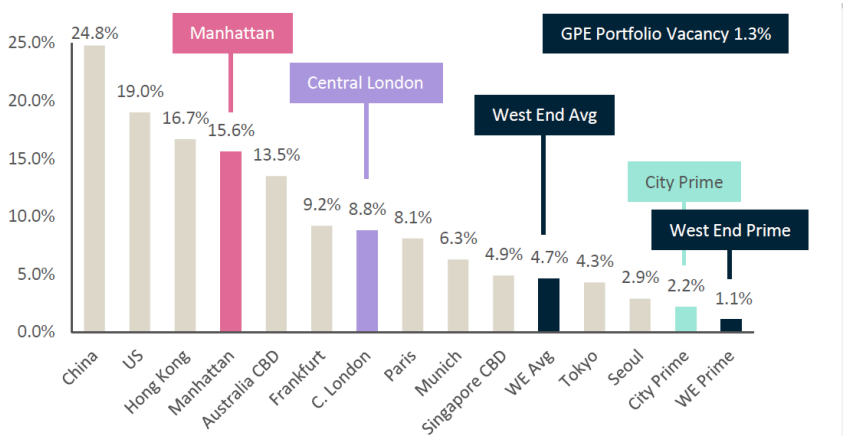
(2) GPE forecast central London Speculative Grade A.

(3) Pre-Let and U/O.

(4) CBRE forecast; historic forecasts are forecast at 24 months prior to delivery date.

As a result, the Directors anticipate that this potential shortfall will support rental growth and maintain low levels of prime vacancy in London's key markets.

The following graph shows office vacancy (according to CBRE) in major financial centres in the world, with vacancy in London West End and City at comparatively low levels:



The Directors believe that the low level of expected development completions across London is being driven by a variety of factors. Developing buildings in central London is inherently challenging. Conservation areas protect a large proportion of the city, building heights are restricted, and development needs to be considerate of local residents and be justified in sustainability terms. Consequently, the planning process is increasingly demanding, lengthy and costly. Recent macro-economic uncertainty has also reduced the forward-looking pipeline of new spaces. Higher levels of inflation and elevated interest rates have increased the cost of development, reduced returns and restricted access to capital.

Despite strong occupational market dynamics, the Directors believe that macro-economic uncertainty has impacted the performance of London's property market since 2020. The monetary response to rising inflation has increased interest rates across the world, negatively impacting investment markets, increasing property yields and contributing to a reduction in market turnover. Overall, this has more than outweighed supportive trends in the occupational commercial property markets and, as a result, the Group's property valuation has reduced by 22.3% on a like-for-like basis since 31 March 2020. Against this backdrop, the Directors recognise that London's property markets are cyclical and firmly believe that London's position as a truly global commercial and financial hub remains intact, and the long-term prospects for the Group's key real estate markets are sound.

(a) ***West End***

London's West End comprises 91 million sq ft of office space and has been the Group's historical focus. At 31 March 2024, it represented approximately 74% of the Group's portfolio by value. It is an area of London that provides a unique and diverse mix of commercial, retail, residential, cultural and tourist attractions, drawing people and businesses from around the world.

It is also home to a broad range of occupiers from both domestic and international businesses, and, as a result, its success is not reliant on a single dominant sector. Furthermore, the Directors believe that the barriers to developing buildings in the West End are increasingly high and the planning regime is becoming more challenging.

Over the year to 31 March 2024, West End office take-up (i.e. rental space that was physically leased) was 3.3 million sq ft, 32.1% lower than the preceding year. Looking forward, the Directors consider the forward-looking supply of space in the West End to be particularly acute. CBRE (CBRE Q1 2024 Slidebank) has reported that Grade A vacancy rate at 31 March 2024 was low at only 1.1%, having increased marginally over the year.

This balance of resilient demand and limited supply has resulted in the West End seeing the highest rental growth across London, where prime office rental values were £155 per sq ft at 31 March 2024, an increase of 10.7% as compared to the previous year according to CBRE. Given these positive market dynamics, the Directors expect this trend to continue.

(b) ***City, Midtown and Southwark***

London's City, Midtown and Southwark markets comprise 124 million sq ft, of office space predominantly to the east of the West End, and offer distinct contrasts to the Group's West End locations. At 31 March 2024, this area represented approximately 26% of the Group's portfolio by value.

The City is a leading global centre of trade and finance, and whilst City occupiers are increasingly diverse, it remains characterised by large financial institutions with high demand for modern, high-specification office spaces. There has been a recent trend of several high-profile occupiers downsizing from other London locations such as Canary Wharf to locations in the City, citing more well-connected transport links and amenities as reasons for an overall more convenient location for employees. Midtown, encompassing areas such as Holborn, is a hub for the legal industry and an emerging hub for the tech industry, offering a blend of traditional and contemporary office spaces. Southwark, with its mix of cultural attractions and riverside location, attracts a diverse range of creative and tech businesses.

Whilst the Directors believe that delivering any new space in London is challenging, outside of the West End planning restrictions are typically less restrictive, buildings can be larger with dedicated clusters of towers, and a lower proportion of the building stock is in a conservation area. In the year ended 31 March 2024, City, Midtown and Southwark office take-up was 6.8 million sq ft, 1.6% higher than the preceding year and availability of supply totalled 16.6 million sq ft, 8.6% higher than the preceding year, remaining above the ten year average of 10.4 million sq ft, in each case according to CBRE (Central London Office Quarterly Slidebank).

The Directors consider the outlook for the City, Midtown and Southwark locations to be attractive since these areas are more oriented towards office use, with a greater ability to provide the new, high quality spaces that customers are increasingly demanding. The Directors believe that trends such as strong demand for quality and sustainability in workspace design, along with examples of regeneration projects and improved connectivity in these areas, are set to enhance their appeal further to potential occupiers. Although given the greater capacity to deliver new space

compared to the West End, rents have typically been lower in the City at £77 per sq ft at 31 March 2024, an increase of 4.9% as compared to the previous year, and vacancy levels higher given the lower barriers to entry for new buildings. As a result, vacancy rates are higher than in the West End. Vacancy rates in the City, Midtown and Southwark were 11.7% as at 31 March 2024 (largely unchanged from 31 March 2023), in each case according to CBRE (Central London Office Quarterly Slidebank).

(c) ***Flex Office Markets***

London has witnessed significant growth in the demand for flexible office space in recent years. The Directors believe that advances in technology, the growth in start-up businesses, increased mobility in the workforce and the rise of the gig economy have helped drive this growth. A plethora of new suppliers have entered the market to meet this demand. Flexible spaces have bounced back quickly as workers have returned to the workplace post pandemic and the Group expects this growth to continue.

Increasingly, flexible space is becoming the default choice for customers seeking sub 5,000 sq ft office space and corporates are leading this trend.

Flexible office spaces are now a core element of the Group's overall offering, comprising 503,000 sq ft of space (123 units) representing approximately 23.5% of its office portfolio (by sq ft) as at 31 March 2024. The Group has a Fitted offering, which provides dedicated, fully furnished space on flexible terms, allowing customers to move in and out of the space with ease. Where customers want a higher level of service provision, the Group has a Fully Managed offering, which extends its proposition to provide additional services and amenities. These offerings cater to the varying demands of a broad range of modern customers, from SMEs to larger corporates seeking flexibility and convenience in prime central London locations. Unlike many providers, the Group owns and manages its Flex office portfolio providing both the security of ownership, together with a broad palette of real estate skills.

The Group has an ambition to increase the provision of its Flex offerings organically to 605,000 sq ft with further growth through acquisitions to 1 million sq ft over the near to medium term. The Group intends to capitalise on its scale and platform to drive synergies from the clustering of units in terms of pricing power with customers, operational cost management and economies of scale with respect to fit out costs. The Directors believe the Group is experiencing strong demand for its spaces, driven in particular by its Fully Managed offering, which is taking less than 12 weeks to let on average at an average rent of £208 per sq ft, 12.6% ahead of ERV in the year ended 31 March 2024. Looking forward, the Directors believe that high levels of customer satisfaction will help further drive the Group's returns, attracting new customers, retaining customers at the end of their lease and supporting rents. The Group's office Net Promoter Score at 31 March 2024 remained high at +30.2 overall and +50 for its Fully Managed spaces outperforming the sector average of +6.9 according to RealService, which has supported customer retention of 67% and 75% for its Fitted and Fully Managed solutions respectively.

With clear investment criteria and a disciplined approach, the Directors believe that GPE is well placed to meet its growth ambition organically and through acquisitions, having completed four Flex purchases in the last 26 months, adding a total of 123,000 sq ft of Flex space predominantly on a Fully Managed basis, plus the recent exchange of The Courtyard which is capable of being repositioned into the Group's Fully Managed offering.

(d) ***Investment Markets***

Over the last twelve months, the Directors believe that investment markets have continued to be challenging as inflation has remained persistently ahead of market projections and high interest rates have a direct impact on sentiment in the investment markets. The Directors believe that higher interest rates have put upward pressure on property yields, impacting asset values and reducing market activity as sellers have been reluctant to bring properties to market. However, the Directors believe that better quality commercial property assets will continue to outperform the overall market, and note that valuation impairments to date have not been uniform, with prime, well-let and well-located assets outperforming those with lower quality secondary characteristics, demonstrated by the Group's valuation performance in its portfolio, with buildings with higher EPC ratings outperforming lower rated buildings, the West End outperforming the City and buildings with a higher capital value per sq ft outperforming those with lower capital value per sq ft. The Directors expect this divergence to continue, and to play to the Group's strengths of acquiring poorly performing, inefficient buildings and repositioning them to best-in-class prime sustainable spaces.

The Directors believe that the central London investment market is showing early signs of recovery and that, despite the UK recently entering a shallow technical recession, the near-term macroeconomic outlook is more positive. The inflation rate in the UK has declined significantly and is anticipated to continue its downward trajectory over the course of 2024. Whilst interest rates are not expected to return to their pre-pandemic lows, financial markets are pricing in reductions in the latter half of 2024.

Looking forward, the Directors believe that once there is confidence that interest rates are on a downward trajectory, and inflation is under control, investment activity will return. However, this is not yet evident in market activity.

Investment volume in central London in the year ended 31 March 2024 was £4.6 billion, a significant reduction compared with £7.3 billion for the year ended 31 March 2023.

Part XII. Information on Great Portland Estates Group

1. Overview

GPE is a FTSE 250 listed real estate investment trust (**REIT**), engaging in property investment and development focusing on properties in prime locations in central London.

The Company was formed in December 1957, becoming a public company and listing on the London Stock Exchange in March 1959, and owns over £2.3 billion of real estate as at 31 March 2024.

The Group's property portfolio consists of a wide range of buildings and locations in central London, particularly in the West End, which accounted for approximately 74.0% of the Group's existing portfolio by value, as at 31 March 2024. The Group also has properties in the City, Midtown and Southwark. In addition, the Group has an extensive pipeline of development and refurbishment projects across London, which the Directors believe provides significant opportunity to add value over the long term.

The Group is well positioned to take advantage of the changes currently underway in the London office space sector. London's office occupiers are increasingly focused on the very best spaces and as a result, the Group is focused on delivering high quality, sustainable working environments through two complementary, overlapping activities:

- HQ repositioning, which entails developing larger, best-in-class HQ buildings. Demand for high-quality, brand new space in London has remained strong and the future supply of space remains limited. As at 31 March 2024, the Group’s development properties, which includes developments in the West End, the City, and Southwark, totalled 8.6% of the Group’s existing portfolio. This pipeline of opportunity provides raw material, often with poor sustainability credentials, which the Group can transform into best-in-class spaces designed to let well in their local markets, be prepared for a rapidly changing world and have regard to the wider environment in which they are located; and
- Flex spaces, which are smaller, fitted units, often fully managed by the Group and with higher service levels. The Directors believe that the Flex market is maturing and becoming the default choice for smaller office space, businesses are increasingly demanding the provision of flexibility, amenities and service provision. Accordingly, the Group has developed a choice of Flex offerings to meet this need. The Group provides spaces that are delivered flexibly on a Fitted or Fully Managed basis, as well as Flex partnerships to provide space in advance of redevelopment.

The Group's property portfolio consists of the following spaces:

- ***Office***: 79% of the Group's portfolio by value is represented by office space as at 31 March 2024. The Group is focused on four core office solutions:
  - *Ready to Fit*: The Group's Ready to Fit offering seeks to provide customers with the flexibility to design and fit out space specifically for their needs, purpose and people. These spaces are typically within HQ repositioning assets, which are larger buildings, and let to larger customers who have the ability to manage their real estate in-house.
  - *Fitted*: The Group also offers Fitted spaces, which are designed by the Group's in-house experts and provide spaces which are ready for occupation as fully furnished, well-designed workspaces, with their own front door, furniture, meeting rooms, kitchen and branding. The Group is compensated for the additional capital expenditure to fit out the spaces through higher rent from the customer. The spaces are typically let on short-form lease agreements with an average term of four years.
  - *Fully Managed*: The Group's Fully Managed offering overlays the Group's Fitted offer with a high level of services, including community manager and concierge service, cleaning, utilities and business rates with one monthly bill. The spaces are let on short-form lease agreements with an average term of two years. The Group is compensated for the additional capital expenditure and provision of services through higher rent from the customer.
  - *Flex Partnerships*: The Group works with its Flex partners to deliver desks or rooms to its customers. To date, these partnerships have been utilised ahead of redevelopment to maximise cash flow in New City Court, SE1, or have provided space more appropriate for the Group's location at the Hickman, E1. These partnerships are structured via lease arrangements with the revenue share recognised with rental income.
- ***Retail***: 21% of the Group's portfolio by value is represented by retail space as at 31 March 2024. The Group's retail portfolio is concentrated in central London's prime shopping streets and provides its customers with high quality, modern retail units.
- ***Residential***: less than 1% of the Group's portfolio by value is represented by residential space as at 31 March

2024.

The table below analyses the Group's portfolio by value as at 31 March 2024:

Portfolio	**As at 31 March 2024**	
	Value	**Percentage**
	in £ million	*%*
By use		
Office	1,838.3	79%
Retail	485.7	21%
Residential	7.2	-
Total	**2,331.2**	**100%**
By location		
West End – North of Oxford Street	870.3	37%
West End – Rest of West End	849.6	37%
City	306.7	13%
Southwark	213.9	9%
Midtown	90.7	4%
Total	**2,331.2**	**100%**

In the year ended 31 March 2024, the Group's revenue was £95.4 million as compared to £91.2 million in the year ended 31 March 2023, loss before tax was £307.8 million as compared to £164.0 million in the year ended 31 March 2023, rent roll was £107.5 million as at 31 March 2024 as compared to £106.4 million as at 31 March 2023 and the value of the Group's property portfolio net of the present value of future ground rents, including the Group's share of investment properties in joint ventures, was £2,331.2 million, significantly down by 12.1% or £303.4 million on a like-for-like basis net of capital expenditure since 31 March 2023.

The Group's REIT status enables the Group to operate largely on a tax-exempt basis in relation to rental income and gains on disposals of properties held for investment. Additional information about the Group's REIT status is set out in paragraph 9.1 of this Part XII: "*Information on Great Portland Estates Group*".

2. History and Development

The Company was formed in December 1957, becoming a public company and listing on the London Stock Exchange in March 1959 through the acquisition of the entire property holdings of Basil and Howard Samuel. The Group continued to acquire and develop properties across the United Kingdom until April 2000 when the refreshed Board of Directors decided to rationalise the Group's property holdings and focus entirely on the central London market, returning 80 pence per share of capital (£285 million in aggregate) to shareholders, in 2000. By 2004, the Group had disposed of virtually all of its non-London properties, allowing it to return a further 50 pence per share of capital (£101 million in aggregate) to shareholders in 2004. In 2007, the Company converted into a REIT and the Group fully withdrew from regional markets.

A timeline of key milestones and events in the Group's recent history is set out below:

- The Group has established a track record of successfully delivering major development projects across London. Since 2011, the Group has completed 2.4 million sq ft of developments including:
  - Rathbone Square, W1: acquired a 2.3 acre site from the Post Office in 2011, redeveloped into 419,700 sq ft of office, residential and retail space with the offices pre-let to Facebook and sold to Rathbone Place Jersey Ltd (owned by WestInvest Gesellschaft Für Investmentfonds and Deka Immobilien Investment) in 2017 for £435 million.
  - Hanover Square, W1: site assembled between 2006 and 2008 to develop a new 221,500 sq ft building incorporating the eastern exit of the Bond Street Elizabeth line station. Following the Group obtaining planning permission, and ahead of the redevelopment, 50% of the scheme was sold to a joint venture the Company established with the Hong Kong Monetary Authority, for £101.0 million. The building was completed in 2020 and offices were let to KKR, Glencore and Brown Advisory, amongst others.
  - 50 Finsbury Square, EC2: acquired in 2016 in conjunction with the swap of 33 Margaret St, W1, and redeveloped into 129,200 sq ft of predominantly office space, and sold to a wholly-owned subsidiary of Wirtgen Invest Holding for £190.0 million in 2022 with all office space pre-let to Inmarsat Global Limited.

- The Group has a strong history of managing its capital structure by accretively raising and returning equity capital, in line with the cyclical nature of London's property market.
  - In 2009 and 2012 the Group raised equity (by means of a rights issue and placing, respectively) to acquire assets at cyclically low prices. Thereafter, as business plans were completed, the Group returned capital to shareholders.
  - In 2017, following the sale of Rathbone Square, W1, the Group paid a special dividend of £110 million. In April 2018, £306 million was returned to shareholders, representing the proceeds from the sale of 240 Blackfriars Road, SE1 and 30 Broadwick Street, W1, via a B Share Scheme.
  - In 2018-2019, the Group returned £200 million of surplus equity by way of an on-market share buyback programme.
- The Group has diversified into the Flex office market, focused on delivering well-located, appropriate office space:
  - The Group delivered its first dedicated Fully Managed office building, 16 Dufour's Place, W1, in 2021.
  - The Group has made a number of acquisitions over the last two years to bolster this growth, including 7/15 Gresse Street, W1 and 6 St Andrew Street, EC4 in 2022, and 141 Wardour Street, W1 and Bramah House, SE1 in 2023. See also "*—Development and Refurbishment Programme—Acquisitions and sales*".
  - As at 31 March 2024, the Group had 503,000 sq ft of Flex space across London, with an ambition to grow this offer to one million sq ft in the coming years.
- The Group considers sustainability to be a core part of its strategy and essential to delivering best in class spaces. Accordingly, the Group has launched a number of initiatives to embed sustainability across its operations. See also "*—Environment and Sustainability*".
  - In 2020, the Group published its 'Roadmap to Net Zero' and its Sustainability Statement of Intent for 2030, 'The Time is Now', setting out its sustainability strategy, which was subsequently updated in 2023.
  - In 2021, the Group published its Social Impact Strategy.
  - In 2023, the Group updated its Brief for Creating Sustainable Spaces, which sets out how the Group designs, constructs, fits-out and manages its spaces from a sustainability perspective, and its Sustainability Statement of Intent. 2023 also marked the completion of 50 Finsbury Square, EC2, the Group's first net zero carbon building.
  - In 2024, the Group updated its 'Roadmap to Net Zero', increasing the scope and ambition of both its near term targets and net zero commitment.

3. Competitive Strengths

The Group seeks to differentiate itself by applying its specialist skills to acquire, reposition, operate and manage, and redevelop properties in central London to produce high quality, highly sought-after sustainable office spaces. Through its disciplined approach to capital allocation, seeking to operate in tune with the London property cycle, the Group has built an attractive portfolio of HQ and Flex offices and development opportunities, through which it aims to unlock future value and deliver superior returns to shareholders. The Group seeks to leverage its deep stakeholder relationships, capital strength and experienced management team to continue delivering on its strategy.

The Directors believe that the Group benefits from the following key strengths:

High-quality, well-located portfolio with favourable structural market dynamics

The Group's portfolio, which is 100% central London-based, benefits from attractive locations well served by local infrastructure, with robust customer demand. The Group seeks to continually reposition its buildings to enhance customer experience, improve sustainability, maintain value and enhance the local environment. However, the creation of new spaces in the Group's central London locations is increasingly challenging. Conservation areas protect a large proportion of the city, building heights are restricted, development needs to be considerate to local residents and justified in sustainability terms. Consequently, the planning process is demanding, lengthy and costly. The Group has a track record of navigating this process and has a depth of specialist experience and strong stakeholder relationships. Since 2009, the Group has delivered 2.4 million sq ft of new space into the London market. Recent successes in planning negotiations include obtaining consent at French Railways House & 50 Jermyn Street, SW1 to deconstruct existing buildings and deliver 67,600 sq ft of Grade A office and retail space, and at Minerva House, SE1 for a 143,100 sq ft office-led scheme, including refurbishing floors, adding new storeys and generating significant carbon savings.

The Group has evolved its portfolio over the years to take advantage of prevailing trends and maximise shareholder returns. The Group's focus has historically been in the West End, but as central London grows and new locations become sought after by customers, the Group has diversified the locations in its portfolio with 37% of properties in Noho (north of Oxford Street), 37% in the rest of the West End, 13% in the City, 9% in Southwark and 4% in Midtown as at 31 March 2024 by value. The Group has also evolved its product offerings to suit an increasing range of customer needs and working patterns, with Ready to Fit (60% of the portfolio), Fully Managed (10% of the portfolio), Fitted (5% of the portfolio), Flex Partnerships (4% of the portfolio) and Retail (18% of the portfolio) offerings as at 31 March 2024 (by sq ft).

Given the restriction of new supply, the Directors believe that London has strong market fundamentals and the Group is well placed to benefit from prevailing market conditions.

Despite recent macro volatility, London remains a dominant global city and high-quality offices remain in high demand. With average office rents only approximately 5% - 10% of a typical London business' salary cost, and the office environment functioning as a key tool in attracting and retaining talent, the Group anticipates that demand for prime spaces will remain healthy. Given this imbalance between restricted supply and strong occupier demand, the Group is anticipating robust rental growth over the coming years.

The Group has a well-positioned portfolio to capitalise on the favourable market dynamics, with 24% of its portfolio in its HQ development or Flex refurbishment programme as at 31 March 2024, and with committed capital expenditure of approximately £498 million relating to seven on-site schemes and a development pipeline consisting of a further potential five sites and opportunities. Following the Group's recent commitments to French Railways House & 50 Jermyn Street, SW1, 141 Wardour Street, W1 and Minerva House, SE1, the Group is preparing its near-term development schemes for commencement on site, including securing planning consents and amendments to existing planning agreements to incorporate developing design concepts or changing routes to maximise site value.

Differentiated Flex offering capable of driving returns

The Directors believe that the provision of Flex space is increasingly a prerequisite for maximising returns from smaller, sub 5,000 sq ft, central London spaces. Since 2017, the Group has been expanding its Flex office space offering, providing space both on a Fitted and Fully Managed basis. The Group's Flex offerings are an integral part of its office offer and at 31 March 2024, amounted to 503,000 sq ft, or 23.5% of its office portfolio by sq ft. Evolving patterns of work are changing what many customers want from their office space, with a growing demand for spaces that are convenient, flexible in lease term and provide a high level of service. Increasingly, flexible space is becoming the default choice for customers seeking sub 5,000 sq ft office space. This trend is expected to continue, with the Flex market expected to reach 50 million sq ft by 2025 across the UK. The Directors believe the Group is well suited to further Flex growth given the size and nature of its portfolio.

The Group's Flex spaces have a diverse customer base, which is broader than just SMEs and includes a number of large institutions seeking elements of flexibility within a broader office portfolio. As at 31 March 2024, the Group had 61 Flex customers with an average lease term of 2.9 years to lease break or 3.6 years to lease expiry. However, the Group's Flex customers tend to be sticky in nature with an annual customer retention rate of 75% across its Fully Managed spaces and 67% across its Fitted spaces as at 31 March 2024.

Furthermore, the Group is generating significant returns from its Flex initiatives. Fully Managed customers are increasingly willing to pay a rental premium for the Group's high quality convenient spaces, as demonstrated by its +117% Net Effective Rent beat over the past 12 months and its anticipated 82% cash flow premium over a ten-year period.

The Group has an ambition to grow Flex organically to more than 605,000 sq ft, with the majority of the growth to be offered on a Fully Managed basis. The Directors expect the majority of this growth to be delivered through the completion of the refurbishment of 6 St Andrew Street, EC4 and 31/34 Alfred Place, WC1 in 2024, and 141 Wardour Street, W1, and Egyptian & Dudley House, W1, which are anticipated to complete in 2025. A portion of the proceeds from the Rights Issue will allow the Group to further expand its Flex offering through the acquisition of buildings, such as The Courtyard, WC1, which are suitable for the Group's flexible space offer. The Group remains committed to growing Flex both organically and through acquisition, to one million sq ft over the medium term, funded from future asset recycling and cashflow.

Well placed to capitalise on the growing sustainability-led bifurcation in offices

The Directors believe that there is growing bifurcation within the office market between the most sustainable assets versus the wider market, with rents in sustainable Grade A office space outperforming traditional office space in the West End. Sustainability is becoming an increasing differentiator between prime space and the rest, as the demand for highly sustainable space is growing rapidly. Not only do customers want sustainable spaces, but regulation is accelerating, both through the planning regime and from forthcoming legislation to tighten EPC and

other sustainability regulations.

The Directors believe the Group's strong sustainability credentials maximise customer appeal, enhance long-term property value and reduce the obsolescence of its redeveloped assets. The Group seeks to embed sustainability from the outset of any redevelopment and has strong expertise to manage new and evolving planning requirements to repositioning assets through refurbishment and renovation. Buildings owned by other real estate investors that are not repositioned run the risk of becoming obsolete and the Group sees this as a potential avenue for future discounted acquisitions, allowing the Group to create value by transforming unloved buildings into desirable, highly sustainable, prime real estate. For example, the Group acquired 50 Finsbury Square, EC2, in 2016 and repositioned the property into its first net zero carbon building. All offices were pre-let to Inmarsat Global Limited and in October 2022, the Group sold the property for £190 million.

The Group aims to deliver clear leadership in sustainability across the REIT sector. The Group continuously measures and seeks to improve the climate resilience of its buildings, which is integrated within the design of the spaces, and all of the Group's on-site and pipeline developments are targeting net zero carbon. Of completions since May 2009, over 90% of the Group's Building Research Establishment Environmental Assessment Method (**BREEAM**) completions were rated 'Excellent' or 'Very Good', and by 31 March 2023 the Group had measured a 23% reduction in its carbon footprint compared to a 2019 baseline. As of March 2024, the Group is 100% compliant with 2023 EPC legislation, and 64% of the portfolio is compliant with anticipated minimum EPC B rating by 2030.

Strong stakeholder relationships

The Group applies an intense, supportive and customer-focused approach to understanding customers' needs. This deep appreciation of customer needs, along with the successful implementation of the Customer First approach, facilitates long-lasting relationships with customers and supports high retention rates. See also "*—Customer First*" below for further detail. The customer retention rate was 83% for the year ended 31 March 2024. The Group commissions an annual independent customer satisfaction survey and received an office NPS of +30.2 for the year ended 31 March 2024, outperforming the industry office average of +6.9.

The Group also seeks to maintain positive relationships with local authorities and planning departments, which are critical to its business model and ability to unlock the full potential of its portfolio. Navigating the planning process is key to the Group's success, which is why the Group seeks to operate in a manner that is open, transparent and constructive, adjusting its planning proposals where possible to ensure any planning consents secured are in the best interests of the local communities. The Group has a strong track record of regularly meeting and engaging with officers, elected members, residents and other stakeholders with the aim of maximising what the proposed schemes can positively contribute to their 'good growth' and climate emergency plans.

The Board aims to maintain an open relationship with its investors based on a clear investment case and transparent disclosure. As a result, it maintains a regular dialogue with shareholders, potential shareholders, debt providers and analysts through a comprehensive investor relations programme. The Group's Executive Directors and the Director of Financial Reporting and Investor Relations are the Company’s principal representatives with investors, analysts, fund managers, press and other interested parties, and independent feedback on presentations by the Executive Directors to shareholders and analysts is provided to the Board on a regular basis.

The Group works with a diverse range of suppliers, and the successful and profitable delivery of larger projects requires strong working relationships across the supply chain. The Group seeks to foster close relationships with its suppliers. The Group's track record of successful delivery and its deep pipeline of future work means that it has been able to secure good access to high quality partners, improving project delivery outcomes.

Capital strength

The Group aims to maintain a consistently strong balance sheet and conservative financial leverage, with leverage in the target range of 10% to 35%. As at 31 March 2024, the Group reported an LTV of 32.6%. The Group seeks to maintain access to low cost, diversified debt facilities and plentiful liquidity. In October 2023, the Group entered into and drew upon its 2023 £250 million Term Loan Facility, and at 31 March 2024, had more than £500 million available in liquidity. It has also maintained an attractive average cost of debt of 4.1% during the year ended 31 March 2024, and of its total debt as at 31 March 2024, approximately 87% was fixed or capped rate

The Group also aims to align its financing strategy to its commitment to sustainability. In January 2020, the Group demonstrated leadership in the sustainable financing space in its sector by issuing the first ESG-linked RCF by a UK REIT, with an adjustable margin based on performance against performance-linked KPIs, including reducing portfolio energy intensity and reducing embodied carbon of refurbishments and developments. The Group has in place a Sustainable Finance Framework which aims to fully integrate sustainability across its debt capital structure.

To maintain its capital strength, the Group operates with four key 'givens':

- conservative leverage to enhance, not drive, returns;
- sustainable ordinary dividends;
- disciplined capital allocation; and
- balance sheet efficiency, with a track record of accretively raising and returning capital.

The Group's preference for low financial leverage helps to provide downside protection when operating in the cyclical central London property market and to maintain the financial flexibility to allow it to act quickly on new investment opportunities as they arise. Additionally, the Group has a track record of accretively raising and returning equity capital to shareholders at the appropriate time and in the appropriate circumstances, including returning £616 million to shareholders between 2017 and 2020, following profitable recycling activity.

Experienced management team with a strong track record of managing the cycle

The Group has the benefit of experienced management, with a depth of specialist skills. The Group's broad senior management team has demonstrated a track record of repositioning properties and a disciplined capital management approach of matching the Group's risk to the market cycle. The Chief Executive, Toby Courtauld, joined the Group in 2002 and the Chief Financial & Operating Officer, Nick Sanderson, joined the Group in 2011. Both have been at the Group for over 12 years and as such have a tangible track record of managing the cycle at the Group.

The management team is closely supported by specialist in-house Portfolio Management, Customer and Workspace Services, Development, Investment, Leasing and Finance teams and support functions. In addition, the Group's remuneration structure for senior management is closely aligned to its purpose, strategy and values to deliver value and outperformance. Please refer to paragraph 8 of Part XX: "*Additional Information*" on Executive Remuneration for more details.

The Group seeks to maintain an entrepreneurial, collegiate and inclusive culture based on strong values with a disciplined approach to risk management. Employee engagement is high, demonstrated by the Group's score of at least 70% in the Employee Engagement index over the last four years.

4. Strategy

The Group's strategy is to deliver superior returns by unlocking the often-hidden potential in commercial real estate within central London, creating sustainable spaces for London customers to thrive.

The Group seeks to apply its specialist skills to acquire, reposition and redevelop properties to produce high quality, highly sought-after sustainable office spaces. The Group's disciplined approach to allocating capital shapes its activities, placing the Group in a strong position to operate in line with London's cyclical property markets with the objective of maximising shareholder returns.

4.1 *The Group's business model*

The Group's business model is divided into four key activities:

- **Acquire** The Group seeks to select acquisitions which are accretive to the existing portfolio. The Group usually purchases these properties off-market and at a discount to replacement cost. These properties typically have relatively low rents and low capital values per sq ft, with optionality to unlock value through flexible business plans.
- **Reposition** The Group repositions buildings through refurbishment, redevelopment, lease restructuring and/or conversion to its flexible office offers, with sustainability as a key focus of this process.
- **Operate and manage** The Group manages its spaces with the aim of enhancing customer satisfaction and optimising returns through its choice of spaces suiting different customer needs: Ready to Fit, Fitted or Fully Managed.
- **Recycle** The Group applies a disciplined capital recycling approach through the sale of properties where business plans have been executed, projected returns are insufficient or where the Group has an opportunity to monetise expected future profits.

4.2 ***Strategic principles***

The Group's strategy is underpinned by a set of clear principles:

100% central London

Under its current management team, the Group has maintained a central London focus. The Directors believe that London will continue to outperform other markets within the UK and that the Group is well placed to benefit from current market dynamics. Occupational demand for high quality spaces is strong, new office supply within London is tightening and vacancy rates for prime space are low, particularly for prime offices in the West End of London at 1.1% as at 31 March 2024 according to CBRE, which is one of the lowest office vacancy rates globally and where the Group is predominantly located. The Directors believe that there will be a supply shortage of top-quality London office space going forward, as from the Group's own analysis it expects only 3.0 million sq ft of new speculative annual completions in the period to 31 December 2027, compared to the ten-year average take-up of new or pre-let space of 4.9 million sq ft. This provides a structural opportunity for the Group, both from the quality of the buildings it owns and given its deep pipeline of sustainable prime HQ and Flex office developments due to complete from 2024 onwards, which will be supplemented as a result of deployment of the proceeds from the Rights Issue.

Repositioning properties

The Group seeks to upgrade the portfolio and reposition properties through development using targeted capital expenditure which is intended to create sustainable spaces with improved customer appeal and longevity. This aims to enhance both rental values and capital returns. The cyclical nature of central London property markets means it is critical for the Group to match this development activity to the appropriate point in the cycle, delivering new buildings into a supportive market when quality space is scarce and demand is resilient. By combining its forensic analysis of market conditions with active portfolio management, the Group aims to be opportunistic and flexible when planning the start and, therefore, completion dates for its schemes.

Following the Group's recent commitments to French Railways House & 50 Jermyn Street, SW1, 141 Wardour Street, W1 and Minerva House, SE1, the Group is preparing its near-term development schemes for commencement on site, including securing planning consents and amendments to existing planning agreements to incorporate developing design concepts or changing routes to seek to maximise site value. This includes redesigning its plans for New City Court, SE1 and resubmitting a planning application.

Matching risk to cycle

The Group has an experienced executive and senior management team with a strong track record of repositioning properties and a disciplined capital management approach of matching risk to the cycle. The Group raised £304 million from equity raisings in 2009 and 2012 to purchase £956.0 million of assets between 31 March 2009 and 31 March 2013 at cyclically low prices which represented compelling valuations, given the impact of the financial crisis on London commercial real estate. Many of these buildings were acquired for development, with the Group subsequently delivering 2.4 million sq ft of new space since 2009, achieving an average 22% profit on cost.

In line with its stated strategy, the Group sold approximately £2.9 billion of repositioned real estate into improved property markets between 31 March 2013 and 31 March 2024, with £231.2 million of these sales completed within the last 24 months. These sales enabled the Group to return a total of £616 million to shareholders between 2017 and 2020 through capital returns by way of share buybacks, a B-Share scheme and a special dividend over the same timeframe, demonstrating an approach to returning the Group's equity to shareholders which is equivalent to the discipline shown in allocating capital at an asset level.

Disciplined capital management

Strategic acquisitions are key to the Group's business model. In parallel, the Group intends to acquire further Flex opportunities to help deliver its growth ambition, as well as supplement the HQ development pipeline whilst maintaining its discipline of capital recycling through the opportunistic sale of properties timed to optimise value.

While the Group's primary objective is to deliver returns consistently ahead of its cost of capital, it also seeks to minimise the cost of capital through the appropriate mix of equity and debt finance, and to maintain access to sufficient financial resources to implement its business plans.

Optimising and flexing the allocation of capital across the portfolio, including between investment and development activities, is key to the Group's objective of maximising returns on a risk-adjusted basis through the property cycle.

Key considerations when making such capital decisions include the market outlook, opportunities for growth (both capital expenditure and acquisitions), opportunities for profitable recycling activity, and current and prospective debt ratios (including LTV and interest cover).

Low financial leverage

The Group seeks to use leverage to enhance, rather than drive, returns. The maintenance of a low LTV is intended to provide downside protection for the Group when operating in the cyclical central London property market, allowing it to maintain financial flexibility so the Group may act quickly when new opportunities arise. When considering the appropriate level of financial leverage in the business, the Group applies the same capital discipline used when making asset-level decisions. Typically, the Group aims for an LTV ratio of between 10% and 35% through the cycle. As at 31 March 2024, the Group's LTV was 32.6%, reflecting current portfolio activities and market cycle positioning.

Sustainability: an imperative

The Directors believe that there is growing bifurcation within the office market between the most sustainable spaces and the wider market. Increasingly buildings can no longer be considered to be prime if they are not sustainable. Sustainability is thus becoming a key differentiator between prime space and the rest, as the demand for highly sustainable space is growing rapidly. Regulation is also accelerating, both through the planning regime and from forthcoming legislation to tighten EPC and other sustainability regulations. The Directors believe that sustainability is therefore no longer just a moral obligation; it is a prerequisite for high quality spaces and a strategic and economic imperative.

The Group has a strong track record of developing prime sustainable spaces, including the delivery of its first net zero carbon building at 50 Finsbury Square, EC2. More recently, the Group has embraced the use of the circular economy, extracting 1,695 tonnes of steel from the demolition of City Place House, EC2 and reusing the steel in the construction of the new 2 Aldermanbury Square on the site. In addition, the Group utilised 901 tonnes of steel, and almost eliminated its carbon footprint, in the construction of French Railways House, SW1.

The Group is planning a number of key initiatives as part of its sustainability agenda, including the completion of a metering initiative to transform the capture of energy usage across the portfolio and deliver its Transition Plan in line with sector guidance published in the first quarter of 2024, including double materiality review. For more details on the Transition Plan, see "—*Sustainability Approach*" below.

Customer First

The Group aims to maximise returns from its spaces by helping its customers thrive. By designing, creating, managing and owning market-leading, sustainable workspaces, the Group seeks to consistently deliver personal customer experiences. The Group recognises that every business is different, so it provides choice to allow the Group's customers to create their space the way they want it. Its Ready to Fit offering provides flexibility for customers to design and fit out the space that is suited to their business and people. The Group also provides Fitted spaces that are designed by its in-house experts. Customers can also choose to have their space Fully Managed, where the Group assumes a larger role in the design and operation of the space, seeking to make life easier and convenient so the customer can concentrate on their business.

The Group develops all of these offers with sustainability at their core. It seeks to design spaces for future use, incorporating the latest technology to enhance the customer experience, such as its smart workplace app, sesame®. The Group's spaces are designed to promote health and wellbeing for its customers and local communities, with highly adaptable open plan configurations and outdoor spaces. The Group recognises that to deliver a high quality service, it needs to have a direct relationship with its customers. As such, the Group has dedicated in-house Customer Experience and Workplace Services teams whose roles are to manage the day-to-day operation of its buildings and deliver an attractive service provision to all of its customers.

To support the Group's ambition to deliver and maintain the highest standards, the Group has developed a new service proposition, 'Together we thrive', which includes five service standards that are being rolled out across the business to enhance consistency in the Group's approach, whilst also providing a strong promise to its customers:

- Actively listen
- Bring the energy
- Be flexible
- Add value
- Keep our word

The Group's Customer First approach is also included in its corporate values, with the inclusion of 'We value every customer' being recently added and rolled out across the business.

5. Portfolio

5.1 *Portfolio summary*

The Group's property portfolio is exclusively based in central London and comprises 38 properties representing approximately 2.7 million sq ft of office, retail and residential space in London's West End (74%, by value) (comprising 37% located north of Oxford Street and 37% located in the rest of the West End), City (13%, by value), Midtown (4%, by value) and Southwark (9%, by value) regions.

The table below summarises information about the Group's property portfolio as at 31 March 2024:

Portfolio characteristics

		Investment properties	Development properties	Total property portfolio	Office	Retail	Residential	Total	Net internal area sq ft
		£m	£m	£m	£m	£m	£m	£m	000's
North of Oxford Street		870.3	-	870.3	677.3	189.0	4.0	870.3	760
Rest of West End		804.9	44.7	849.6	560.8	288.1	0.7	849.6	651
Total West End		**1,675.2**	**44.7**	**1,719.9**	**1,238.1**	**477.1**	**4.7**	**1,719.9**	**1,411**
City, Midtown and Southwark		454.5	156.8	611.3	600.2	8.6	2.5	611.3	1,319
Total		**2,129.7**	**201.5**	**2,331.2**	**1,838.3**	**485.7**	**7.2**	**2,331.2**	**2,730**
By use:	Office	1,684.9	153.4	1,838.3					
	Retail	440.1	45.6	485.7					
	Residential	4.7	2.5	7.2					
Total		**2,129.7**	**201.5**	**2,331.2**					
Net Internal area sq ft 000 s		2,166	564	2,730					

5.2 *Portfolio valuation*

As at 31 March 2024, including the Group's share of investment properties in joint ventures, the value of the Group's property portfolio net of the present value of future ground rents, including its share of investment properties in joint ventures, was £2,331.2 million, down 12.1%, or £303.4 million on a like-for-like basis net of capital expenditure. The Group's actively managed portfolio accounted for 55% of the total £2,331.2 million by value, followed by long-dated West End properties (28%), developments (9%) and development pipeline (8%). As at 31 March 2024, the Group's wholly owned properties were valued in aggregate at £1,855.1 million and Great Portland Estates' 50:50 joint venture owned properties were valued in aggregate at £952.3 million (of which GPE's share was valued at £476.1 million).

The key drivers behind the Group's valuation decrease for the year ended 31 March 2024, including the Group's share of joint ventures, were:

- ***Higher property yields*** – given the backdrop of higher interest rates, true equivalent yields increased by 56 basis points in the year ended 31 March 2024 as compared to growth of 42 basis points in the year ended 31 March 2023, reducing valuations. (office: increase of 54 basis points; retail: increase of 62 basis points). At 31 March 2024, the portfolio true equivalent yield was 5.3%;
- ***Estimated Rental Value (ERV) growth*** – the continued demand for the Group's prime space has helped increase the Group's rental values. During the year ended 31 March 2024, the Group has experienced continued demand for prime spaces, resulting in rental values increasing by 3.8% on a like-for-like basis. Office rents increased by 3.6%, with values for Fully Managed offices rising by 5.2% and values for the Group's long dated assets (Hanover Sq, Newman St, Regent St and Walmar House, including Flex space under offer) rising by 5.8%. ERVs in the Group's retail portfolio increased by 4.4% during the year ended 31 March 2024;
- ***Developments*** – the valuation of the Group's development properties decreased by 28.7% on a like-for-like basis to £201.5 million in the year ended 31 March 2024, given development returns are more sensitive to movements in property yields; and
- ***Portfolio management*** – the Group delivered a strong leasing year, signing 77 new leases, rent reviews and renewals, with new lettings in the year ended 31 March 2024 9.1% ahead of March 2023 ERV. This secured £25.6 million (GPE's share) of annual income, supporting the valuation over the year. At 31 March 2024, the portfolio was 10.1% reversionary.

See also Part XV*: "Operating and Financial Review of the Group—Portfolio Performance and Statistics"*.

Part XVIII: "*Condensed Valuation Report*" of this document contains a condensed valuation report on the Group's portfolio. This valuation report has been prepared by CBRE with the valuation date as at 31 March 2024.

In accordance with the Red Book and applying the appropriate indicated percentage share of the Group's interest in jointly held properties, the value of the Group's property portfolio as at 31 March 2024 net of the present value of future ground rents, including its share of investment properties in joint ventures, was £2,331.2 million and is based on the "Market Value" of each property in the portfolio. "Market Value" is defined by the RICS as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion". The market values were principally derived from capitalising the estimated future cash flows of each property based on current ERVs. Further detail on portfolio performance and statistics can be found in the section entitled "*Portfolio Performance and Statistics*" in Part XV: "*Operating and Financial Review of the Group*" of this document.

5.3 ***Portfolio uses***

The Group's portfolio comprises office, retail and residential space:

(a) *Office*

The Group's office properties comprise 79% of its portfolio by value as at 31 March 2024. The Group is focused on delivering two complementary, overlapping activities in its office space, which the Directors believe its portfolio is well suited to deliver:

- ***HQ repositioning***: developing larger, best-in-class HQ buildings. Demand for high-quality, brand-new space in London has remained strong and the future supply of space remains limited. As at 31 March 2024, the Group's development programme, which includes developments in the West End, the City, and Southwark, totalled 8.6% of the Group's existing portfolio. This pipeline of opportunity provides raw material, often with poor sustainability credentials, which the Group can transform into best-in-class spaces designed to let well in their local markets, be prepared for a rapidly changing world and have regard to the wider environment in which they are located; and
- ***Flex spaces***: smaller, fitted units, often fully managed by the Group and with higher service levels. With the Flex market maturing and becoming the default choice for smaller office space, businesses are increasingly demanding the provision of flexibility, amenities and service provision. Accordingly, the Group has developed a choice of Flex offerings to meet this need. The Group provides spaces that are delivered flexibly on a Fitted or Fully Managed basis, as well as Flex partnerships to provide space in advance of redevelopment. The Group has 36 Fitted units and 82 Fully Managed units as at 31 March 2024.

The Group's four core office solutions comprise Ready to Fit, Fitted, Fully Managed and Flex Partnerships:

(1) ***Ready to Fit – 56.4% of Group gross rental income for the year ended 31 March 2024***

The Group's Ready to Fit offering provides customers with the flexibility to design and configure the space specifically for their needs, purpose and people. These spaces are typically within HQ repositioning assets, which are larger buildings, and let to larger customers who have the ability to manage their real estate in house.

Recent significant Ready to Fit leases include:

- 2 Aldermanbury Square, EC2: pre-let in its entirety (321,100 sq ft) to Clifford Chance LLP, on a 20-year term (15-year break, with additional options to break at year eight on the fourth floor and year twelve on the fifth floor) ; and
- 50 Finsbury Square, EC2: all of the offices pre-let to Inmarsat Global Limited (121,800 sq ft) on a 20-year term (15-year break). In February 2023, the Group sold 50 Finsbury Square, EC2 for £190 million.

(2) ***Fitted – 10.1% of Group gross rental income for the year ended 31 March 2024***

The Group's Fitted spaces are designed by the Group's in-house experts and provide spaces which are ready for occupation as fully furnished, well-designed workspaces, with their own front door, furniture, meeting rooms, kitchen and branding. The Group is compensated for the additional capital expenditure to fit out the spaces through higher rent from the customer. The spaces are typically let on short-form lease agreements with an average term of four years.

Recent significant Fitted leases include The Hickman, E1 where New Look now occupy 23,242 sq ft of offices on ten-year leases with an option to break at year seven.

(3) ***Fully Managed – 8.6% of Group gross rental income for the year ended 31 March 2024***

The Group's Fully Managed offering builds upon the Group's Fitted offering. The Group provides the

customer with all day-to-day services and management of the workplace in one monthly bill. The services include utilities, cleaning, security, IT (meeting room technology, IT support and access to the Group's workspace app, sesame®) and amenity space provisions such as tea and coffee. The spaces are let on short-form lease agreements with an average term of two years. The Group is compensated for the additional capital expenditure and provision of services through higher rent.

Recent Fully Managed leases include:

- 16 Dufour's Place, W1: the Group re-let the 4th floor (2,200 sq ft) to a new customer who has taken a two-year lease, paying a rent of £258 per sq ft; and
- Woolyard, SE1: the Group agreed four new leases which together will contribute an additional £1.8 million to the Group's rent roll, at an average rent of £163 per sq ft, over the lease terms (which are in-line with the Group's average term for short-form lease agreements).

(4) ***Flex Partnerships – 5.7% of Group gross rental income for the year ended 31 March 2024***

Where the management of the space is more intensive (delivered by the desk or room) the Group partners with another provider to meet this demand. To date, these partnerships have been utilised ahead of redevelopment to maximise cash flow in New City Court, SE1 or have provided space more appropriate for its location at The Hickman, E1. These partnerships are structured via lease arrangements with the revenue share recognised with rental income.

(b) ***Retail – 15.6% of Group gross rental income for the year ended 31 March 2024***

The Group's retail properties comprised 21% of its portfolio by value as at 31 March 2024. Most of the Group's office buildings in central London have an element of retail space at ground floor level. In addition, the Group (in joint venture) owns two stand-alone retail buildings at Mount Royal, W1 on Oxford Street and 103/113 Regent Street, W1. The Group aims to provide high quality, modern retail units in locations with enduring appeal. Accordingly, the bulk of the Group's activities centre on the prime shopping streets delivering new retail experiences into locations that benefit from the newly-opened Elizabeth line.

COVID-19 had a significant negative impact on the retail sector in central London with many stores forced to close for extended periods of time. However, London's retail sector has recovered with the Group's retail vacancy reducing significantly from the highs of 2021. The Group's leasing experience in the year ended 31 March 2024 has shown that high quality retail spaces remain in high demand. In the year ended 31 March 2024, the Group completed £7.0 million of retail lettings, 4.7% ahead of March 2023 ERV.

(c) ***Residential***

The Group's residential portfolio has reduced significantly in recent years (representing 0.3% of rent roll as at 31 March 2024) and comprises primarily of residential apartments in mixed use buildings, sold on long leaseholds. An example is Hanover Square, W1 which has 12,200 sq ft of residential units.

5.4 ***Portfolio locations***

(a) *West End*

North of Oxford Street

North of Oxford Street borders Oxford Street on the south stretching from Marble Arch Station to Tottenham Court Road station and the immediate surrounding area to the North (specifically Marylebone, Fitzrovia and Bloomsbury). The area consists of office, retail and residential properties, with traditionally smaller office lot sizes. The Group's properties North of Oxford Street as of the date of this document include 1 Newman Street and 70/88 Oxford Street, Wells & More, Kent House and Elsley House, all W1.

Rest of West End

The Rest of West End borders the southern side of Oxford Street, stretching from Marble Arch Station to Tottenham Court Road station and the immediate area to the South (specifically Mayfair, Piccadilly, and Soho). The area has a large retail and leisure presence, with traditionally smaller office lot sizes in respect to offices. The Group's properties in the Rest of West End at the date of this document include Hanover Square, W1, 48/54 Broadwick Street and 16 Dufour's Place, W1, 10 Cork Street, W1, 141 Wardour Street, W1, Soho Square Estate, W1, French Railways House & 50 Jermyn Street, SW1 and The Piccadilly Buildings, SW1.

(b) *City, Midtown and Southwark*

The City covers the 'Square Mile' of London and the surrounding areas (specifically Whitechapel and Moorgate). The City is characterised by larger offices predominantly occupied by legal and financial services firms. The Group's properties in the City as of the date of this document comprise 2 Aldermanbury Square, EC2, the Hickman, E1 and City Tower, EC2.

Midtown sits between the West End and the City, covering the areas immediately surrounding Farringdon, Clerkenwell and Fleet Street. The Group's properties in Midtown as of the date of this document comprise 6 St Andrew Street EC4, Elm Yard and 200 & 214 Gray's Inn Road, all WC1.

Southwark borders the southern bank of the Thames and includes the areas immediately surrounding Southwark station and London Bridge station. The Group's properties in Southwark as of the date of this document include New City Court, Minerva House, and Woolyard, all SE1.

6. Development and Refurbishment Programme

6.1 *On-site development schemes and Flex conversion programme*

The Development and Refurbishment Programme allows the Group to reposition its buildings and is at the core of its business model, presenting significant organic growth opportunities.

The cyclical nature of central London property markets means it is critical for the Group to match its development activity to the appropriate point in the cycle, delivering new buildings into a supportive market when quality space is scarce and demand is resilient. By combining the Group's forensic analysis of market conditions with its active portfolio management, the Group aims to be opportunistic and flexible when planning the start and, therefore completion date, for its schemes.

At 31 March 2024, the Group is undertaking the following on-site development schemes:

- *2 Aldermanbury Square, EC2*: the Group is currently increasing the size of the building to 322,600 sq ft (up from 176,000 sq ft). All of the offices are pre-let to Clifford Chance on a 20 year term (15 year break, with additional options to break at year eight on the fourth floor and year twelve on the fifth floor). Whilst the development is currently anticipated to deliver a 12.4% loss on cost from the commitment date given market yield expansion has driven valuation declines to date, from the March 2024 valuation the scheme is expected to deliver approximately £30 million of future profit. The scheme is anticipated to complete in 2026.
- *French Railways House & 50 Jermyn Street, SW1*: following the Group's commitment to the redevelopment of the scheme in November 2023, the Group has obtained vacant possession and commenced the strip out of the buildings. The major office-led redevelopment will provide 67,600 sq ft (up from 54,700 sq ft) of new Grade A space and is expected to complete in mid-2026. The scheme has yet to be pre-let and is anticipated to deliver a profit on cost of 23.7%, an ungeared IRR of 14.5% and a 6.4% development yield.
- *Minerva House, SE1*: the Group has commenced the refurbishment of the building to create 143,100 sq ft of commercial space, an increase of approximately 56% on the existing area. The Group's activities will reposition the building to take full advantage of its river frontage and, by adding additional storeys, create outdoor terraces and amenity space with commanding views over central London. The refurbishment will also improve the public realm around the building, creating new and improved connections through the site as well as attractive new gardens. The scheme has yet to be pre-let and is anticipated to deliver a profit on cost of 19.1%, an ungeared IRR of 11.7% and a 7.0% development yield.

See Part XV: "*Operating and Financial Review of the Group—Key Factors Affecting Results of Operations—Refurbishment and redevelopment schemes*" for more information.

The Group is also converting a number of spaces to its Flex portfolio, including:

- *141 Wardour Street, W1*: the refurbished building will provide 29,900 sq ft of new Fully Managed space in the heart of Soho, building on the Group's success at nearby 16 Dufour's Place, W1. The construction is expected to complete in early 2025 and is expected to require approximately £20 million of future capital expenditures.
- *6 St Andrew Street, EC4*: the Group started development on site in June 2023 to deliver 46,200 sq ft of new Grade A Fully Managed offices. The Group's plans include the addition of two new storeys, together with extensive terracing and significant amenity features throughout the building. The Group anticipates that the scheme will complete in August 2024 and require approximately £16 million of future capital expenditure.

In total, the Directors believe the Group's anticipated development and Flex capital expenditure programme provides a strong platform for organic growth. In aggregate, the Group has seven on-site development and conversion schemes which are expected to deliver 678,000 sq ft of well-designed, tech-enabled and sustainable space into a market where

prospective supply is expected to be increasingly limited. See Part XV: "*Operating and Financial Review of the Group—Liquidity and Capital Resources—Capital expenditure*" for more information.

6.2 ***Near-term pipeline***

The Group has a further two schemes in its near-term pipeline:

(a) *The Soho Square Estate, W1*

Building on its successful track record at the eastern end of Oxford Street, the Group added to its near-term pipeline with the acquisition of the Soho Square Estate, W1 for £70 million in August 2023. The 57,500 sq ft mixed-use buildings are currently multi-let with vacant possession expected by November 2024. The buildings are located in the heart of the West End at the eastern end of Oxford Street and back onto Soho Square, 100 metres from the new Tottenham Court Road Elizabeth line station.

The 0.5 acre site benefits from planning consent to demolish the existing buildings and deliver approximately 91,000 sq ft of new Grade A office and prime retail space. The Group intends to rework the designs to improve the quality of office and retail space, further increasing its attractiveness to prospective customers in a materially undersupplied market. The redevelopment will provide a best-in-class HQ office building on Soho Square with flagship retail fronting Oxford Street, arranged over basement, lower ground, ground and eight upper floors, with multiple private terraces and a communal roof terrace. The Group anticipates commencing the project in the first quarter of 2025.

(b) *New City Court, SE1*

The Group submitted two planning applications to Southwark Council to redevelop New City Court, SE1 on the Southbank, the first in December 2018 for a 372,500 sq ft scheme, and a second in April 2021 for a 389,100 sq ft scheme. In January 2022, having explored all avenues to have both schemes approved without success, the Group appealed for non-determination. This triggered a planning inquiry that closed in August 2022. In September 2023, the Group received confirmation that the Planning Inspector's report recommended that the planning applications should be refused and the Secretary of State agreed with that recommendation.

As a result, the Group is working closely with Southwark Council to explore the opportunity to re-use and extend the existing building, combining Fully Managed and Ready to Fit spaces, to create a renewed building with strong sustainability credentials, amenity provision, flexible spaces and far-reaching views from large, landscaped roof terraces.

6.3 ***Acquisitions and sales***

The Group has a disciplined and focused approach when considering additions to, or disposals from, its portfolio.

The Group has a deep knowledge of the London property market and a comprehensive database of target properties, with many tracked over the long-term. For each potential acquisition, the Group undertakes thorough due diligence and detailed appraisals prior to purchase and rigorously monitors acquisition performance against target returns.

The Group's acquisition criteria follow its strategy of investing in HQ repositioning and its Flex portfolio.

(a) *HQ repositioning acquisition criteria*

The Group considers the below criteria when determining the merits of a potential HQ repositioning acquisition:

- Tired, inefficient properties, often with poor EPC ratings, with angles to exploit;
- Attractive central London locations supported by infrastructure improvements/local investment;
- Discount to the Group's view of replacement cost and typically off-market;
- Off low rents and low capital values per sq ft; and
- 10% - 15% IRRs; 12.5% - 20% profit on cost.

(b) *Flex acquisition criteria*

The Group considers the below criteria when determining the merits of a potential Flex acquisition:

- Amenity rich locations with excellent transport links;
- Clustering around existing GPE Flex holdings (Soho, Mayfair, St James's, Fitzrovia, Southwark, Farringdon/ Midtown);
- 30,000 - 60,000 sq ft with divisible floorplates;

- Target unit size of 2,000 - 6,000 sq ft;
- Ability to create internal amenity space and end-of-trip facilities;
- High quality ground floor experience;

  Product and market appropriate refurbishment capital expenditure; and
- Opportunity to deliver stabilised income yield of over 6%.

(c) *Recent acquisitions*

In the year ended 31 March 2024, the Group made the following acquisitions:

- HQ repositioning: Soho Square Estate, W1.
- Flex
  - 141 Wardour Street, W1; and
  - Bramah House, SE1.

See Part XV: "*Operating and Financial Review of the Group—Portfolio Performance and Statistics—Acquisitions*" for more detail in respect of the above.

(d) *Sales*

The Group seeks to remain disciplined regarding capital recycling and keeps its portfolio under regular review to identify and sell individual buildings in respect of which the Group has already executed its business plans, and believes sale proceeds can be better used more accretively elsewhere in the portfolio. From time to time, the Group receives expressions of interest in its properties in the ordinary course of its business. The Group is currently evaluating expressions of interest with respect to certain properties, although no final decisions to dispose of any properties have been taken by the Board. No assurance can be given that any expression of interest, including those currently under consideration, will lead to an offer or disposal. Disposals are subject to careful consideration by the Company's investment management teams, negotiation, due diligence and the execution of binding definitive agreements.

In the year ended 31 March 2024, the Group made the following sales:

- 6 Brook Street, W1.
- 1A/1B Poland Street, W1.

7. **Joint Ventures**

The Group's joint ventures aim: (i) to provide the Group with access to buildings that otherwise may not be available for purchase, providing joint venture partners with access to the Group's market expertise and management skills; and (ii) allow the Group to share the risk on larger projects. A significant portion (20.4% as at 31 March 2024 and 22.0% as at 31 March 2023 by value) of the market value of the Group's portfolio is owned and operated through joint venture entities, all of which are 50% owned by the Group, with the Group managing the properties owned by each partnership. As at 31 March 2024, the Group's joint ventures made up 31.0% of its net assets and 21.4% of its rent roll.

As of the date of this document, the Group has three active joint ventures with joint venture partners being BP Pension Fund, the HKMA and Liverpool Victoria Friendly Society (managed by Threadneedle), each focusing on a particular area of the central London property market:

- In 2008, The Great Ropemaker Partnership (**GRP**) was formed with BP Pension Fund to initially acquire and develop 240 Blackfriars Road, SE1 which was later sold in 2017. As at 31 March 2024, Great Portland Estates' share of the property held in the GRP joint venture was valued at £117.6 million.
- In 2013, The GHS Limited Partnership (**GHS**) was formed with the HKMA to own and develop Hanover Square, W1, a prime, mixed use site in the West End. GPE transferred the properties into the partnership for £202.0 million. The development of the 221,200 sq ft site was completed in 2020, with the offices let to KKR, Glencore and Brown Advisory, amongst others. As at 31 March 2024, Great Portland Estates' share of the property held in the GHS joint venture was valued at £321.8 million.
- In 2004, The Great Victoria Partnership (**GVP**) was formed with Liverpool Victoria Friendly Society to acquire the Mount Royal retail parade on Oxford Street, W1 (one of the largest unbroken blocks of retail property in single ownership on the street) for £80 million. As at 31 March 2024, Great Portland Estates' share of the property held

in the GVP joint venture was valued at £36.7 million.

8. Customers and Leasing

(a) *Customer First approach*

The Group benefits from a close understanding of its customers' businesses and a deep appreciation of their requirements to deliver a workplace environment that meets these requirements. Therefore, the Group aims to have strong, enduring relationships with its customers to ensure they remain satisfied with their existing workspace and allow the Group to maximise its ability to retain or relocate them when their occupational requirements change.

To ensure the Group continues to deliver and maintain the highest standards, it has developed a service proposition, 'Together we thrive', which includes five service standards to ensure a consistency of approach, whilst also providing a strong promise to the Group's customers. These five service standards include: (i) actively listen; (ii) bring the energy; (iii) be flexible; (iv) add value; and (v) keep the Group's word. Adherence to these service standards help the Group achieve a close relationship with its customers, which in addition to the day-to-day interaction with customers, is complemented by a formal meeting with each customer twice a year and Executive Committee members meeting a cross section of customers at least annually.

(b) *Customer mix*

The Group has a diversified customer mix, with no one anchor customer or specific sector forming a substantial portion of its customers in either HQ spaces or Flex spaces. The Group's top 10 customers were responsible for 25% of the Group's share of rent roll as at 31 March 2024. The Group's two principal types of customers are: (i) retail, hospitality and leisure; and (ii) banking and finance, representing 31% and 23% of its customer mix by rent roll respectively.

Sector	**Share of rent roll as at 31 March 2024**
Retail, hospitality and leisure	31%
Banking and finance	23%
Professional	17%
Corporate	18%
Technology, media and telecoms	11%
Total	**100%**

(c) *Vacancy rate*

The Group's vacancy rate was 1.3% and 2.5% as at 31 March 2024 and 2023, respectively. For more detail on the Group's vacancy rates, please see Part XV: "*Operating and Financial Review of the Group*". The Group's vacancy rate as at 31 March 2024 by location and use is as follows:

			Vacancy Rate
London	North of Oxford Street	*Office*	1.2%
		Retail	1.4%
	Rest of West End	*Office*	0.5%
		Retail	1.0%
	Total West End		0.9**%**
	City, Midtown and Southwark	*Office*	1.8%
		Retail	-
	Total City, Midtown and Southwark		1.8**%**
Total portfolio			1.3%

(d) *Lease arrangements*

The Group enters into lease arrangements with its customers; the leases granted will vary in length and may include rent free periods.

The table below shows the Group's weighted average lease lengths (by value) as at 31 March 2024, including joint

ventures at share, by location and use:

			Weighted average lease length (Years)
London	North of Oxford Street	*Office*	4.2
		Retail	4.5
	Rest of West End	*Office*	5.5
		Retail	4.6
	Total West End		4.7
	City, Midtown and Southwark	*Office*	2.4
		Retail	2.2
	Total City, Midtown and Southwark		2.3
Total let portfolio			4.1

(e) ***Customer satisfaction***

The Group commissions an annual independent customer satisfaction survey which is designed to determine its customers' satisfaction with their building, communication with the Group, the Group's understanding of their business needs and ease of doing business with the Group. For the year ended 31 March 2024, 122 customers participated. A key output of the survey is an office NPS, which is best translated as the willingness to recommend GPE. It is expressed as an absolute number between -100 and +100.

The Group's office NPS remains high, at 30.2 in 2024 (compared to 44.0 in 2023). This remains significantly ahead of the UK and European real estate industry average of 6.9. Based on the valuable feedback and comments the Group receives from its customers, the Group prepares building-specific action plans to further improve its services. The plans are produced within four weeks of the results and implemented as soon as possible, demonstrating that the Group has listened and, more importantly, acted on feedback.

The Directors believe that the Group's high levels of customer satisfaction and its focus on its Customer First approach supports the Group's ability to deliver strong leasing results and valuation growth. For more detail, please see "*—Competitive Strengths—Strong stakeholder relationships."*

9. **Legal and Regulatory Framework**

In the United Kingdom, contracts for the leasing of property are governed partly by the Landlord and Tenant Act 1954 and other legislation, but the terms of the relevant contract or lease are also important. It is also common to contract out of the key parts of the Landlord and Tenant Act 1954, where the parties agree it is mutually beneficial to do so. A typical commercial lease will be for a duration of five years and above, with rent payable quarterly in advance and rent reviews at the end of each five-year period. Rent reviews are nearly always 'upward only' whereby the rent is increased to the market rent at the review date unless the market rent is lower than the passing rent, in which case it will not change. More recently, with the introduction of the Group's Fitted and Fully Managed office offerings, the Group has entered into shorter lease durations of less than five years, typically with an annual rental uplift agreed at the outset of the lease, with rent payable monthly in advance.

As a general rule, the use and development of all land and buildings in England are governed by the planning system. In central London, securing planning permission for new developments is complex and challenging with many restrictions including height, massing and impact on the local environment, particularly in London's historic West End. As a result, significant value can be attributed to land and buildings where planning permission for future development has been granted.

9.1 ***REIT Status***

On 1 January 2007, the Company converted to REIT status in the UK. Broadly, as a REIT, the Company is exempt from UK tax on income and gains derived from its UK investment property rental business. In order to qualify for this regime, the Company must fulfil certain criteria, including various tests relating to the number and balance of properties and percentage of income profits derived from and assets used in its rental business.

The Company regularly monitors its compliance with requirements to ensure its REIT status is maintained. For example, the Company is required to distribute 90% of the REIT Group's income profits (after deducting capital allowances and other tax adjustments as defined in Section 530 of the Corporate Tax Act 2010) derived from its investment property rental business as a Property Income Distribution (**PID**). Basic rate income tax, currently at 20%, is withheld from PIDs. Certain classes of shareholder may be able to claim exemption from this withholding tax and others can reclaim all or part of the tax withheld. For further information, see Part II: "*Risk Factors—The Group faces certain risks relating to its REIT status, including changes to tax legislation, which may affect the Group and restrict*

the Group's flexibility in implementing its strategy."

10. Information Technology

10.1 *Technology*

Robust information and communications technology (**ICT**) systems are extremely important in an increasingly digital world. The Group works to achieve highly secure and reliable ICT systems and robust data protection procedures by constantly monitoring its systems and digital environment.

10.2 *Innovation Strategy*

The Group's approach has consistently been and will continue to be to look for new opportunities to innovate, to deliver the spaces for customers and their employees to meet, work creatively and increasingly, to socialise. To date, the Group's focus has been to explore innovative ways to digitise interactions with built space and gather data to help drive better decisions for the work that it does, and to support its customers in understanding more about their needs, across the Group's various offerings. The Group has been recognised for its innovative approach, including awards for innovation from the UK PropTech Association.

The Group's Innovation strategy consists of four objectives:

- ***Experience Led***: focusing on seamless, friction free and simple user experience for customers, colleagues and partners;
- ***Data Driven***: providing data to inform significant decisions and enable a higher operational pace;
- ***Enabling Growth***: using all its combined assets to achieve ongoing and sustainable business growth; and
- ***Highly Efficient***: removal of wasted effort across business processes.

10.3 *sesame®*

The Group's smartphone app (licensed from a third party), 'sesame', puts greater control in the hands of its customers, through automated building access and the ability to adjust cooling and lighting. Moreover, the data generated by the app in combination with sensors in the workplace, can provide constant anonymous feedback on occupancy levels, temperature, light levels, air quality and noise. This feedback allows the Group to work with its customers to adapt and flex the building environment as their business needs evolve. The Group is also utilising digital twin technology in some of its new developments to monitor their real-time performance and ensure the building is operating as designed and even anticipate when items of plant and machinery need replacing.

11. Environment and Sustainability

The Group has adopted a comprehensive environmental and sustainability policy. The Group has energy and carbon targets for 2030, which have been verified by the Science Based Targets initiative as being in line with a 1.5°C warming scenario. By March 2023, these targets had already been met, and as a result the Group is now reviewing them for potential revision. In May 2023, the Group updated its Sustainability Statement of Intent and its Roadmap to Net Zero, which set out the Group's detailed ambitions and actions to reduce its Scope 1, 2 and 3 emissions. The Group is expected to complete its Transition Plan and launch it by March 2025. The Group also recognises that current projections by UN Environment Programme (**UNEP**) Emissions Gap Report 2023, suggest that a 2°C or 4°C warming scenario is more likely and have therefore set out its response to both scenarios. The Group's business strategy is to acquire poorly performing assets and reposition them, particularly with sustainability improvements in mind, and as a result, the Directors do not believe that this strategy will need to change in either eventuality.

11.1 *Sustainability Milestones*

- In 2019, the Group:
  - Conducted a materiality review, with the support of an external consultant in line with best-practice guidance as well as a physical climate risk modelling exercise to quantify the potential impacts of climate change on London under a range of future emission scenarios for 2045.
  - Signed the Better Buildings Partnership Climate Commitment.
- In 2020, the Group:
  - Introduced innovative ESG-linked terms to its RCF. It was the first to be issued by a UK REIT and incorporates three ESG-linked KPIs which align with its ambitious sustainability strategy.

- Launched its Sustainability Statement of Intent, 'The Time is Now', which sets out the Group's long-term strategy to 2030 across four pillars:
  - Integrating climate resilience across its business;
  - Decarbonising its business to become net zero by 2030;
  - Putting health and wellbeing front and centre; and
  - Creating a lasting positive social impact in its communities.
- Launched its Roadmap to Net Zero detailing its approach to become a net zero carbon business by 2030.

- In 2021, the Group:
  - Launched its Sustainable Finance Framework.
  - To address the fourth pillar of the above Statement of Intent, launched its Social Impact Strategy which sets out its four priority areas and how the Directors believe the Group can create a lasting positive impact in its communities.
- In 2022, the Group:
  - Embarked upon a large circular economy project at 2 Aldermanbury Square, EC2 to reuse the structural steel in another of the Group's developments.
  - Launched its three-year charity partnerships with XLP and National Energy Action. XLP unlocks the potential of young people from disadvantaged backgrounds growing up in inner city London.
- In 2023, the Group:
  - Delivered its first net zero carbon building at 50 Finsbury Square, EC2.
  - Launched its updated Statement of Intent and Our Brief for Creating Sustainable Spaces.
- In 2024, the Group:
  - Launched its updated Road Map to Net Zero.

11.2 ***Sustainability Approach***

In 2023, the Group updated its Sustainability Statement of Intent and launched its 'Brief for Creating Sustainable Spaces', refocusing its strategy and recognising the importance of integrating climate across its business. The Group has a four-part approach to reducing its environmental impact embedded within its business strategy:

(1) **Integrating climate resilience across its business**

- In order to become a climate resilient business, the Group must address transitional climate risk, integrate climate adaptation and resilience measures into building design, and work to support the resilience of its customers, suppliers and communities.
- The Group is aiming to ensure that all major refurbishments and developments are fossil fuel free, whilst transitioning its existing portfolio away from fossil fuel reliant systems. The Group expects to work with its customers to find alternatives to fossil fuel powered life-safety back-up systems.
- By implementing NABERS (National Australian Built Environment Rating System) UK and the Carbon Risk Real Estate Monitor Tool (**CRREM**) the Group expects to be able to drive improvements and monitor its progress.
- For new acquisitions, the Group will undertake net zero carbon due diligence to create an appropriate asset level Transition Plan.

(2) **Decarbonising its business to become net zero by 2040**

- Working with its customers and supply chain, the Group is implementing its Roadmap to Net Zero, whilst prioritising energy efficiency and energy security. The Group aims to:
  - After meeting its original SBTi verified target in 2023 (set against the Group's 2018 baseline) reduce its Scope 1, 2 and 3 emissions by a further 42% by 2030 and by 90% by 2040 from the Group's 2023 baseline;
  - Reduce energy intensity by 47% across its occupied portfolio by 2030 (when compared to the Group's original 2016 energy intensity baseline);

- Reduce its embodied carbon by 52% by 2030 across its new build developments and major refurbishments (when compared to the Group's original embodied carbon 2020 baseline);
- Engage with the top 80% of the Group's customers (by energy consumed) and the top 80% of its supply chain partners (by spend) by 2027;
- Ensure that energy consumption across its portfolio is fossil fuel free by 2030 (including a new commitment to remove gas boilers entirely from the Group's building by 2030);
- Increase the Group's internal carbon price from £95 per tonne to £150 per tonne; and
- Offset, only once the Group has achieved a 90% reduction across all scopes, the total residual carbon to reach net zero.

(3) **Putting health and wellbeing front and centre**

- The Directors believe sustainable buildings should contribute to the wellbeing of the Group's customers and their local community, supporting healthier, happier and more productive lives.
- The Group's commitments include:
  - Integrating wellbeing considerations into the design of its spaces.
  - Supporting improved external air quality across its portfolio and communities.
  - Managing and monitor indoor air quality for the health and wellbeing of its customers.
  - Promoting initiatives to support the health and wellbeing of its people, customers and supply chain partners.

(4) **Creating a lasting positive social impact in the Group's communities**

- The Group's Social Impact Strategy, published in 2021, sets out how the Group expects to deliver its vision to create a lasting positive impact through four pillars, which will contribute to the needs of the London boroughs in which the Group is working.
- The Group's commitments include:
  - Creating at least £10 million of social value in its local communities by 2030 and improve access to nature.
  - Supporting charitable and non-profit organisations that challenge inequality, and tackle health and wellbeing.
  - Championing diverse skills and accessible employment opportunities.
  - Supporting the growth of local business and social enterprise.

The metrics the Group uses to measure its ESG performance are subject to risks and uncertainties. See Part II: "*Risk Factors—Risks Relating to Great Portland Estates' Business —The Group may be adversely affected if it fails to meet its decarbonisation objectives.* "

11.3 ***Environmental Regulation***

The Group's operations are subject to statutory rules and regulations regarding the discharge of substances into the environment or otherwise relating to environmental protection, including hazardous waste disposal and health and safety legislation relating to both employees and the public. The Group continually monitors and manages any exposure it may have to environmental liability and the Directors regard regulatory compliance as a minimum standard. The Company maintains a sustainability policy statement and supplier code of conduct that is reviewed annually by the Board and maintains an active review of the Company's environmental management system, policies and practices in respect of each of the Group's core operations.

12. **Employees and Employee Relations**

As at 31 March 2024, the Group had 134 employees. The Group's employee retention rate of 75.5% during the year ended 31 March 2024 as a measure of stability (down from 83.5% in the year ended 31 March 2023) reflects a generally steady and stable workforce. The Group's workforce comprises a good balance in terms of length of service and this both refreshes and reinforces its culture.

12.1 ***Employee engagement***

The Group maintains high levels of direct engagement throughout the year through numerous mechanisms, including

formal programmes of Non-Executive Director breakfast meetings and 'An Audience with…' employee engagement sessions, property tours, employee presentations and other meetings and events. The Group also engages people through regular communication forums including a weekly 'all company' meeting, a senior leader mentoring programme, and monthly 'Listening Sessions' hosted by Executive Committee members with small groups of employees.

The Group's employees are encouraged to share feedback at any time but are formally asked to participate in an annual engagement survey. For the year ended 31 March 2024, there was a 98% response rate to the survey which demonstrates extremely high engagement and the results were positive. In the survey, 74% of all responses were favourable, 21% neutral and only 5% unfavourable. The Group engages with employees on the results and seeks further clarification on issues where required, prior to building appropriate action plans to address any areas where improvement is required.

12.2 *OneGPE*

The Group's people strategy is referred to internally as OneGPE and sets out six key areas of focus: (i) employee experience; (ii) leadership capability; (iii) growth and progression; (iv) performance and reward; (v) health and wellbeing; and (vi) diversity and inclusion. For each area of focus, an aspiration has been articulated and the on-going work of the HR team (and others) is to progress toward achieving these aspirations. The strategy is outcome-focused, looking at measurable key indicators of organisational health including engagement, diversity, inclusion and retention.

12.3 *GPE.Connect*

In 2022, the Group established a framework of four pillars to review progress against its diversity and inclusion (**D&I**) agenda, building on its initial D&I Strategy launched in 2019 which helped the Group achieve National Equality Standard accreditation in April 2020. The Group is now using the Clear Assured global D&I accreditation to monitor its progress and achieved Bronze status within six weeks in late 2023. GPE.Connect refers to Group's internal D&I governance and infrastructure. An Inclusion Committee was established to oversee all activities which contribute to the enhancement of an inclusive culture. There are four very active Employee-led Impact groups, focusing on Race & Ethnicity, Women, Parents & Carers, and Health & Wellbeing. Other strands of diversity including disability and LGBTQ+ are highlighted directly by the Inclusion Committee. The Directors believe that diversity breeds strength and it seeks to hire talented, unique individuals who are encouraged to share their perspectives, collaborate and be their authentic selves while they support their colleagues to do the same. The Group serves a dynamic global capital city made up of many cultures and it strives to reflect that diversity with a workplace built on merit and equality. The Group values and respects all roles at GPE and knows that everyone plays an important part in its collective success. The Directors also believe that every person at GPE has the responsibility to create and sustain an inclusive environment.

13. **Insurance**

The Group has insurance policies that provide coverage for activities related to the Group's operations and activities, including property owner's insurance, business interruption, public/ product liability, terrorism and professional indemnity insurance.

Part XIII. Selected Financial Information of the Group

The selected consolidated financial information set forth below shows the Group's historical consolidated financial information as at and for the years ended 31 March 2024, 2023 and 2022. The information set forth below has been extracted without material adjustment from, and should be read in conjunction with, the Group's audited consolidated financial information incorporated by reference in this document. The statement of cash flows of the Group as of and for the year ended 31 March 2023 is derived from the 2023 Financial Statements except where purchase and development of investment property have been disaggregated to conform with 2024 Financial Statements presentation, such disaggregated information having been derived from the unaudited comparative column included in the 2024 Financial Statements. The statement of cash flows and the balance sheet of the Group as of and for the year ended 31 March 2022 are derived from the unaudited comparative column included in the 2023 Financial Statements except where purchase and development of investment property have been disaggregated to conform with 2024 Financial Statement presentation. (See Part V: "Important Information—Presentation of Financial Information" and Part VI: "Information Incorporated by Reference" of this document).

The selected consolidated financial information of the Group should also be read in conjunction with Part XV: "Operating and Financial Review of the Group" and Part VI: "Information Incorporated by Reference" of this document.

Group income statement

	For the year ended 31 March		
	2024	**2023**	**2022**
		£ million	
Revenue	95.4	91.2	84.2
Cost of sales	(33.3)	(32.2)	(30.1)
	62.1	**59.0**	**54.1**
Administration expenses	(42.3)	(38.3)	(35)
Expected credit losses	(0.1)	(0.8)	(4.1)
Development management losses	-	(0.1)	(0.4)
Operating profit before deficit from property, revaluation movements and results of joint ventures	**19.7**	**19.8**	**14.6**
(Deficit)/surplus from investment property	(267.3)	(145.0)	107.9
(Deficit)/surplus on revaluation of other investments	(0.2)	0.1	-
Share of results of joint ventures	(46.7)	(33.4)	45.9
Operating (loss)/profit	**(294.5)**	**(158.5)**	**168.4**
Finance income	6.1	6.0	7.4
Finance costs	(17.7)	(11.5)	(9.1)
Fair value loss on derivatives	(1.7)		
(Loss)/profit before tax	**(307.8)**	**(164.0)**	**166.7**
Tax	-	0.1	0.5
(Loss)/profit for the year	**(307.8)**	**(163.9)**	**167.2**

Group statement of cash flows

	For the year ended 31 March		
	2024	**2023**	**2022***
		£ million	
Operating activities			
Operating (loss)/profit	(294.5)	(158.5)	168.4
Adjustments for non-cash items	313.4	175.1	(149.7)
(Increase)/decrease in receivables	(8.6)	5.3	0.5
Increase/(decrease) in payables	4.1	(6.1)	3.1
Cash generated from operations	**14.4**	**15.8**	**22.3**
Interest paid	(22.3)	(17.6)	(13.9)
Interest received	0.3	0.1	0.1
Tax repaid	-	-	0.4
Cash flows (used in)/from operating activities	**(7.6)**	**(1.7)**	**8.9**
Investing activities			
Distributions from joint ventures	-	7.5	7.3
Repayment of loans by joint ventures **	6.7	9.0	89.5
Investment in joint ventures	(0.1)	-	-
Purchase of other investments	(0.8)	(0.7)	-
Development of investment property	(121.7)	(80.5)	(83.1)
Purchase of investment property	(128.3)	(39.9)	(37.5)
Purchase of plant and equipment	(0.1)	(0.2)	(0.3)
Sale of properties	12.6	217.4	-
Cash flows (used in)/generated from investing activities	**(231.7)**	**112.6**	**(24.1)**
Financing activities			
Revolving credit facility repaid	(275.4)	(387.0)	(202.5)
Revolving credit facility drawn	308.4	314.0	244.5
Term loan drawn	248.0	-	-
Purchase of derivative	(2.1)	-	-
Payment of lease obligations	(3.4)	(3.3)	(3.0)
Dividends paid	(32.7)	(31.9)	(32.7)
Cash flows generated from/ (used in) financing activities	**242.8**	**(108.2)**	**6.3**
Net increase/(decrease) in cash and cash equivalents	**3.5**	**2.7**	**(8.9)**
Cash and cash equivalents at 1 April	19.4	16.7	25.6
Cash and cash equivalents at 31 March	**22.9**	**19.4**	**16.7**

*Cash and cash equivalents and payables in respect of customer deposits have been restated as at 1 April 2021 and 31 March 2022 following clarification by IFRIC on classification of funds with externally imposed restrictions. As a result, the previously reported cash flows from operating activities for the year ended 31 March 2022 increased from £6.7 million to £8.9 million There was no impact on the other components of the statement of cash flows for the year ended 31 March 2022. See note 1 of the Group's 2023 Financial Statements for further details.

**"Funds from joint ventures" for the years ended 31 March 2023 and 31 March 2022.

Group balance sheet

	As of 31 March		
	2024	**2023**	**2022***
		£ million	
Non-current assets			
Investment property	1,911.0	1,922.2	2,144.4
Investment in joint ventures	491.3	538.8	582.8
Property, plant and equipment	2.0	3.5	5.0
Pension asset	4.9	4.1	3.5
Derivative financial instruments	0.4		
Other investments	2.4	1.8	1.0
	2,412.0	**2,470.4**	**2,736.7**
Current assets			
Trade and other receivables	24.9	15.8	21.1
Cash and cash equivalents	22.9	19.4	16.7
	47.8	**35.2**	**37.8**
Current assets held for sale			
Investment property held for sale	18.2	-	-
	18.2	-	-
Total assets	**2,478.0**	**2,505.6**	**2,774.5**
Current liabilities			
Interest-bearing loans and borrowings	(175.0)	-	(0.2)
Trade and other payables	(76.2)	(56.8)	(71.9)
Corporation tax	(0.3)	-	-
	(251.5)	**(56.8)**	**(72.1)**
Non-current liabilities			
Interest-bearing loans and borrowings	(565.4)	(458.5)	(531.0)
Head lease obligations	(74.1)	(66.7)	(55.6)
Occupational lease obligations	(1.0)	(2.0)	(2.9)
Provisions in respect of warranties on sold buildings	(3.0)	(3.0)	-
	(643.5)	**(530.2)**	**(589.5)**
Total liabilities	**(895.0)**	**(587.0)**	**(661.6)**
Net assets	**1,583.0**	**1,918.6**	**2,112.9**
Equity			
Share capital	38.7	38.7	38.7
Share premium account	46.0	46.0	46.0
Capital redemption reserve	326.7	326.7	326.7
Retained earnings	1,166.0	1,504.4	1,697.9
Investment in own shares	5.6	2.8	3.6
Total equity	**1,583.0**	**1,918.6**	**2,112.9**

*Cash and cash equivalents and monies held in trade and other payables have been restated as at 31 March 2022 following clarification by IFRIC on classification of funds with externally imposed restrictions, see note 1 of the Group's 2023 Financial Statements for further details.

The table below sets out information with respect to certain unaudited KPI and APMs (certain of which are unaudited) used by the management of the Group to evaluate the Group's performance. For the year ended 31 March 2024, the Group moved to a more target-based operational scorecard, designed to motivate management to optimise returns for shareholders and focus on clear and measurable objectives to deliver its strategic priorities. Please see Part XX: "*Additional Information—Executive Remuneration*" for additional information. As a result, the "Optimising financial performance" measures described below were introduced in year ended 31 March 2024, comprising of three measures included in the below table, alongside three other new APMs. For a complete description of each of the financial as well as non-financial/operational KPIs and APMs, see Part V: "*Important Information— Key Performance Indicators (KPIs) and Alternative Performance Measures (APMs) Used by the Group*".

	For the year ended 31 March		
KPI/APM	**2024**	**2023**	**2022**
Total Accounting Return (TAR)			
Group	(15.9)%	(7.8)%	8.8%
Benchmark[(1)]	*n/a*	*3.0%*	*4.0%*
Total Shareholder Return (TSR)			
Group	(21.3)%	(27.3)%	6.6%
Benchmark[(2)]	*10.7%*	*(28.5)%*	*20.8%*
Total Property Return (TPR)			
Group	n/a	(4.1)%	9.4%
Benchmark[(3)]	n/a	*(8.1)%*	*7.0%*
Optimising financial performance			
Rent achieved on market lettings during the year v. ERV[(4)]			
Group	9.1%	n/a	n/a
Benchmark	*≥0.0%*	*n/a*	*n/a*
Vacancy rate at year end[(5)]			
Group	1.3%	n/a	n/a
Benchmark	*≤8.0%*	*n/a*	*n/a*
Maintains appropriate liquidity[(6)]			
Group	£633 million	n/a	n/a
Benchmark	≥£150 million	*n/a*	*n/a*
Net Zero Carbon Roadmap			
Energy consumption[(7)]			
Group	149.7kWh/m^2	159kWh/m^2	n/a
Benchmark	*≤191 kWh/m^2*	*≤199 kWh/m^2*	*n/a*
New developments[(8)]			
Group	83%	n/a	n/a
Benchmark	*≥50%*	*n/a*	*n/a*
Personal and business culture			
Inclusion[(9)]			
Group	74%	78%	n/a
Benchmark	*≥65% to 80%*	*≥65%*	n/a
Diversity[(10)]			
Group	Progress made against each target	n/a	n/a
Benchmark	*Progress made against each target*	*n/a*	*n/a*

KPI/APM	For the year ended 31 March 2024	2023	2022
Transforming the business and putting customers first			
Planning milestones[11]			
Group	50% of Major, 100% of Minor in scope applications	n/a	n/a
Benchmark	50% of Major, 50% of Minor in scope applications	*n/a*	*n/a*
Flex space[12]			
Group	102,353 sq ft increase	414,000 sq ft	n/a
Benchmark[13]	*≥30,000 sq ft increase*	*341,000 sq ft*	*n/a*
Customer NPS[14]			
Group	30.2	44.0	27.8
Benchmark	*≥20.0 to 40.0*	*3.8*	*2.0*

Notes:

(1) TAR is measured as growth (or reduction) in EPRA Net Tangible Asset (**NTA**) per share (EPRA NTA being the industry standard measure of a real estate company's success at creating value) plus any ordinary dividends paid, expressed as a percentage of EPRA NTA per share at the beginning of the period. The table below sets out the reconciliation of TAR to EPRA NTA for the years ended 31 March 2024, 2023 and 2022. For a reconciliation of EPRA NTA to IFRS NTA, see Note 9 to the 2024 Financial Statements. The TAR benchmark, which is calculated using a peer group comprised of the FTSE 350 real estate companies excluding agencies (on a straight-line basis between median and upper quartile) for the year ended 31 March 2024 was not available at the date of this prospectus.

	Pence per share for the year ended 31 March 2024	2023	2022
Opening EPRA NTA (A)	757.0	835.0	779.0
Closing EPRA NTA	624.0	757.0	835.0
(Decrease)/increase in EPRA NTA	(133.0)	(78.0)	56.0
Ordinary dividends paid in the year	12.6	12.6	12.6
Total return (B)	(120.6)	(65.4)	68.6
Total Accounting Return (B/A)	(15.9%)	(7.8%)	8.8%

(2) TSR of the Group is benchmarked against the TSR of the FTSE 350 Real Estate Index (excluding agencies). See "Part V: *Important Information - Pre-Existing Alternative Performance Measures* " for more information on TSR.

(3) TPR of the Group is benchmarked against a basket of over £50 billion of similar assets in central and inner London as defined by IPD. From the year ended 31 March 2024, the Group no longer includes TPR as an APM. See "Part V: *Important Information - Pre-Existing Alternative Performance Measures* " for more information on TPR.

(4) Rent achieved on market lettings during year versus the CBRE ERV as at 31 March. Measured by how much it exceeds ERV with performance compared to a benchmark range of 0.0% to 3.5% on a straight line basis.

(5) Vacancy rate of the investment portfolio (excluding space under development or refurbishment) at year end (including recently completed development or refurbished space during the year) divided by the ERV of the whole portfolio. Performance against the benchmark is measured on a straight line basis. This is measured against a benchmark range of 6.0% to 8.0%.

(6) Total sum of cash and undrawn committed debt facilities available to the Group as at 31 March, in pounds sterling, with performance compared against a benchmark range of £150m to £350m, measured on a straight line basis.

(7) Energy consumption is measured in the amount of Kilowatt-hours (**kWh**) consumed by the Group's portfolio and all energy purchased by the Group, including electricity sub-metered to its customers.

(8) The percentage of new developments on track to generate net zero carbon emissions once completed, calculated as the number of development/refurbishment schemes that meet or exceed annualised targets for Embodied Carbon, as independently reviewed by Arup and Energy Intensity measured through TM54 or NABERs modelling.

(9) Maintaining and facilitating a positive and inclusive culture, measured through employee engagement. Employee engagement is measured through an annual survey of all employees, by comparing a blended Employee Engagement Index and Employee Inclusion Index (**EEII**) score of the Group to a 65% hurdle. The Directors believe that maintaining high levels of employee engagement, and an inclusive culture, is key to motivation, productivity and ultimately the delivery of its business plans.

(10) Enabling diverse talent to develop and deliver the Group's strategy, measured by achievements against gender and diversity targets. The Group aims to increase both the proportion of women in leadership roles and ethnic minorities in people management roles. Targets are to achieve (i) 40% women in senior leadership roles; and (ii) 20% of management roles to be filled by colleagues identifying with an Office for National Statistics ethnic minority category, each by March 2025. Progress towards these targets as of 31 March 2024: (i) 34% and (ii) 17%.

(11) Achieving planning milestones in year, as measured by a combination of planning submissions and planning approvals across the Group's portfolio. These are specific to each development project and are therefore not quantified on a Group-wide basis.

(12) Commitments to new Flex space over the year. Growth in the Group's committed Flex space is measured by the amount of square feet dedicated to Flex space. Growth of the Group's Flex offer is an integral part of the Group's strategy and a near-term strategic priority designed to enhance its valuation and income growth. This measure has been updated for the year ended 31 March 2024.

(13) Internal benchmark set by the Board. The Group is targeting to grow its flex space to more than one million sq ft over the next five years. From the year ended 31 March 2024, the Group no longer includes growth of committed Flex space as a separate APM. This is now included as part of the operational KPI "Transforming the business and putting customers first". See "*Important Information—Pre-Existing Alternative Performance Measures* ".

(14) Customer satisfaction is measured by the Group's Net Promoter Score (**NPS**). The office NPS of the Group is compared to a +20.0 benchmark for year ended 31 March 2024 or the office industry average in prior years, expressed as a number between -100 and +100, with a minimum target of the industry average. The Directors believe that high levels of customer satisfaction are critical to both attracting and retaining businesses in the Group's buildings.

Part XIV. Historical Financial Information of the Group

The audited consolidated financial statements for the Group as at and for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 have been prepared in accordance with UK-adopted International Accounting Standards as applied in accordance with the provisions of the Companies Act, together with the independent auditors' reports and notes in respect of each such financial year, contained in the 2024 Annual Report and Financial Statements (the **2024 Annual Report**), the 2023 Annual Report and Financial Statements (the **2023 Annual Report**) and the 2022 Annual Report and Financial Statements (the **2022 Annual Report**) respectively.

The consolidated financial statements for the Group contained in the 2024 Annual Report was audited by PricewaterhouseCoopers LLP and the independent auditors' report for such financial year was unqualified.

The consolidated financial statements for the Group contained in the 2023 Annual Report and the 2022 Annual Report were audited by Deloitte LLP and the independent auditors' report for such financial year was unqualified.

The following documents, which have been approved, filed with or notified to the FCA, and which are available for inspection in accordance with paragraph 22 of Part XX: "*Additional Information*" of this document, contain information about the Group which is relevant to this document:

- the 2024 Annual Report;
- the 2023 Annual Report; and
- the 2022 Annual Report.

The table below sets out the sections of these documents which are incorporated by reference in, and form part of, this document, and only the parts of the documents identified in the table below are incorporated by reference in, and form part of, this document. The parts of these documents which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this document. To the extent that any part of any information referred to below itself contains information which is incorporated by reference, such information shall not form part of this document.

Information incorporated by reference in this Prospectus

Document	Section	Page numbers in such documents
2024 Annual Report	Group Income Statement for the year ended 31 March 2024	148
	Executive Directors' remuneration and bonus outcomes	129-30
	Executive Directors' LTIP awards and share interests	133-35
	Total Shareholder Return Performance and CEO pay ratio	140
	Employee Share Trust	141
	Directors' remuneration policy	128-29
	Group Statement of Comprehensive Income for the year ended 31 March 2024	148
	Group Balance Sheet as at 31 March 2024	149
	Group Statement of Cash Flows for the year ended 31 March 2024	150
	Group Statement of Changes in Equity for the year ended 31 March 2024	151
	Notes Forming Part of the Group Financial Statements	152-78
	Independent Auditor's Report	179-86
2023 Annual Report	Group Income Statement for the year ended 31 March 2023	152
	Group Statement of Comprehensive Income for the year ended 31 March 2023	152
	Group Balance Sheet as at 31 March 2023	153
	Group Statement of Cash Flows for the year ended 31 March 2023	154
	Group Statement of Changes in Equity for the year ended 31 March 2023	155
	Notes Forming Part of the Group Financial Statements	156-78
	Independent Auditor's Report	179-88
2022 Annual Report	Group Income Statement for the year ended 31 March 2022	138
	Group Statement of Comprehensive Income for the year ended 31 March 2022	138
	Group Balance Sheet as at 31 March 2022	139
	Group Statement of Cash Flows for the year ended 31 March 2022	140
	Group Statement of Changes in Equity for the year ended 31 March 2022	141
	Notes Forming Part of the Group Financial Statements	142-64
	Independent Auditor's Report	165-74

Part XV. Operating and Financial Review of the Group

The following is a review of the results of operations and financial condition of the Group for the years ended and as at 31 March 2024, 2023, and 2022. Prospective investors should read this discussion in conjunction with: (i) the historical financial information of the Group incorporated by reference into this document, as explained in Part VI: "Information Incorporated by Reference; (ii) the selected historical financial information set out in Part XIII: "Selected Financial Information of the Group"; (iii) pro forma financial information set out in Part XVII: "Unaudited Pro Forma Financial Information of the Group"; and (iv) the Condensed Valuation Report set out in Part XVIII: "Condensed Valuation Report" of this document. This discussion of the Group's results of operations and financial condition is based on, and has been extracted without material adjustment from, the Group's IFRS financial information for the years ended 31 March 2024, 31 March 2023 and 31 March 2022. The statement of cash flows and the balance sheet of the Group for the year ended 31 March 2022 are derived from the unaudited comparative column included in the 2023 Financial Statements.

Certain of the information contained in the following discussion, including information with respect to the Group's plans and strategies for its business and expected sources of financing, contains forward looking statements that involve risks and uncertainties. Potential investors should read the section of this document entitled "Forward-looking Information" contained in the "Important Information" section for a discussion of the risks and uncertainties related to those statements, "Information on the Group" for information relating to the Group's business set out in Part XII of this document and Part II: "Risk Factors" contained on pages 15 to 38 for a discussion of certain factors that may affect the Group's business, results of operations and financial condition. In addition, the following discussion includes information with respect to key performance indicators and alternative performance measures. Key performance indicators and alternative performance measures are used to supplement, but should not be considered substitutes for, or alternatives to, performance measures calculated in accordance with IFRS.

1. Overview

GPE is a FTSE 250 listed real estate investment trust (**REIT**), engaging in property investment and development focusing on properties in prime locations in central London.

The Company was formed in December 1957, becoming a public company and listing on the London Stock Exchange in March 1959 and owns over £2.3 billion of real estate, as at 31 March 2024.

The Group's property portfolio consists of a wide range of buildings and locations in central London, particularly in the West End, which accounted for approximately 74.0% of the Group's existing portfolio by value, as at 31 March 2024. The Group also has properties in the City, Midtown and Southwark. In addition, the Group has an extensive pipeline of development and refurbishment projects across London, which the Directors believe provides significant opportunity to add value over the long term.

The Group is well positioned to take advantage of the changes currently underway in the London office space sector. London's office occupiers are increasingly focused of the very best spaces and as a result, the Group is focused on delivering high quality, sustainable working environments through two complementary, overlapping activities:

- HQ repositioning, which entails developing larger, best-in-class HQ buildings. Demand for high-quality, brand new space in London has remained strong and the future supply of space remains limited. As at 31 March 2024, the Group’s development properties, which includes developments in the West End, the City, and Southwark, totalled 8.6% of the Group’s existing portfolio. This pipeline of opportunity provides raw material, often with poor sustainability credentials, which the Group can transform into best-in-class spaces designed to let well in their local markets, be prepared for a rapidly changing world and have regard to the wider environment in which they are located; and
- Flex spaces, which are smaller, fitted units, often fully managed by the Group and with higher service levels. The Directors believe that the Flex market is maturing and becoming the default choice for smaller office space, businesses are increasingly demanding the provision of flexibility, amenities and service provision. Accordingly, the Group has developed a choice of Flex offerings to meet this need. The Group provides spaces that are delivered flexibly on a Fitted or Fully Managed basis, as well as Flex partnerships to provide space in advance of redevelopment.

The Group's property portfolio consists of the following spaces:

- ***Office***: 79% of the Group's portfolio by value is represented by office space as at 31 March 2024. The Group is focused on four core office solutions:
    - *Ready to Fit*: The Group's Ready to Fit offering seeks to provide customers with the flexibility to design and fit out space specifically for their needs, purpose and people. These spaces are typically within HQ repositioning

assets, which are larger buildings, and let to larger customers who have the ability to manage their real estate in-house.

- *Fitted*: The Group also offers Fitted spaces, which are designed by the Group's in-house experts and provide spaces which are ready for occupation as fully furnished, well-designed workspaces, with their own front door, furniture, meeting rooms, kitchen and branding. The Group is compensated for the additional capital expenditure to fit out the spaces through higher rent from the customer. The spaces are typically let on short-form lease agreements with an average term of four years.
- *Fully Managed*: The Group's Fully Managed offering overlays the Group's Fitted offer with a high level of services, including community manager and concierge service, cleaning, utilities and business rates with one monthly bill. The spaces are let on short-form lease agreements with an average term of two years. The Group is compensated for the additional capital expenditure and provision of services through higher rent from the customer.
- *Flex Partnerships*: The Group works with its Flex partners to deliver desks or rooms to its customers. To date, these partnerships have been utilised ahead of redevelopment to maximise cash flow in New City Court, SE1, or have provided space more appropriate for the Group's location at the Hickman, E1. These partnerships are structured via lease arrangements with the revenue share recognised with rental income.

- ***Retail***: 21% of the Group's portfolio by value is represented by retail space as at 31 March 2024. The Group's retail portfolio is concentrated in central London's prime shopping streets and provides its customers with high quality, modern retail units.
- ***Residential***: less than 1% of the Group's portfolio by value is represented by residential space as at 31 March 2024.

The table below analyses the Group's portfolio by value as at 31 March 2024:

Portfolio	**As at 31 March 2024**	
	Value	**Percentage**
	in £ million	*%*
By use		
Office	1,838.3	79%
Retail	485.7	21%
Residential	7.2	-
Total	**2,331.2**	**100%**
By location		
West End – North of Oxford Street	870.3	37%
West End – Rest of West End	849.6	37%
City	306.7	13%
Southwark	213.9	9%
Midtown	90.7	4%
Total	**2,331.2**	**100%**

In the year ended 31 March 2024, the Group's revenue was £95.4 million as compared to £91.2 million in the year ended 31 March 2023, loss before tax was £307.8 million as compared to £164.0 million in the year ended 31 March 2023, rent roll was £107.5 million as at 31 March 2024 as compared to £106.4 million as at 31 March 2023 and the value of the Group's property portfolio net of the present value of future ground rents, including the Group's share of investment properties in joint ventures, was £2,331.2 million, significantly down by 12.1% or £303.4 million on a like-for-like basis net of capital expenditure since 31 March 2023.

The Group's REIT status enables the Group to operate largely on a tax-exempt basis in relation to rental income and gains on disposals of properties held for investment. Additional information about the Group's REIT status is set out in paragraph 9.1 of Part XII: "*Information on Great Portland Estates Group*".

2. Key Factors Affecting Results of Operations

The Group's financial performance and results of operations are affected by a variety of factors. Set out below is a discussion of the most significant factors that have affected the Group's results in the periods under review and which the Directors expect may affect the Group's financial results in the future. Factors other than those set forth below could also have a significant impact on the Group's results of operations and financial condition.

2.1 ***Macro-economic conditions and the real estate market conditions in central London***

Substantially all of the Group's properties are located in prime locations in central London, with approximately 74% of the portfolio in the West End and the remainder in the City, Midtown and Southwark as at 31 March 2024. The Group intends to continue to focus on these central London areas, where the Directors believe the Group's expertise and extensive market contacts give it a significant competitive advantage. The Group's results of operations thus have been and will continue to be significantly affected by conditions in the central London real estate market.

London is one of the world's major capital cities and offers significant attractions to businesses and tourists arising from its heritage, scale, infrastructure, language, legal system and geographical location. Although London's appeal as a global financial, business and retail centre can fluctuate during any given short-term period (see Part II: "*Risk Factors — Risks Relating to Great Portland Estates' Business — Events which damage or diminish London's status as a global financial, business and retail centre could affect the Group's ability to let vacant space and reduce the value of the Group's properties.*"), the Directors believe that these factors will continue to have a positive impact on the real estate markets in which it operates over the longer term.

The performance of London's property market for the periods under review has been marked by the monetary response to rising inflation which has been increasing interest rates across the world. This increase has negatively impacted investment markets, increasing property yields and contributing to a reduction in market turnover. Whilst the COVID-19 pandemic created a challenging environment for office and retail sectors, including customers of the Group, customer demand has recovered from its lows with rents growing across a number of London's markets. Nevertheless, the negative macro-economic backdrop and rising interest rates have more than outweighed supportive occupational markets and, as a result, the value of the Group's property portfolio net of the present value of future ground rates as at 31 March 2024, including the share of investment properties in joint ventures, was £2,331.2 million, a decrease of 12.1% or £303.4 million on a like-for-like basis net of capital expenditure since 31 March 2023. Moreover, in the years ended 31 March 2024 and 2023, the Group had an operating loss of £294.5 million and £158.5 million, respectively, principally due to the downward valuation of the Group's property portfolio during the period. See also Part XII: "*Information on Great Portland Estates Group*" for more detail on the Group's markets.

Whilst the impacts of the COVID-19 pandemic have largely abated, the pandemic has accelerated longer-term structural changes in working practices that have impacted the nature of demand for space in central London. Specifically, many employees continue to value the flexibility and convenience of remote work. Therefore, offices need to adapt to offer the best of both worlds, providing employees with the flexibility they desire while maintaining the benefits of face-to-face collaboration and team-building that the office provides. Customers believe their office spaces need to justify the commute to their employees. Accordingly, the Directors believe occupational demand is increasingly discerning, focusing on prime spaces and largely discounting the rest, and that the Group is well placed to capitalise on this structural shift. The Group's Development and Refurbishment Programme is delivering prime spaces matched to meet this evolving demand, and as buildings which do not meet these criteria suffer, the Group anticipates opportunities will emerge to acquire new raw material for its future pipeline.

In addition, London has witnessed significant growth in the demand for flexible office space in the period under review. Advances in technology, the growth in start-up businesses, increased mobility in the workforce and the rise of the 'gig' economy have helped drive this growth. As a result, many new suppliers have entered the market to meet this demand. Demand for flexible spaces has increased quickly as people returned to the workplace post pandemic and the Directors expect this growth to continue. For example, flexible space is increasingly becoming the default choice for customers seeking sub 5,000 sq ft office space. To meet this growing demand, the Group has continued to invest in its Fitted and Fully Managed offers, with customers paying the Group a premium for high quality, convenient spaces. In the periods under review, the Group's gross rental income from Fully Managed offers increased by 156.3% in the year ended 31 March 2023, as compared to the year ended 31 March 2022, and 41.5% in the year ended 31 March 2024, as compared to the year ended 31 March 2023. Similarly, the Group's gross rental income (including spreading of lease incentives) from its Fitted offer increased by 11.8% in the year ended 31 March 2023 as compared to the year ended 31 March 2022, and by 78.9% in the year ended 31 March 2024, as compared to the year ended 31 March 2023. For more information on the Group's Flex offering, see Part VII: "*Letter From the Chair of the Company—Delivering the Group's differentiated Flex offering into growing market demand, enhancing rental growth and potential returns* ."

In the retail context, the COVID-19 pandemic led to a combination of lower retail sales and an accelerated structural shift in consumer behaviour as increasing volumes of sales moved online. Central London retail was also impacted as tourists were absent and consumers avoided busy locations. As the impacts of the COVID-19 pandemic largely abated during the period under review, sentiment in the retail market improved and retailers have benefited from resurgent footfall, rebased rents and a more favourable business rate environment. These improved levels of activity have helped to support prime central London retail rents and reduce vacancy levels, with Oxford Street's vacancy rate at 3.6% as at 31 December 2023, the lowest since the third quarter of 2019. The Group's vacancy rate was 1.3% as at 31 March 2024, compared with 2.5% as at 31 March 2023.

Across London, the Directors consider the cost and availability of finance, combined with an increasingly challenging planning regime, to present significant obstacles to new development, particularly in the West End. As a result, the Group considers the forward look supply of space in its target markets to be increasingly constrained. The Directors believe that this presents an opportunity for the Group, both in limiting competition for the high quality spaces it provides, and providing favourable conditions for rental growth in the coming years.

Looking forward, despite the UK recently entering a shallow technical recession, the Directors believe near-term macro-economic outlook is more positive. The inflation rate has declined significantly and is anticipated to continue its downward trajectory over the course of 2024. Whilst interest rates are not expected to return to their pre-pandemic lows, financial markets are pricing in reductions in the latter half of 2024. Against this backdrop, the Directors recognise that London's property markets are cyclical and firmly believe that London's attraction as a commercial and financial hub remains intact and the long-term prospects for its real estate markets are sound.

2.2 *Sales and acquisitions of investment property assets*

The sale and purchase prices the Group achieves on investment properties has had and can have a significant impact on the Group's level of revenue, rental income, revaluation surpluses and leverage metrics. London's investment market is highly competitive, attracting capital from around the globe. Accordingly, the property investment market in central London is affected by macro-economic factors that are beyond the Group's control, such as real estate market conditions generally (see "*—Macro-economic conditions and the real estate market conditions in central London*" above), changes in interest rates, consumer spending, inflation rates, real estate taxes and the availability and cost of financing.

The Group aims to actively manage its portfolio in line with the property cycle, often selling investment properties when its business plans are complete and when forward-looking returns are low, and recycling the proceeds into new opportunities as they arise. Accordingly, the Group will buy and sell investment properties in most financial years. In the period under review, the Group continued its disciplined approach towards sales and acquisitions (for more detail, please see Part XII: "*Information on Great Portland Estates Group*"). The following table shows the cash outflows for investment property asset acquisitions (excluding associated transaction costs) and total proceeds from disposals of investment property assets for the Group including its share of joint ventures for the period under review:

	For the year ended 31 March		
	2024	**2023**	**2022**
	£ million		
Acquisitions of investment property assets	122.9	37.1	36.5
Sales of investment property assets	13.4	217.8	90.8

In the year ended 31 March 2024, the Group sold 6 Brook Street, W1 for total proceeds of £8.4 million and 1A/1B Poland Street, W1 for total proceeds of £5.0 million and acquired Bramah House, SE1 for £13.9 million and 141 Wardour Street, W1 for £39.0 million to support its growth ambitions for its Flex offering. Bramah House has an anticipated yield on cost of 6.8% and a 25% discount to the Group's view of replacement cost, and 141 Wardour St has an anticipated yield on cost of 6.3% and a 25% discount to the Group's view of replacement cost. The Group also acquired Soho Square Estate, W1 for £70.0 million as an HQ redevelopment, with a 27% discount to the Group's view of replacement cost and anticipated surplus of £45.0 million.

In the year ended 31 March 2023, the Group sold 50 Finsbury Square, EC2 for £190.0 million and 6/10 Market Place, W1 for £27.8 million. During the same period, the Group acquired 6 St Andrew Street, EC4 for £30.0 million and 2 Cathedral Street, SE1 for £7.1 million.

In the year ended 31 March 2022, the Group sold 160 Old Street, EC1 (through its GRP joint venture) for £90.8 million (GPE's share) and acquired 7/15 Gresse Street, W1 for £36.5 million.

During periods of difficult market conditions and negative sentiment such as the current period of high inflation and interest rates or a general economic slowdown, the Group’s portfolio has experienced and may continue to experience significant declines in investment and development returns, resulting in increased volatility in valuations. Looking forward, the Group anticipates that this will present an opportunity to buy and that some property owners will be increasingly motivated to sell. At the same time, the Group's key priorities are to continue to enhance its portfolio through acquisitions and sales and to actively seek new buildings for its Flex offerings, as well as opportunities for repositioning or redevelopment. See also "*—Portfolio Performance and Statistics—Acquisitions*" below.

2.3 *Gross rental income from investment properties*

Gross rental income from investment properties (including spreading of lease incentives with regards to Ready to Fit, Retail and Fitted) accounted for 76.4%, 79.5% and 79.9% of the Group's revenue in the years ended 31 March 2024, 2023 and 2022, respectively. The Group's ten largest properties by value generated 51% of the Group's rent roll as at

31 March 2024. The principal factors which influence the Group's rental income include:

- ***Repositioning.*** Through the refurbishment and redevelopment of properties, the Group aims to generate rental value growth through improving the quality of the building and/or by increasing its size. The Group expects its rental income to increase as properties exit the refurbishment or redevelopment phase and are let to new customers. Moreover, the Group has a strong track record of successfully leasing buildings before the development is complete. Significant pre-let examples in the Group's portfolio include 2 Aldermanbury Square, EC2 (pre-let to Clifford Chance LLP), 50 Finsbury Square, EC2 (pre-let to Inmarsat Global Limited) and Hanover Square, W1 (pre-let to Kohlberg Kravitz Roberts & Co). Furthermore, in recent years the Group has been repositioning properties to include its Flex offerings, and at 31 March 2024 these Flex offerings totalled 503,000 sq ft. The Group has an ambition to grow Flex offerings to more than 1 million sq ft over the coming years, further details of which are contained in the in Part XII: "*Information on Great Portland Estates Group*" of this document.
- ***Acquisitions and sales.*** Although during the period under review the effect of acquisitions and sales was not significant with respect to the Group's rental income, the Group's rental income can fluctuate significantly due to the sale or purchase of properties during any given period.
- ***Occupancy/void rates.*** The signing of a new lease with a significant customer or a customer not continuing in occupation after a lease break or expiry could result in fluctuations in the Group's rental income. The Group's vacancy rate decreased from 13.2% as at 31 March 2021 to 10.8% as at 31 March 2022, then to 2.5% as at 31 March 2023, and further to 1.3% as at 31 March 2024, which was lower than pre-COVID vacancy rates of 4.8% as at 31 March 2019 and 2.0% as at 31 March 2020, and had a negligible impact on Group rental income during the year ended 31 March 2024. The primary drivers of lower vacancy over the period under review were the completion of the leasing of a number of development schemes during the year ended 31 March 2023, including Hanover Square, W1, 1 Newman Street, W1 and The Hickman, E1, together with reduced retail vacancy as the retail sector recovered from the impacts of the COVID-19 pandemic. In the near term, the Group may actively seek to remove customers from its buildings and thereby reduce rental income, when necessary, to enable the start of redevelopment works or to convert the space to its Flex offer, with the aim of achieving greater rental income when the project is complete.
- ***Rent reviews.*** The settlement of a rent review with a significant customer, where the rent payable by a customer is typically adjusted to the prevailing market rent on an upwards-only basis, can also have an impact on the rental income in any given period. In the periods under review, the Group has benefited from rising rental values across its portfolio, with ERV growth of 2.1% on a like-for-like basis for the year ended 31 March 2023 and 3.8% for the year ended 31 March 2024. As a result, during the periods under review, this growth in ERV was captured through rent reviews, which contributed approximately £0.2 million to Group rental income in the year ended 31 March 2024 and £0.2 million in the year ended 31 March 2023.
- ***Customer defaults and delinquencies.*** The loss of any of the Group's significant customers or a large number of customers through default or customer administration could result in reduced rental income. During the period under review, the effect of customer defaults and delinquencies did not have a significant effect on Group rental income. Going forward, customer defaults and delinquencies may have a greater impact on rental income as a result of current market and economic conditions leading to business failures. This factor is partly mitigated by rent deposits and bank guarantees, and if required, can also be mitigated through negotiated and amended lease terms.
- ***Joint ventures.*** Rental income associated with properties held by the joint venture partnerships in which the Group participates is reflected in the share of results of joint ventures, which is reported as a separate line item in the income statement (see "*— Joint Ventures*" below).
- ***Fully Managed spaces.*** Revenue from Fully Managed spaces is split between an amount attributable to the rent on a fitted basis and services income as set out in the lease agreement. Where the lease agreement does not provide an attribution, the Group splits the revenue based on the ERV of the fitted rent. The rent is recognised in gross rental income and the services income is recorded over the period when the services are provided and benefit the customer.
- ***Flex Partnerships***. The Group's Flex Partnerships represent leases with third-party operators where the rent payable is calculated by reference to the profitability of the space under management. The rent from Flex partnerships is recognised in gross rental income.

2.4 ***Revaluation of investment property***

The Group's property portfolio is valued by a professionally qualified, third-party property valuer. The difference between the fair value of the Group's investment and development properties at the reporting date and their carrying amount prior to re-measurement net of capital expenditure is included in the income statement as surplus or deficit

from investment property during the period in which its valuation is reviewed. During the period under review, valuation changes to the Group's investment and development properties resulted in the recognition of a significant loss of £267.3 million in the year ended 31 March 2024 compared with a loss of £145.0 million in the year ended 31 March 2023 and a gain of £107.9 million in the year ended 31 March 2022. Valuation changes recognised in the Group's income statement do not have an impact on the Group's cash position until the sale of a property.

Revaluations of investment and development property held by the Group's joint ventures are similarly recognised in the income statements of each joint venture and therefore have a direct impact on the Group's income statement under share of results of joint ventures. During the period under review, valuation changes to those investment properties reduced the Group's share of results of joint ventures by £56.5 million in the year ended 31 March 2024, having reduced it by £43.2 million in the year ended 31 March 2023 and having increased it by £28.1 million in the year ended 31 March 2022. Such valuation changes did not have an impact on the Group's cash position.

The Group's investment properties and development properties are revalued every half year whereas the Group's joint venture investment properties are revalued every quarter. As a result, the Group's net income may experience volatility as valuation changes between reporting dates may be significant, particularly when direct real estate markets are volatile. Such values may change, from one period to the next, based on changes in property yields for comparable properties sold in the market in a given period, and based on rental values for the property being evaluated. In a favourable market, property yields are likely to be low as investors compete with one another for real estate investment opportunities, driving up the price paid for a property, in proportion to a given level of rental income. Conversely, in a less favourable market, such as the current market conditions, characterised by macro-economic uncertainty and elevated interest rates, property yields have risen, reflecting the fact that property prices have fallen, as investors are hesitant to deploy capital in an environment with higher levels of uncertainty on the direction of future values.

During the periods under review, the Group's valuation movement have principally reflected:

- ***Higher property yields.*** Given the backdrop of higher interest rates, true equivalent yields increased by 56 basis points over the year ended 31 March 2024 as compared to 42 basis points over the year ended 31 March 2023. CBRE have also increased their benchmark prime yields to 4.0% (up 25 basis points) and 5.75% (up 125 basis points) for West End Core and City respectively between 31 March 2023 and 31 March 2024.
- ***Rental value growth.*** For the year ended 31 March 2024, office rental values have increased by 3.8% compared to 3.3% in the year ended 31 March 2023 and retail rental values grew by 4.4% compared to a 1.5% reduction in the year ended 31 March 2023. The most significant growth in rental values in the office portfolio have been in the Group's Fully Managed buildings, up 5.2% (as compared to 4.0% in the year ended 31 March 2023), compared to the entire office portfolio set out above. See also paragraph 5.4 of Part XII: "*Information on Great Portland Estates Group*" for further details on geographic sectors in the Group's portfolio.
- ***Development activity.*** The valuation of the development properties decreased by 28.7% on a like-for-like basis to £201.5 million during the period, given development returns are more sensitive to movements in property yields.
- ***Portfolio management.*** During the year ended 31 March 2024, the Group agreed 77 new leases, rent reviews and renewals, as compared to 116 in the year ended 31 March 2023, with new lettings 9.1% ahead of March 2023 ERV, securing £25.6 million (GPE's share) of annual income in the year ended 31 March 2024, as compared to £59.1 million (GPE's share) of annual income in the year 31 March 2023.

2.5 *Finance costs*

The Group's business requires significant capital resources to fund the acquisition and development of properties. The Group finances these activities using a variety of debt facilities and, as a result, interest on the Group's indebtedness has a significant impact on the Group's results.

The Group's borrowings currently consist of the RCF, multiple tranches of private placement notes, the 2023 Term Loan Facility, the 2024 Short Term Facility (undrawn) and a small residual debenture. All of the Group's borrowings are unsecured, with the exception of the debenture. Overall finance costs (excluding joint ventures) rose from £9.1 million in the year ended 31 March 2022 to £11.5 million in the year ended 31 March 2023 and increased to £17.7 million in the year ended 31 March 2024. For the year ended 31 March 2024, the Group's weighted average interest rate was 4.3%, an increase from 2.7% compared with the prior year, given the higher interest rate environment and the Group's exposure to SONIA rates. As at the same date, 87% of the Group's borrowings carried a fixed or capped interest rate.

Interest rates for the portion of the Group's borrowings which carry a floating rate of interest are subject to periodic change. The Group uses derivative instruments (currently only one derivative, a £200 million interest rate cap, is in place) to manage its interest rate exposure. Fluctuations in interest rates have an impact on the value of the Group's derivatives, and changes in the fair value of the Group's cap are included as non-cash charges in the Group's income

statement, although such changes have not been significant during the period under review (see " —*Qualitative Disclosure on Market Risk*").

See also Part XX: "*Additional Information*" for further information relating to the Group's borrowings, including the covenants under such borrowings.

2.6 ***Refurbishment and redevelopment schemes***

The Group's strategy of upgrading of its portfolio through development using targeted capital expenditure is designed to create sustainable spaces with improved customer appeal and longevity. This is aimed to enhance both rental values and capital returns. The cyclical nature of central London property markets means it is critical for the Group to match this development activity to the appropriate point in the cycle, delivering new buildings into a supportive market when quality space is scarce and demand is resilient.

The Group aims to match its activities to the ebb and flow of London's cyclical market, by providing spaces that customers want. The capital expenditure programme is targeted to deliver new high quality space into these supportive markets through the delivery of new HQ developments and through the expansion of the Group's Flex spaces. Prior to a building becoming vacant, the Group considers how the space can be repurposed to extend the building's useful economic life and enhance its long-term income prospects.

Examples of the Group's recent refurbishment and redevelopment schemes include:

- ***French Railways House & 50 Jermyn Street, SW1.*** French Railways House & 50 Jermyn Street is the Group's most recent development, in respect of which it has obtained vacant possession and on which it will shortly commence the strip out of the buildings. The major office-led redevelopment will provide 67,600 sq ft (up from 54,700 sq ft) of new Grade A space and is expected to complete in mid-2026. The scheme is designed to embrace the principles of the circular economy which includes retaining the existing foundations and basement and reusing the structural steel from the demolition of 2 Aldermanbury Square, EC2. Once complete, the building will provide column-free floor space together with high-specification amenities including a wellness suite, private terraces on the upper floors, a communal roof terrace with panoramic views and the highest sustainability credentials. At 31 March 2024, the scheme is expected to cost £95 million to complete and is anticipated to deliver a profit on cost of 23.7%, an ungeared IRR of 14.5% and a 6.4% development yield.
- ***2 Aldermanbury Square, EC2.*** At 2 Aldermanbury Square, the Group is substantially increasing the size of the building to 322,600 sq ft (up from 176,000 sq ft). Following the careful deconstruction of the previous building, the structural steel has been extracted and is being reconditioned for reuse to form the majority of the structural elements of French Railways House & 50 Jermyn Street (see above). This approach is intended to nearly eliminate the embodied carbon of the steel when reused and is expected to help deliver the Group's second net zero carbon building after 50 Finsbury Square, EC2. The scheme also includes a number of public realm and amenity improvements that the Directors believe will have a positive impact on the local area and improve accessibility to the western entrance of the Liverpool Street Elizabeth line station. Whilst the development is currently anticipated to deliver a loss on cost from the commitment date of 12.4%, and market yield expansion has driven valuation declines to date, the scheme is nonetheless expected to deliver £30 million of profit in future periods, as at the 31 March 2024 valuation date.
- ***50 Finsbury Square, EC2.*** The refurbishment of the 129,200 sq ft building, including construction of the new roof pavilion, was completed in 2022. The extensive repositioning extended the office floor plates within the existing frame of the building and created a large reception with a concierge as well as an improved retail, leisure and amenity offer. The new building, which the Directors believe is a sustainability, wellbeing and technology exemplar, was the Group's first building to achieve net zero carbon (as defined by the UKGBC Net Zero Carbon Buildings: A Framework Definition, and independently verified by Arup). The Group committed to the refurbishment at the start of 2021 and, in August 2021 it pre-let all of the offices to Inmarsat Global Limited who took the entirety of the 121,800 sq ft office space on a 20-year lease (15-year break) paying an annual rent of £8.5 million. The scheme took £59.4 million of capital expenditure to construct and achieved a profit on cost of 39.1%. The building was sold in October 2022.
- ***The Hickman, E1.*** The redevelopment, which completed in 2020, retained 53% of the existing structure, saving significant amounts of embodied carbon. The building was also designed for longevity, allowing for conversion to a number of different potential uses, reducing the need for future redevelopment. The development also utilised outside space across different floors to prioritise biodiversity, both to help cool the building and improve user wellbeing. This enabled the redevelopment to achieve EPC 'A' and BREEAM 'Excellent' ratings.

More recently, planning permissions have become harder to obtain as UK government bodies have introduced increasingly stringent regulations and policies to address environmental, social and design issues, such as the National Planning Policy Framework, the London Plan and local authority planning policies. In particular, barriers

to developing buildings in the West End are increasingly high, building heights are restricted, much of the relevant area is in a conservation zone and the planning regime is appropriately challenging. For example, Westminster City Council, which is the governing local authority for the majority of the Group's properties, has recently introduced an internal carbon price for developments, which is expected to negatively impact the Group's development returns in future periods. These policies aim to promote sustainable development, high-quality design, affordable housing/ workspace, and climate resilience, but they also impose more challenges and constraints for developers to meet the required standards and expectations. A recent example was the rejection of planning permission by the Secretary of State for the Group's proposed New City Court development on various grounds including harm to the heritage and townscape of the area.

The directors believe the Group's development and Flex capital expenditure programme provides a strong platform for organic growth. Together, the Group's seven on-site schemes (three developments and four Flex refurbishments) are expected to deliver 678,000 sq ft of well-designed, tech-enabled and sustainable space into a market where prospective supply is increasingly limited. As at 31 March 2024, the Group had committed capital expenditure of approximately £498 million relating to these seven on-site schemes and a development pipeline consisting of a further five potential sites and opportunities. From the proceeds of the Rights Issue, the Directors intend to develop properties in its existing pipeline, including through the re-development of two recently purchased assets, The Courtyard, WC1 and the Soho Square Estate, W1. The Directors expect to be committing £168 million in capital expenditure to these two developments, increasing the Group's total committed capital expenditure across developments from approximately £498 million as at 31 March 2024 to approximately £666 million by the second quarter of 2027.

2.7 *Joint Ventures*

A significant portion of the Group's activities are conducted through joint venture partnerships. To date, all of these ventures have been structured as 50:50 partnerships, with the Group managing the properties owned by the partnership for an appropriate fee (reflected as revenue in the income statement as joint venture fee income).

The Group's joint venture partners (Liverpool Victoria Friendly Society, the HKMA and the BP Pension Fund) are in each case well known institutional investors who rely on the Group's specialist knowledge of central London property markets and in turn provide support in terms of capital, reputation and relationships.

The Group's investment in joint ventures was valued at £491.3 million at 31 March 2024 compared to £538.8 million at 31 March 2023, reflecting valuation decreases in the respective property portfolios. The Group's share of joint venture net rental income was £19.4 million in 2024, £18.2 million in 2023 and £20.1 million in 2022. For a reconciliation of net rental income to rental income, see "— *Results of Operations*". The Group balance sheet contains the Group's share of the net assets of its joint ventures. Balances with partners owed to or from the Group by joint ventures are included within investments. The Group's share of joint venture profits and losses are included in the Group income statement in a single line item, namely "Share of results of joint ventures". The Group accounts for its joint ventures under the equity method in its income statement which is analysed below under " — *Results of Operations*" below.

The Group has no specific plans, targets or commitments with respect to future joint venture partnerships. Instead, it intends to evaluate the merits of using joint venture structures to pursue new acquisition and development opportunities and the appropriateness of potential joint venture partners on a case-by-case basis, in light of the particular characteristics of underlying properties and the circumstances of proposed investments.

3. Key Performance Indicators and Alternative Performance Measures

The table below sets out information with respect to certain unaudited KPI and APMs (some of which are unaudited) used by the management of the Group to evaluate the Group's performance. For the year ended 31 March 2024, the Group moved to a more target-based operational scorecard, designed to motivate management to optimise returns for shareholders and focus on clear and measurable objectives to deliver its strategic priorities. Please see Part XX: "*Additional Information—Executive Remuneration*" for additional information. As a result, the "Optimising financial performance" measures described below were introduced in 2024, comprising three measures included in the below table, alongside three other new APMs. For a complete description of each of the financial as well as non-financial/operational KPIs and APMs, see Part V: *"Important Information— Key Performance Indicators (KPIs) and Alternative Performance Measures (APMs) Used by the Group*".

	For the year ended 31 March		
KPI/APM	**2024**	**2023**	**2022**
Total Accounting Return (TAR)			
Group	(15.9)%	(7.8)%	8.8%
Benchmark[(1)]	*n/a*	*3.0%*	*4.0%*
Total Shareholder Return (TSR)			
Group	(21.3)%	(27.3)%	6.6%
Benchmark[(2)]	*10.7%*	*(28.5)%*	*20.8%*
Total Property Return (TPR)			
Group	n/a	(4.1)%	9.4%
Benchmark[(3)]	n/a	*(8.1)%*	*7.0%*
Optimising financial performance			
Rent achieved on market lettings during the year v. ERV[(4)]			
Group	9.1%	n/a	n/a
Benchmark	*≥0.0%*	*n/a*	*n/a*
Vacancy rate at year end[(5)]			
Group	1.3%	n/a	n/a
Benchmark	*≤8.0%*	*n/a*	*n/a*
Maintains appropriate liquidity[(6)]			
Group	£633 million	n/a	n/a
Benchmark	≥£150 million	*n/a*	*n/a*
Net Zero Carbon Roadmap			
Energy consumption[(7)]			
Group	149.7kWh/m^2	159kWh/m^2	n/a
Benchmark	*≤191 kWh/m^2*	*≤199 kWh*/m^2	*n/a*
New developments[(8)]			
Group	83%	n/a	n/a
Benchmark	*≥ 50%*	*n/a*	*n/a*
Personal and business culture			
Inclusion[(9)]			
Group	74%	78%	n/a
Benchmark	*≥65% to 80%*	*≥65%*	n/a
Diversity[(10)]			
Group	Progress made against each target	n/a	n/a
Benchmark	*Progress made against each target*	*n/a*	*n/a*

KPI/APM	For the year ended 31 March 2024	2023	2022
Transforming the business and putting customers first			
Planning milestones[11]			
Group	50% of Major, 100% of Minor in scope applications	n/a	n/a
Benchmark	50% of Major, 50% of Minor in scope applications	*n/a*	*n/a*
Flex space[12]			
Group	102,353 sq ft increase	414,000 sq ft	n/a
Benchmark[13]	*≥30,000 sq ft increase*	*341,000 sq ft*	*n/a*
Customer NPS[14]			
Group	30.2	44.0	27.8
Benchmark	*≥20.0 to 40.0*	*3.8*	*2.0*

Notes:

(1) TAR is measured as growth (or reduction) in EPRA Net Tangible Asset (**NTA**) per share (EPRA NTA being the industry standard measure of a real estate company's success at creating value) plus any ordinary dividends paid, expressed as a percentage of EPRA NTA per share at the beginning of the period. The table below sets out the reconciliation of TAR to EPRA NTA for the years ended 31 March 2024, 2023 and 2022. For a reconciliation of EPRA NTA to IFRS NTA, see Note 9 to the 2024 Financial Statements. The TAR benchmark, which is calculated using a peer group comprised of the FTSE 350 real estate companies excluding agencies (on a straight-line basis between median and upper quartile) for the year ended 31 March 2024 was not available at the date of this prospectus.

	Pence per share for the year ended 31 March 2024	2023	2022
Opening EPRA NTA (A)	757.0	835.0	779.0
Closing EPRA NTA	624.0	757.0	835.0
(Decrease)/increase in EPRA NTA	(133.0)	(78.0)	56.0
Ordinary dividends paid in the year	12.6	12.6	12.6
Total return (B)	(120.6)	(65.4)	68.6
Total Accounting Return (B/A)	**(15.9%)**	**(7.8%)**	**8.8%**

(2) TSR of the Group is benchmarked against the TSR of the FTSE 350 Real Estate Index (excluding agencies). See Part V: "*Important Information - Pre-Existing Alternative Performance Measures* " for more information on TSR.

(3) TPR of the Group is benchmarked against a basket of over £50 billion of similar assets in central and inner London as defined by IPD. From the year ended 31 March 2024, the Group no longer includes TPR as an APM. See Part V: "*Important Information - Pre-Existing Alternative Performance Measures* " for more information on TPR.

(4) Rent achieved on market lettings during year versus the CBRE ERV as at 31 March. Measured by how much it exceeds ERV with performance compared to a benchmark range of 0.0% to 3.5% on a straight line basis.

(5) Vacancy rate of the investment portfolio (excluding space under development or refurbishment) at year end (including recently completed development or refurbished space during the year) divided by the ERV of the whole portfolio. Performance against the benchmark is measured on a straight line basis. This is measured against a benchmark range of 6.0% to 8.0%.

(6) Total sum of cash and undrawn committed debt facilities available to the Group as at 31 March, in pounds sterling, with performance compared against a benchmark range of £150m to £350m, measured on a straight line basis.

(7) Energy consumption is measured in the amount of Kilowatt-hours (**kWh**) consumed by the Group's portfolio and all energy purchased by the Group, including electricity sub-metered to its customers.

(8) The percentage of new developments on track to generate net zero carbon emissions once completed, calculated as the number of development/refurbishment schemes that meet or exceed annualised targets for Embodied Carbon, as independently reviewed by Arup and Energy Intensity measured through TM54 or NABERs modelling.

(9) Maintaining and facilitating a positive and inclusive culture, measured through employee engagement. Employee engagement is measured through an annual survey of all employees, by comparing a blended Employee Engagement Index and Employee Inclusion Index (**EEII**) score of the Group to a 65% hurdle. The Directors believe that maintaining high levels of employee engagement, and an inclusive culture, is key to motivation, productivity and ultimately the delivery of its business plans.

(10) Enabling diverse talent to develop and deliver the Group's strategy, measured by achievements against gender and diversity targets. The Group aims to increase both the proportion of women in leadership roles and ethnic minorities in people management roles. Targets are to achieve (i) 40% women in senior leadership roles; and (ii) 20% of management roles to be filled by colleagues identifying with an Office for National Statistics ethnic minority category, each by March 2025. Progress towards these targets as of 31 March 2024: (i) 34% and (ii) 17%.

(11) Achieving planning milestones in year, as measured by a combination of planning submissions and planning approvals across the Group's portfolio. These are specific to each development project and are therefore not quantified on a Group-wide basis.

(12) Commitments to new Flex space over the year. Growth in the Group's committed Flex space is measured by the amount of square feet dedicated to Flex space. Growth of the Group's Flex offer is an integral part of the Group's strategy and a near-term strategic priority designed to enhance its valuation and income growth. This measure has been updated for the year ended 31 March 2024.

(13) Internal benchmark set by the Board. The Group is targeting to grow its flex space to more than one million sq ft over the next five years. From the year ended 31 March 2024, the Group no longer includes growth of committed Flex space as a separate APM. This is now included as part of the operational KPI "Transforming the business and putting customers first". See Part V: "*Important Information—Pre-Existing Alternative Performance Measures* ".

(14) Customer satisfaction is measured by the Group's Net Promoter Score (**NPS**). The office NPS of the Group is compared to a +20.0 benchmark for year ended 31 March 2024 or the office industry average in prior years, expressed as a number between -100 and +100, with a minimum target of the industry average. The Directors believe that high levels of customer satisfaction are critical to both attracting and retaining businesses in the Group's buildings.

4. Group Income Statement

The table below sets out the results of operations of the Group for the years ended 31 March 2024, 2023 and 2022.

	For the year ended 31 March		
	2024	**2023**	**2022**
		£ million	
Revenue	95.4	91.2	84.2
Cost of sales	(33.3)	(32.2)	(30.1)
	62.1	**59.0**	**54.1**
Administration expenses	42.3	(38.3)	(35.0)
Expected credit losses	(0.1)	(0.8)	(4.1)
Development management losses	-	(0.1)	(0.4)
Operating profit before deficit from investment property, revaluation movements and results of joint ventures	**19.7**	**19.8**	**14.6**
(Deficit)/surplus from investment property	(267.3)	(145.0)	107.9
(Deficit)/surplus on revaluation of other investments	(0.2)	0.1	-
Share of results of joint ventures	(46.7)	(33.4)	45.9
Operating (loss)/profit	**(294.5)**	**(158.5)**	**168.4**
Finance income	6.1	6.0	7.4
Finance costs	(17.7)	(11.5)	(9.1)
Fair value loss on derivatives	(1.7)	-	-
(Loss)/profit before tax	**(307.8)**	**(164.0)**	**166.7**
Tax	-	0.1	0.5
(Loss)/profit for the year	**(307.8)**	**(163.9)**	**167.2**
Basic (loss)/earnings per share	**(121.7p)**	**(64.8p)**	**66.1p**
Diluted (loss)/earnings per share	**(121.7p)**	**(64.8p)**	**66.0p**
Basic EPRA earnings per share	**7.1p**	**9.5p**	**10.8p**
Diluted EPRA earnings per share	**7.1p**	**9.5p**	**10.8p**

5. Description of Key Income Statement Line Items

The following explains the key line items of the Group's income statement.

5.1 *Segmental analysis*

IFRS 8 Operating Segments requires the identification of operating segments based on internal financial reports detailing components of the Group regularly reviewed by the chief operating decision makers (the Group's Executive Committee) in order to allocate resources to the segments and to assess their performance.

In recent years, the Group has evolved the types of office space it provides to its customers. This has included a Fully Managed offer with additional service provision. As this element of the Group's business has grown, so has

the level of financial information and oversight. As a result, the Directors have concluded that, based on the level of information provided to the Executive Committee, for the year ended 31 March 2024 this element of the business is an operating segment as defined by IFRS 8. Furthermore, given the revenue for the year ended 31 March 2024 is in excess of 10% of wider Group revenue, according to IFRS 8, the segment should be separately reported from the remainder of the Group's activities. The Executive Committee reviews the performance of its Fully Managed offer based on gross revenue (including Fully Managed services income) net of cost of sales on a proportionally consolidated basis (including the Group's joint ventures at share). The cost of sales information is not available for the years ended 31 March 2023 or 2022 at a segment level due to the information not being available and the cost to develop it would be excessive. Total assets and liabilities are not monitored by segment.

The remainder of the Group's services are managed together, with their operating results reviewed on an aggregated basis. All of the Group's revenue is generated from investment properties located in a small radius within central London. The properties are managed as a single portfolio by a portfolio management team whose responsibilities are not segregated by location or type, but are managed on an asset-by-asset basis. The majority of the Group's assets are mixed-use, therefore the office, retail and any residential space is managed together. The Directors have considered the nature of the business, how the business is managed and how they review performance, and in their judgement, the Group has only two reportable segments.

Segmental analysis for the year ended 31 March 2024

	Fully Managed offices including joint ventures	Joint ventures	Group Fully Managed offices	Remainder of portfolio	Total 2024	Total 2023
			£ million			
Revenue	13.6	(1.4)	12.2	83.2	95.4	91.2
Cost of sales	(8.6)	0.5	(8.1)	(25.2)	(33.3)	n/a
Net result	**5.0**	**(0.9)**	**4.1**	**58.0**	**62.1**	**n/a**

5.2 *Revenue*

The Group's revenue consists of:

Gross rental income

Gross rental income comprises rental income and premiums on lease surrenders on investment properties for the year, exclusive of service charge income, and presented on a straight-line basis.

Revenue from Fully Managed spaces is split between an amount attributable to the rent on a fitted basis and services income as set out in the lease agreement. Where the lease agreement does not provide an attribution, the Group splits the revenue based on the ERV of the fitted rent. The rent is recognised in gross rental income (see above) and the services income is recorded over the period when the services are provided and benefit the customer (see below).

The Group's Flex Partnerships feature leases with third-party operators which pay rent to the Group which is calculated by reference to the monthly profitability of the space under management. The rent is recognised in gross rental income.

Spreading of lease incentives

Lease incentives, including rent-free periods and payments to customers, are recognised by the Group as non-cash revenue on a straight-line basis over the lease term or on another systematic basis, if applicable. The value of resulting accrued rental income is included in the Group's total revenue for a given period, with the aggregate cost of the incentive recognised as a reduction in cash rental income on a straight-line basis over the term of the lease.

Service charge income

Service charge income represents the Group's recovery from customers of amounts which represent the cost of operating the Group's portfolio, and is recorded over the period when the services are provided to the customer.

Fully Managed service income

The services income from Fully Managed spaces represents the element of the total rent that is attributable to service provision, and is recorded over the period when the services are provided to the customer.

Joint venture fee income

Joint venture fee income is recorded over the period when the services are provided by the Group and benefit its joint ventures.

5.3 ***Cost of Sales***

The Group's service charge expenses represent the costs of operating the Group's portfolio and are expensed as incurred.

Fully Managed service costs represent the costs of operating the Group's Fully Managed spaces and are expensed as incurred.

Other property expenses represent irrecoverable running costs (including leasing fees and business rates on empty space amongst other items) directly attributable to specific properties within the Group's portfolio. Costs incurred in the improvement of the portfolio which, in the opinion of the Directors, are not of a capital nature are written-off to the income statement as incurred and included in other property expenses. Initial direct costs incurred by the Group in arranging a lease are added to the carrying value of investment properties and are subsequently recognised as an expense within other property expenses, spread over the lease term on the same basis as the lease income.

Ground rent represents amounts payable to the freeholder on a leasehold property.

5.4 ***Administration expenses***

The Group's administration expenses consist of costs not directly attributable to individual properties. These include, amongst other things, director and employee costs, depreciation and head office costs, including professional and regulatory fees. Director and employee costs consist mainly of wages and salaries, bonuses, social security costs, other pension costs and share based payments. A proportion of the Group's employee costs are transferred to cost of sales and recovered through service charge income received from customers and a certain degree of employee costs are also capitalised into the value of development projects on the Group's balance sheet rather than recognised within administrative expenses.

5.5 ***(Deficit)/Surplus from Investment Properties***

Gains and losses from investment properties reflects surpluses and deficits arising from changes in the market value of portfolio properties during the period, as well as profit and losses made by the Group resulting from the sale of investment properties (see "*— Critical Accounting Policies —Investment Properties*" for further details).

5.6 ***Share of Results of Joint Ventures***

Joint ventures are accounted for under the equity method where, in the Directors' judgement, the Group has joint control of the entity. The Group's level of control in its joint ventures is driven both by the individual agreements which set out how control is shared by the partners and how that control is exercised in practice. Balances owed to or from the Group by joint ventures are included within investments.

The Group's share of joint venture profits and losses are included in the Group income statement in a single line, representing the Group's proportionate share of profit from its joint ventures, as adjusted to reflect revaluation of and profit on sale from investment property held within joint ventures.

All of the Group's joint ventures adopt the accounting policies of the Group for inclusion in the Group financial statements.

5.7 ***Finance Income***

Finance income consists of interest on balances with joint ventures and interest on cash deposits.

5.8 ***Finance costs***

Finance costs consist of interest and amortised arrangement fees on the Group's RCF, 2023 Term Loan Facility, its undrawn 2024 Short Term Facility, private placement notes, debenture stock and obligations under leases.

5.9 ***Tax Expense***

The Group's wholly-owned business is subject to taxation as a REIT. Under the REIT regime, rental profits (calculated by reference to tax rather than accounting rules) and chargeable gains from the sale of wholly-owned properties are exempt from UK corporation tax provided the Group meets a number of conditions, including distributing at least 90% of the rental income profits of this business (known as Property Income Distributions (**PIDs**)) on an annual basis.

6. Results of Operations

6.1 *Year Ended 31 March 2024 Compared to Year Ended 31 March 2023*

The following table summarises the Group's consolidated results for the years ended 31 March 2024 and 2023:

	For the year ended 31 March		Change
	2024	**2023**	**%**
	£ million		
Revenue	95.4	91.2	4.6
Cost of sales	(33.3)	(32.2)	3.4
	62.1	**59.0**	**5.9**
Administration expenses	(42.3)	(38.3)	10.7
Expected credit losses	(0.1)	(0.8)	(87.5)
Development management losses	-	(0.1)	n.m
Operating profit before deficit from property, revaluation movements and results of joint ventures	**19.7**	**19.8**	**(0.5)**
Deficit from investment property	(267.3)	(145.0)	84.3
(Deficit)/surplus on revaluation of other investments	(0.2)	0.1	n.m
Share of results of joint ventures	(46.7)	(33.4)	39.8
Operating loss	**(294.5)**	**(158.5)**	**85.8**
Finance income	6.1	6.0	1.7
Finance costs	(17.7)	(11.5)	53.9
Fair value movement on derivatives	(1.7)	-	n.m
Loss before tax	**(307.8)**	**(164.0)**	**87.7**
Tax	-	0.1	n.m
Loss for the year	**(307.8)**	**(163.9)**	**87.8**
Basic loss per share	**(121.7p)**	**(64.8p)**	**87.8**
Diluted loss per share	**(121.7p)**	**(64.8p)**	**87.7**
Basic EPRA earnings per share	**7.1p**	**9.5p**	**24.2**
Diluted EPRA earnings per share	**7.1p**	**9.5p**	**24.2**

Revenue

Revenue increased by £4.2 million, or 4.6%, from £91.2 million for the year ended 31 March 2023, to £95.4 million for the year ended 31 March 2024. This increase was mainly attributable to increased service charge income (up £1.9 million) and greater Fully Managed services income (up £2.7 million) given the expansion of the Group's Fully Managed offering, where the number of units rose from 96 to 128, during the year together with higher rents achieved on new lettings and renewals. This was partly offset by a reduction in joint venture fee income (down £0.7 million) due to limited leasing and sales activity in the joint ventures during the year.

The following table sets forth a breakdown of revenue for the periods indicated.

	For the year ended 31 March		Change
	2024	**2023**	**%**
	£ million		
Gross rental income	67.2	66.6	1.0
Spreading of lease incentives	5.7	5.9	(3.4)
	72.9	**72.5**	**0.6**
Service charge income	14.4	12.5	15.2
Fully Managed services income	6.4	3.7	73.0
Trading property revenue	-	0.1	n.m
Joint venture fee income	1.7	2.4	(29.2)
Total	**95.4**	**91.2**	**4.6**

Gross rental income (including spreading of lease incentives) increased by £0.4 million, or 0.6%, from £72.5 million for the year ended 31 March 2023, to £72.9 million for the year ended 31 March 2024.

The following table sets out a breakdown of gross rental income (including spreading of lease incentives) by core office solutions and retail for the periods indicated.

	For the year ended 31 March		Change
	2024	2023	%
	£ million		
Ready to Fit (including spreading of lease incentives)	41.1	47.3	(13.1)
—Of which spreading of lease incentives	*3.2*	*4.9*	
Retail (including spreading of lease incentives)	13.0	12.0	8.3
—Of which spreading of lease incentives	*2.5*	*0.9*	
Fitted (including spreading of lease incentives)	6.8	3.9	74.4
—Of which spreading of lease incentives	-	*0.1*	
Fully Managed	5.8	4.1	41.5
Flex Partnerships	3.8	3.2	18.8
Hotel	2.4	2.0	20.0
Total	**72.9**	**72.5**	**0.6**

Within gross rental income from the year ended 31 March 2023 to the year ended 31 March 2024 there were movements in the constituent parts:

- ***Ready to Fit***. Gross rental income from Ready to Fit (including spreading of lease incentives), declined by 13.1% to £41.1 million in the year ended 31 March 2024 from £47.3 million for the year ended 31 March 2023, as the Group continued to gain vacant possession of buildings to allow for redevelopment or conversion to a Flex office offer. During such periods of vacancy, the relevant properties do not generate Ready to Fit income.
- ***Retail***. Gross rental income from Retail (including spreading of lease incentives), rose by 8.3% to £13.0 million in the year ended 31 March 2024 from £12.0 million for the year ended 31 March 2023, mainly attributable to the retail leasing at 1 Newman Street, W1 offsetting declines from newly vacant space on Piccadilly (where the Group has commenced the redevelopment of French Railways House and 50 Jermyn Street, SW1).
- ***Fitted.*** Gross rental income from Fitted (including spreading of lease incentives) increased to £6.8 million in the year ended 31 March 2024 from £3.9 million for the year ended 31 March 2023, principally reflecting New Look taking occupation at The Hickman, E1.
- ***Fully Managed***. Gross rental income from Fully Managed increased to £5.8 million in the year ended 31 March 2024 from £4.1 million for the year ended 31 March 2023, as the Group increased the provision of Fully Managed space across its portfolio.
- ***Flex Partnerships***. Gross rental income from Flex Partnerships increased to £3.8 million in the year ended 31 March 2024 from £3.2 million for the year ended 31 March 2023. The full year impact of the Group's operation with Runway East opening at the Hickman, E1 more than offset the impact of closing a short-term arrangement in the Piccadilly buildings ahead of redevelopment.
- ***Hotel***: Gross rental income from Hotel increased to £2.4 million in the year ended 31 March 2024 from £2.0 million in the year ended 31 March 2023. This relates to the Group's hotel operation at Challenger House in Whitechapel, E1, where the Group benefits from a variable rent dependent on the trading performance of the hotel.

The overall increase in revenue from the year ended 31 March 2023 to the year ended 31 March 2024 was mainly attributable to the increase in revenue from Fitted and Fully Managed services income of £3.0 million and £2.7 million, respectively, or an increase of 78.9% and 73.0%, from £3.8 and £3.7 million, respectively, as the Group opened more Fitted and Fully Managed space across the year. The increase in revenue was also supported by successful leasing, with the Group signing 66 leases in the year ended 31 March 2024, which reduced the Group's vacancy rate from 2.5% as at 31 March 2023 to 1.3% as at 31 March 2024.

The increase in revenue from spreading of lease incentives was partly offset by the decrease in joint venture fee income by £0.7 million, or 29.2%, from £2.4 million to £1.7 million from the year ended 31 March 2023 to the year ended 31 March 2024. This decrease was attributable to lower leasing activity in the Group's joint ventures which had greatly reduced levels of occupancy and units available to let in the year.

Service charge income increased by £1.9 million, or 15.2% from £12.5 million to £14.4 million during the period under review due to lower average rates of vacancy and inflationary pressures on service budgets.

The table below sets out the Group's net rental income, which is an alternative performance measure:

	2024 *£ million*
Gross rental income	67.2
Expected credit loss	(0.2)
Rental income	**67.0**
Spreading of lease incentives	5.7
Ground rent	(0.6)
Net rental income	**72.1**

Cost of sales

Cost of sales increased by £1.1 million, or 3.4%, from £32.2 million for the year ended 31 March 2023, to £33.3 million for the year ended 31 March 2024.

The following table sets forth a breakdown of cost of sales for the periods indicated.

	For the year ended 31 March		Change
	2024	2023	%
	£ million		
Service charge expenses (including Fully Managed service costs)	25.8	19.3	33.7
Other property expenses	6.9	11.9	(42.0)
Ground rent	0.6	1.0	(40.0)
Total	**33.3**	**32.2**	**3.4%**

The small increase in cost of sales from the year ended 31 March 2023 to the year ended 31 March 2024 masked larger movements in its constituent parts; service charge expenses (including Fully Managed service costs) rose by 33.7%, to £25.8 million, with the increase mainly due to additional costs associated with managing the growth in the number of the Group's Fully Managed units (total Fully Managed service costs amounted to £8.1 million during the year ended 31 March 2024). This increase was offset by a reduction in other property expenses of £5.0 million, a reduction of 42.0%, primarily due to a reduction in business rates in respect of vacant buildings as a result of lower average vacancy and reduced costs associated with leasing transactions in the Group's portfolio properties and joint ventures due to lower levels of activity.

Administration expenses

Administration expenses increased by £4.0 million, or 10.4%, from £38.3 million for the year ended 31 March 2023, to £42.3 million for the year ended 31 March 2024.

The following table sets forth a breakdown of administration expenses for the periods indicated.

	For the year ended 31 March		Change
	2024	2023	%
	£ million		
Employee costs	30.9	26.3	17.5
Depreciation	1.6	1.7	(5.9)
Other head office costs	9.8	10.3	(4.9)
Total	**42.3**	**38.3**	**10.4**

The increase in the Group's administration expenses was principally due to an increase in employee costs, driven by inflationary salary uplifts and the cost associated with a team restructuring of £2.0 million. In addition, provisions for share-based payments returned to more normalised levels as the reversal of prior year charges under the Group's LTIP scheme in the year ended 31 March 2023 did not reoccur in the year ended 31 March 2024.

Development management losses

Development management losses, which represent costs related to historical forward sold properties (development properties sold to investors in a forward sale transaction), were £nil, down from £0.1 million in the year ended 31 March 2023, reflecting the completion of these projects.

(Deficit)/surplus from investment property

Deficit from investment property significantly increased by £122.3 million, or 84.3%, as compared to a deficit of £145.0 million for the year ended 31 March 2023. The increase in the deficit was the result of the continued adverse macro-economic backdrop which resulted in elevated levels of inflation and high interest rates. Across the portfolio, property values significantly declined by 12.1% over the year on a like-for-like basis (i.e. the element of the portfolio that has been held for the whole of the period of account) net of capital expenditures with the majority of the reduction in values stemming from increased property yields. The Group's retail portfolio declined in value by 13.2%, and the Group's office portfolio declined in value by 11.8%, with the Flex office space again outperforming traditional offices, with a smaller decline of 8.2%. Despite the macro-environment, ERVs continued to grow, up 3.8% in the year, reflecting the continued shortage of high-quality space across London's markets. For more detail on the Group's valuation movement, see "*—Revaluation of investment property*" above.

Share of results of joint ventures

Share of results of joint ventures decreased by £13.3 million, from a loss of £33.4 million for the year ended 31 March 2023, to a loss of £46.7 million for the year ended 31 March 2024.

The following table summarises the Group's share in the revenues and expenses for its three active joint ventures for the years ended 31 March 2024 and 2023:

	For year ended 31 March 2024				Share for year ended 31 March	
	GHS Limited Partnership	**Great Ropemaker Partnership**	**Great Victoria Partnership**	**Total**	**2024**	**2023**
				£ million		
Net rental income[(1)]	20.1	14.6	4.1	38.8	19.4	18.2
Property and Administration costs	(2.0)	(3.2)	(2.0)	(7.2)	(3.6)	(2.2)
Net finance costs	(9.0)	(3.1)	0.1	(12.0)	(6.0)	(6.2)
Share of profit of joint ventures	**9.1**	**8.3**	**2.2**	**19.6**	**9.8**	**9.8**
Revaluation of investment property	(25.8)	(77.4)	(9.8)	(113.0)	(56.5)	(43.2)
Share of results in joint ventures	**(16.7)**	**(69.1)**	**(7.6)**	**(93.4)**	**(46.7)**	**(33.4)**

Note: (1) Net rental income is calculated as gross rental income adjusted for the spreading of lease incentives less expected credit losses for rental income and ground rents. See "*—Revenue*" above for a table that sets out the Group's net rental income for the year ended 31 March 2024.

The performance of the Group's three active joint ventures is analysed below:

- The GHS Limited Partnership's net rental income was £20.1 million, accounting for 51.8% of combined rental income and reflecting the income received from Hanover Square, W1. This was an increase of £3.4 million during the year, with the additional income from the full year impact of leasing the retail space on Bond Street. Net finance costs in respect of loans from the partners were £9.0 million during the period, while property and administrative costs were £2.0 million, up from £0.8 million for the year ended 31 March 2023, as a result of service charge recoveries that were not repeated in the year ended 31 March 2024.
- The Great Ropemaker Partnership's net rental income was £14.6 million, accounting for 37.6% of combined rental income, reduced from £16.0 million for the year ended 31 March 2023 in part, due to the expiry of leases at 200 Gray's Inn Road, WC1. Property and administrative costs were £3.2 million, which compared to £2.4 million for the year ended 31 March 2023, as a result of vacancy at 200 Gray's Inn Road, WC1.
- The Great Victoria Partnership's net rental income was £4.1 million for the year ended 31 March 2024, up marginally from £3.8 million for the year ended 31 March 2023, accounting for 10.6% of combined rental income. Property and administrative costs were £2.0 million for the year ended 31 March 2024, up from £1.2 million for the year ended 31 March 2023, in part due to additional business rates on empty space in the year ended 31 March 2024.

Revaluation declines across London's commercial real estate market which were experienced by the Group also contributed to the performance of the Group's joint venture property portfolio, with a like-for-like decline in valuation of 10.2% in the year ended 31 March 2024, which resulted in negative revaluation movement of £113.0 million (of which the Group's share was £56.5 million), compared to a revaluation deficit of £86.4 million (of which the Group's share was £43.2 million) for the year ended 31 March 2023.

Finance income and costs

Finance income rose marginally to £6.1 million from the year ended 31 March 2023 to the year ended 31 March 2024.

The following table sets forth a breakdown of finance income for the periods indicated.

	For the year ended 31 March		Change
	2024	2023	%
	£ million		
Interest income on joint venture balances	5.8	5.9	(1.7)
Interest on cash deposits	0.3	0.1	200.0
Total	**6.1**	**6.0**	**1.7**

Finance costs increased by £6.2 million, or 53.9%, from £11.5 million for the year ended 31 March 2023, to £17.7 million for the year ended 31 March 2024.

The following table sets forth a breakdown of finance costs for the periods indicated.

	For the year ended 31 March		Change
	2024	2023	%
	£ million		
Interest on revolving credit facilities	5.8	5.7	1.8
Interest on the 2023 Term Loan Facility	8.5	-	n.m
Interest on private placement notes	11.0	10.9	0.9
Interest on debenture stock	1.2	1.2	-
Interest on obligations under occupational leases	-	0.1	n.m
Interest on obligations under head leases	2.4	2.4	-
Other	0.1	-	n.m
Gross finance costs	**29.0**	**20.3**	**42.6**
Less: Capitalised interest	(11.3)	(8.8)	28.4
Total	**17.7**	**11.5**	**53.9**

The increase in finance costs from the year ended 31 March 2023 to the year ended 31 March 2024 was mainly attributable to increased interest paid on the Group's debt instruments. This increase was primarily due to a combination of higher underlying interest rates and higher levels of average drawn debt (including the utilisation of the Group’s new 2023 Term Loan Facility) in support of the delivery of the Group's strategic priorities, including funding the Group’s development programme.

Capitalised interest increased by £2.5 million, or 28.4%, to £11.3 million as the Group's development activity increased, including the commitments to develop French Railways House and 50 Jermyn Street, SW1 and Minerva House, SE1 as well as the commencement of a growing number of refurbishment schemes to deliver on the Group's Flex ambitions, including 141 Wardour Street, W1, Egyptian & Dudley House, SW1 and 31/34 Alfred Place, WC1.

Tax

Tax expenses decreased by £0.1 million for the year ended 31 March 2024 to £nil, compared to £0.1 million for the year ended 31 March 2023.

6.2 ***Year Ended 31 March 2023 Compared to Year Ended 31 March 2022***

The following table summarises the Group's consolidated results for the years ended 31 March 2023 and 2022:

	For the year ended 31 March		Change
	2023	**2022**	**%**
	£ million		
Revenue	91.2	84.2	8.3
Cost of sales	(32.2)	(30.1)	(7.0)
	59.0	**54.1**	**9.1**
Administration expenses	(38.3)	(35.0)	(9.4)
Expected credit losses	(0.8)	(4.1)	80.5
Development management losses	(0.1)	(0.4)	75.0
Operating profit before (deficit)/surplus from property and results of joint ventures	**19.8**	**14.6**	**35.6**
(Deficit)/surplus from investment property	(145.0)	107.9	n.m.
Surplus on revaluation of other investments	0.1	-	n.m.
Share of results of joint ventures	(33.4)	45.9	n.m.
Operating (loss)/profit	**(158.5)**	**168.4**	**n.m.**
Finance income	6.0	7.4	(18.9)
Finance costs	(11.5)	(9.1)	(26.4)
(Loss)/profit before tax	**(164.0)**	**166.7**	**n.m.**
Tax	0.1	0.5	(80.0)
(Loss)/profit for the year	**(163.9)**	**167.2**	**n.m.**

Revenue

Revenue increased by £7.0 million, or 8.3%, from £84.2 million for the year ended 31 March 2022, to £91.2 million for the year ended 31 March 2023. This increase was mainly attributable to higher gross rental income, increased service charge income and greater income associated with the Group's Fully Managed spaces, given its expansion during the period.

The following table sets forth a breakdown of revenue for the periods indicated.

	For the year ended 31 March		Change
	2023	**2022**	**%**
	£ million		
Gross rental income	66.6	66.1	0.8
Spreading of lease incentives	5.9	1.2	391.7
	72.5	**67.3**	**7.7**
Service charge income	12.5	11.2	11.6
Fully managed services income	3.7	0.6	516.7
Trading property revenue	0.1	0	n.m
Joint venture fee income	2.4	5.1	(52.9)
Total	**91.2**	**84.2**	**8.3**

Gross rental income (including spreading of lease incentives) increased by £5.2 million, or 7.7%, from £67.3 million for the year ended 31 March 2022, to £72.5 million for the year ended 31 March 2023.

The following table sets forth the Group's gross rental income (including spreading of lease incentives with regards

to Ready to Fit, Retail and Fitted), split between the types of space provided for the periods indicated.

	For the year ended 31 March		Change
	2023	2022	%
	£ million		
Ready to Fit (including spreading of lease incentives)	47.3	46.5	1.7
—Of which spreading of lease incentives	*4.9*	*1.0*	
Retail (including spreading of lease incentives)	12.0	13.1	(8.4)
—Of which spreading of lease incentives	*0.9*	*nil*	
Fitted (including spreading of lease incentives)	3.9	3.6	8.3
—Of which spreading of lease incentives	*0.1*	*0.2*	
Fully Managed	4.1	1.6	156.3
Flex Partnerships	5.2	2.5	108
Total	**72.5**	**67.3**	**7.7**

Within gross rental income from the year ended 31 March 2022 to the year ended 31 March 2023 there were the following movements in the constituent parts:

- ***Ready to Fit***. Gross rental income from Ready to Fit (including spreading of lease incentives) increased to £47.3 million in the year ended 31 March 2023 from £46.5 million for the year ended 31 March 2022, as space became empty within the Group's portfolio to allow for buildings to be redeveloped or converted to a Flex office offer.
- ***Retail***. Gross rental income from Retail (including spreading of lease incentives) declined to £12.0 million in the year ended 31 March 2023 from £13.1 million for the year ended 31 March 2022, mainly attributable to the expansion within the Group's Flex Partnerships of space which was previously categorised as Retail, but is now operated jointly with a hotel operator in Whitechapel.
- ***Fitted.*** Gross rental income from Fitted (including spreading of lease incentives) increased slightly to £3.9 million in the year ended 31 March 2023 from £3.6 million for the year ended 31 March 2022.
- ***Fully Managed***. Gross rental income from Fully Managed increased to £4.1 million in the year ended 31 March 2023 from £1.6 million for the year ended 31 March 2022, as the Group increased the provision of Fully Managed space across its portfolio.
- ***Flex Partnerships***. Gross rental income from Flex Partnerships increased to £5.2 million in the year ended 31 March 2023 from £2.5 million for the year ended 31 March 2022 as a result of its operation with Runway East at New City Court improving the Group's performance after the COVID-19 pandemic impacted occupancy in the year ended 31 March 2022, the inclusion of a hotel operator in Whitechapel and the opening of a new operation at the Hickman, E1 in the year ended 31 March 2023 .

The overall increase in revenue from the year ended 31 March 2022 to the year ended 31 March 2023 was mainly attributable to the increase in revenue from spreading of lease incentives by £4.7 million, or 391.7%, from £1.2 million to £5.9 million. The majority of this uplift was attributable to new lease starts at 1 Newman Street & 70/88 Oxford Street, W1 where the majority of the office leases commenced in the year ended 31 March 2023. The increase in revenue was also supported by successful leasing, with the Group signing 105 leases in the year ended 31 March 2023, which reduced the Group's vacancy rate from 10.8% as at March 2022 to 2.5% as at 31 March 2023.

The increase in revenue from spreading of lease incentives was partly offset by the decrease in joint venture fee income by £2.7 million, or 52.9%, from £5.1 million to £2.4 million from the year ended 31 March 2022 to the year ended 31 March 2023. This decrease was attributable to lower leasing activity in the Group's joint ventures and receipt of a sales fee for 160 Old Street, EC1 in the year ended 31 March 2022 that was not repeated in the year ended 31 March 2023.

The increase in revenue from the year ended 31 March 2022 to the year ended 31 March 2023 was also partly attributable to the increase in Fully Managed services income by £3.1 million, from £0.6 million to £3.7 million, as the Group expanded its provision of Fully Managed spaces across its portfolio. Furthermore, service charge income increased by £1.3 million, or 11.6% from £11.2 million to £12.5 million during the period under review as the Group recovered greater service charge costs as a result of lower levels of vacancy and as activity in the Group's buildings returned to more normalised levels following the COVID-19 pandemic.

The table below sets out the Group's net rental income, which is an alternative performance measure:

	2023 *£ million*	2022 *£ million*
Gross rental income	66.6	66.1
Expected credit loss	(0.6)	(3.6)
Rental income	**66.0**	**62.5**
Spreading of lease incentives	5.9	1.2
Ground rent	(1.0)	(1.1)
Net rental income	**70.9**	**62.6**

Cost of sales

Cost of sales increased by £2.1 million, or 7.0%, from £30.1 million for the year ended 31 March 2022, to £32.2 million for the year ended 31 March 2023.

The following table sets forth a breakdown of cost of sales for the periods indicated.

	For the year ended 31 March		Change
	2023	2022	%
	£ million		
Service charge expenses (including Fully Managed service costs)	18.2	15.8	15.2
Other property expenses	13.0	13.2	(1.5)
Ground rent	1.0	1.1	(9.1)
Total	**32.2**	**30.1**	**7.0**

The increase in cost of sales from the year ended 31 March 2022 to the year ended 31 March 2023 was mainly attributable to increased costs associated with the Group's leasing initiatives and the increase in service charge expenses (including Fully Managed service costs) by £2.4 million, or 15.2%, from £15.8 million to £18.2 million. This increase was due to greater service charge costs as the Group emerged from the COVID-19 pandemic and additional costs associated with managing the Group's Fully Managed offer, which are expected to reoccur and increase in future periods as the Fully Managed offer expands.

Administration expenses

Administration expenses increased by £3.3 million, or 9.4%, from £35.0 million for the year ended 31 March 2022, to £38.3 million for the year ended 31 March 2023.

The following table sets forth a breakdown of administration expenses for the periods indicated.

	For the year ended 31 March		Change
	2023	2022	%
	£ million		
Employee costs	26.3	24.5	7.3
Depreciation	1.7	1.6	6.3
Other head office costs	10.3	8.9	15.7
Total	**38.3**	**35.0**	**9.4**

The increase in administration expenses from the year ended 31 March 2022 to the year ended 31 March 2023 was mainly attributable to the increase in employee costs by £1.8 million, or 7.3%, from £24.5 million to £26.3 million. The increase was due to inflationary salary uplifts, increased headcount (from an average over the year ended 31 March 2022 of 129 individuals to 145 for the year ended 31 March 2023) in order to support the Group's enhanced operational capabilities and higher performance-related pay given the Group's strong relative outperformance against its TPR benchmark during the period.

The increase in administration expenses from the year ended 31 March 2022 to the year ended 31 March 2023 was also partly attributable to the increase in other head office costs by £1.4 million, or 15.7%, from £8.9 million to £10.3 million during the period under review, which related to investment associated with digitising elements of the Group's business, the delivery of its Customer First programme (including costs associated with consultancy and training across the Group) and marketing costs associated with its growing Flex activities.

Development management losses

Development management losses decreased by £0.3 million, or 75%, from £0.4 million for the year ended 31 March 2022, to £0.1 million for the year ended 31 March 2023. This reflected reduced activity as projects came to an end.

(Deficit)/surplus from investment property

(Deficit)/surplus from investment property was a deficit of £(145.0) million for the year ended 31 March 2023, compared to a surplus of £107.9 million for the year ended 31 March 2022. The movement from a surplus to a deficit was the result of the challenging macro-economic and geopolitical environment putting property values in the Group's markets under pressure. Across the portfolio, property values reduced by 6.6% over the year, reflecting the global impact of rising interest rates on property yields. The valuation of the Group's retail portfolio declined by 4.5%, outperforming the non-Flex office portfolio, which declined by 7.3%, with the Flex office space again outperforming traditional offices, with a smaller decline of 5.1%. Despite the economic disruption, office ERVs continued to grow, up 3.3% in the year, reflecting the continued shortage of high-quality office space across London's markets, partly offset by the Group's retail ERVs declining by 1.5%. For more detail on the Group's valuation movement, see "*—Revaluation of investment property*" above.

Share of results of joint ventures

The Group's share of results of joint ventures was a loss of £33.4 million for the year ended 31 March 2023, compared to a contribution of £45.9 million for the year ended 31 March 2022, with the movement from a profit to a loss principally the result of negative revaluation movements during the year, as well as a slight decrease in net rental income due to properties being sold and certain non-recurring gains from these sales in the year ended 31 March 2022 which were not repeated in the following year.

The following table summarises the Group's share in the revenues and expenses for the joint ventures for the years ended 31 March 2023 and 2022:

	For year ended 31 March 2023				**Share for year ended 31 March**	
	GHS Limited Partnership	**Great Ropemaker Partnership**	**Great Victoria Partnerships**	**Total**	**2023**	**2022**
				£ million		
Net rental income[(1)]	16.7	16.0	3.8	36.5	18.2	20.1
Surrender premium	-	-	-	-	-	3.9
Property and Administration costs	(0.8)	(2.4)	(1.2)	(4.4)	(2.2)	(1.9)
Net finance costs	(9.4)	(3.1)	-	(12.5)	(6.2)	(7.6)
Share of profit of joint ventures	**6.5**	**10.5**	**2.6**	**19.6**	**9.8**	**14.5**
Revaluation of investment property	(55.0)	(25.7)	(5.7)	(86.4)	(43.2)	28.1
(Loss)/profit on sale of investment property	-	0.1	-	0.1	-	3.3
Share of results in joint venture	**(48.5)**	**(15.1)**	**(3.1)**	**(66.7)**	**(33.4)**	**45.9**

Note: (1) Net rental income is calculated as gross rental income adjusted for the spreading of lease incentives less expected credit losses for rental income and ground rents. See "—Revenue" above for a table that sets out the net rental income for the years ended 31 March 2023 and 31 March 2022.

The performance of the Group's three active joint ventures is analysed below:

- The GHS Limited Partnership's net rental income was £16.7 million, accounting for 45.8% of combined rental income and reflecting the income received from Hanover Square, W1. This was an increase of £0.8 million during the year, with the additional income in respect of improved leasing of retail space on Bond Street. Net finance costs in respect of loans from the partners were £9.4 million during the period, while property and administrative costs were £0.8 million, down from £2.7 million for the year ended 31 March 2022 as a result of lower vacancy costs.
- The Great Ropemaker Partnership's net rental income was £16.0 million, accounting for 43.8% of combined rental income, reduced from £20.6 million for the year ended 31 March 2022 due to the sale of 160 Old Street, EC1 during the financial year. In the year ended 31 March 2022, the partnership received a surrender premium of £7.9 million paid by Superdry on their departure from 101/113 Regent Street, W1; no similar premiums were received in the year ended 31 March 2023. Property and administrative costs were £1.2 million, which compared to £0.3 million income for the year ended 31 March 2022, as recoveries of service charge costs from earlier years were not repeated in the year ended 31 March 2023.

- The Great Victoria Partnership's net rental income was £3.8 million for the year ended 31 March 2023, up marginally from £3.7 million for the year ended 31 March 2022, accounting for 10.4% of combined rental income. Property and administrative costs were £1.2 million for the year ended 31 March 2023, down from £1.4 million for the year ended 31 March 2022, reflecting lower costs associated with vacant space.

Revaluation declines across London's commercial real estate markets contributed to the performance of the Group's joint venture property portfolio, with a like-for-like (i.e. the element of the portfolio that has been held for the whole of the period of account) decline in valuation of 6.3% in the year ended 31 March 2023, which resulted in negative revaluation movement of £86.4 million (of which the Group's share was £43.2 million) for the year ended 31 March 2023, compared to a revaluation uplift of £56.1 million (of which the Group's share was £28.1 million) for the year ended 31 March 2022.

Finance income

Finance income decreased by £1.4 million, or 18.9%, from £7.4 million for the year ended 31 March 2022, to £6.0 million for the year ended 31 March 2023.

The following table sets forth a breakdown of finance income for the periods indicated.

	For the year ended 31 March		Change
	2023	2022	%
	£ million		
Interest on balances with joint ventures	5.9	7.3	(19.2)
Interest on cash deposits	0.1	0.1	-
Total	**6.0**	**7.4**	**(18.9)**

The decrease in finance income from the year ended 31 March 2022 to the year ended 31 March 2023 was mainly attributable to the decrease in interest on cash balances held within joint ventures by 19.2%, from £7.3 million to £5.9 million, which related to the reduction in the outstanding loan balance with the Great Ropemaker Partnership during the period following repayment of the loan with the sale proceeds from 160 Old Street, EC1.

Finance costs

	For the year ended 31 March		Change
	2023	2022	%
	£ million		
Interest on the RCF	5.7	2.1	171.4
Interest on private placement notes	10.9	11.0	(0.9)
Interest on debenture stock	1.2	1.2	-
Interest on obligations under occupational leases	0.1	0.1	-
Interest on obligations under head leases	2.4	1.9	26.3
Less: Capitalised interest	(8.8)	(7.2)	22.2
Total	**11.5**	**9.1**	**26.4**

Finance costs increased by £2.4 million, or 26.4%, from £9.1 million for the year ended 31 March 2022, to £11.5 million for the year ended 31 March 2023. This increase was primarily due to a combination of higher average drawn debt on the Group's RCF, which was used to fund the acquisition of 6/10 St Andrew Street, EC4 and 2 Cathedral Street, SE1 as well as the Group's development capital expenditure, together with higher underlying interest rates. Capitalised interest increased by £1.6 million to £8.8 million as the Group's development activity increased, following the commencement of the redevelopment of 2 Aldermanbury Square, EC2. Interest on obligations under head leases increased from £1.9 million in the year ended 31 March 2022 to £2.4 million in the year ended 31 March 2023, following the regear of the headlease at 2 Aldermanbury Square, EC2 and the acquisition of 6/10 St Andrew Street, which is a leasehold building.

Tax

Tax decreased by £0.4 million, or 80%, from £0.5 million for the year ended 31 March 2022, to £0.1 million for the year ended 31 March 2023. This reduction was due to lower levels of deferred tax on the Group's defined benefit pension scheme.

7. Portfolio Performance and Statistics

The tables below demonstrate the performance and characteristics of the Group's portfolio in the year ended 31 March 2024. Further detail on the valuation trends within the portfolio can be found in the section entitled "*—Revaluation of real estate*" above.

Portfolio performance

		At 31 March 2024				
		Valuation				
		Wholly owned (£m)	**Share of joint venture (£m)**	**Total (£m)**	**Proportion of portfolio (%)**	**Valuation movement (%)**
North of Oxford Street	*Office*	677.3	-	677.3	29.1	(10.5)
	Retail	152.3	36.7	189.0	8.1	(11.4)
	Residential	4.0	-	4.0	0.2	(13.8)
Rest of West End	*Office*	218.1	239.2	457.3	19.6	0.6
	Retail	127.1	109.5	236.6	10.2	(11.4)
	Residential	0.7	-	0.7	-	(26.9)
Total West End		**1,179.5**	**385.4**	**1,564.9**	**67.2**	**(7.8)**
City, Midtown and Southwark	*Office*	340.0	90.7	430.7	18.5	(17.2)
	Retail	7.7	-	7.7	0.3	(7.7)
	Residential	-	-	-	-	-
Total City, Midtown and Southwark		**347.7**	**90.7**	**438.4**	**18.8**	**(17.0)**
Investment property portfolio		1,527.2	476.1	2,003.3	86.0	(10.0)
Development properties		201.5	-	201.5	8.6	(28.7)
Total properties held throughout the year		**1,728.7**	**476.1**	**2,343.8**	94.6	**(12.1)**
Acquisitions		126.4	-	126.4	5.4	(6.6)
Total property portfolio		**1,855.1**	**476.1**	**2,331.2**	**100.0**	**(11.8)**

Portfolio characteristics

		Investment properties	**Development properties**	**Total property portfolio**	**Office**	**Retail**	**Residential**	**Total**	**Net internal area sq ft**
		£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**000's**
North of Oxford Street		870.3	-	870.3	677.3	189.0	4.0	870.3	760
Rest of West End		804.9	44.7	849.6	560.8	288.1	0.7	849.6	651
Total West End		**1,675.2**	**44.7**	**1,719.9**	**1,238.1**	**477.1**	**4.7**	**1,719.9**	**1,411**
City, Midtown and Southwark		454.5	156.8	611.3	600.2	8.6	2.5	611.3	1,319
Total		**2,129.7**	**201.5**	**2,331.2**	**1,838.3**	**485.7**	**7.2**	**2,331.2**	**2,730**
By use:	Office	1,684.9	153.4	1,838.3					
	Retail	440.1	45.6	485.7					
	Residential	4.7	2.5	7.2					
Total		**2,129.7**	**201.5**	**2,331.2**					
Net Internal area sq ft 000s		2,197	533.0	2,730.0					

7.1 *Rental income*

			As at 31 March 2024						
			Wholly owned			Share of joint ventures			
			Rent roll (£m)	Reversionary potential (£m)	Rental values (£m)	Rent roll (£m)	Reversionary potential (£m)	Rental values (£m)	Total rental values (£m)
London	North of Oxford Street	*Office*	32.5	3.1	35.6	-	-	-	35.6
		Retail	8.1	0.9	9.0	3.0	0.1	3.1	21.1
	Rest of West End	*Office*	14.6	2.3	16.9	9.7	1.8	11.5	28.4
		Retail	6.5	0.7	7.2	5.3	0.2	5.5	12.7
	Total West End		**61.7**	**7.0**	**68.7**	**18.0**	**2.1**	**20.1**	**88.8**
	City, Midtown and Southwark	*Office*	20.0	2.1	22.1	5.0	0.3	5.3	27.4
		Retail	2.8	(0.7)	2.1	-	-	-	2.1
	Total City, Midtown and Southwark		**22.8**	**1.4**	**24.2**	**5.0**	**0.3**	**5.3**	**29.5**
Total let portfolio			**84.5**	**8.4**	**92.9**	**23.0**	**2.4**	**25.4**	**118.3**
Voids					2.7			-	2.7
Premises under refurbishment					89.0			4.5	93.5
Total portfolio					**184.6**			**29.9**	**214.5**

7.2 *Rent roll security, lease lengths and voids*

			As at 31 March 2024					
			Wholly owned			Joint ventures		
			Rent roll contracted([1]) for five years (%)	Weighted average lease length (Years)	Voids (%)	Rent roll contracted([1]) for five years (%)	Weighted average lease length (Years)	Voids (%)
London	North of Oxford Street	*Office*	34.2	4.2	1.2	-	-	-
		Retail	48.4	5.6	2.0	-	1.7	-
	Rest of West End	*Office*	0.7	1.6	0.7	89.1	11.3	-
		Retail	19.8	4.0	1.2	30.7	5.3	-
	Total West End		**25.8**	**3.7**	**1.1**	**57.2**	**7.9**	-
	City, Midtown and Southwark	*Office*	13.9	2.6	2.0	-	1.6	-
		Retail	11.3	2.2	-	-	-	-
	Total City, Midtown and Southwark		**13.6**	**2.5**	**2.0**	-	**1.6**	-
Total let portfolio			**22.5**	**3.4**	**1.5**	**44.7**	**6.5**	-

Note:

(1) Contracted leases without an expiry or break clause within 5 years.

7.3 *Rental values and yields*

			At 31 March 2024							
			Wholly owned		Joint ventures		Wholly owned		Joint ventures	
			Average rent (£psf)	Average ERV (£psf)	Average rent (£psf)	Average ERV (£psf)	Initial yield (%)	True equivalent yield (%)	Initial yield (%)	True equivalent yield (%)
London	North of Oxford Street	*Office*	86	102	-	-	3.3	5.3	-	-
		Retail	66	67	83	83	2.2	5.3	4.7	5.8
	Rest of West End	*Office*	99	143	116	138	4.6	5.8	3.6	4.6
		Retail	99	115	108	113	3.9	5.0	4.1	4.4
	Total West End		**86**	**106**	**107**	**113**	**3.5**	**5.4**	**3.9**	**4.8**
	City, Midtown and Southwark	*Office*	64	83	46	53	4.4	5.7	4.5	6.1
		Retail	39	36	-	-	4.3	5.9	-	-
	Total City, Midtown and Southwark		**59**	**76**	**46**	**53**	**4.4**	**5.7**	**4.5**	**6.1**
Total let portfolio			77	91	83	84	3.7	5.4	4.0	5.1

Further detail on the valuation trends within the portfolio can be found in "*—Revaluation of investment property*" above.

7.4 *Customers and business mix*

The customers within the Group's portfolio (including the Group's share of joint venture properties) represent a diverse business mix, as demonstrated by the table below, of over 250 customers with retail, hospitality and leisure customers, representing the largest customer base as at 31 March 2024 (as compared to 29% as at 31 March 2023) and with the largest single customer representing 4.1% of Group rent roll (unchanged from 2023):

Customer mix[(1)]	Share by rent roll as at 31 March 2024
Retail, hospitality and leisure	31%
Banking and finance	23%
Corporates	18%
Professional	17%
Technology, media and telecoms	11%

Note:

(1) The weighted average unexpired lease term for the above customers, as calculated by the Group as at 31 March 2024, was approximately 4.1 years (including share of joint ventures).

7.5 *Acquisitions*

The tables below demonstrate the acquisitions of properties made by the Group for the period covered by the historical financial information incorporated by reference into this document.

Year ended 31 March 2022	Price (£m)	NIY (%)	Area Sq ft (£)	Cost per sq. ft (£)
7/15 Gresse Street, W1	36.5	5.6	43,000	847
Total	**36.5**		**43,000**	

Year ended 31 March 2023	Price (£m)	NIY (%)	Area (Sq ft)	Cost per sq. ft. (£)
6/10 St Andrew Street, EC4	30.0	—	46,200	650
2 Cathedral Street, SE1	7.1	4.4	6,400	1,100
Total	**37.1**		**52,600**	

Year ended 31 March 2024	Price (£m)	NIY (%)	Area (Sq ft)	Cost per sq. ft. (£)
Bramah House, SW`1	13.9	5.9%	16,000	892
141 Wardour Street, W1	39.0	-	33,700	1,156
Soho Square Estate, W1	70.0	2.1%	57,500	772*
Total	**122.9**		**107,200**	

Note:

(*) Based on developable area.

7.6 *Sales*

The tables below demonstrate the sales of properties made by the Group for the period covered by the historical financial information incorporated by reference into this document.

Year ended 31 March 2022	Price (£m)	Premium to book value (%)	Price per sq ft (£)	NIY (%)
160 Old Street, EC1*	90.8	5.0	1,091	4.1
Total	**90.8**		**1,091**	

Year ended 31 March 2023	Price (£m)	Premium to book value (%)	Price per sq ft (£)	NIY (%)
50 Finsbury Square, EC2	190.0	(1.7)	1,471	3.9
6/10 Market Place, W1	27.8	3.0	1,480	4.1
Total	**217.8**		**1,472**	

Year ended 31 March 2024	Price (£m)	Premium to book value (%)	Price per sq ft (£)	NIY (%)
Poland Street, W1	5.0	(13.4)	995	5.5%
6 Brook Street, W1	8.4	-	2,306	3.0%
Total	**13.4**		**1,546**	

Note:

(*) Properties held in joint venture.

From time to time, the Group receives expressions of interest in its properties in the ordinary course of its business. The Group is currently evaluating expressions of interest with respect to certain properties, although no final decisions to dispose of any properties have been taken by the Board. No assurance can be given that any expression of interest, including those currently under consideration, may lead to an offer or disposal. Expressions of interest are subject to careful consideration by the Group's investment management teams, negotiation, due diligence and the execution of binding definitive agreements.

8. Liquidity and Capital Resources

8.1 *Overview*

The Group's cash requirements stem primarily from the purchase and development of properties together with interest and dividend payments. Historically, the Group has met these requirements through a combination of operating cash flows, the proceeds of sale of mature properties and long-term debt financing. The Group's borrowings consist of a mixture of debt securities, the RCF, the 2023 Term Loan Facility and the 2024 Short Term Facility.

The Group's primary sources of liquidity are its net cash flows from operating activities, cash deposits and undrawn committed bank facilities. The Group's financing strategy is to borrow predominantly on an unsecured basis under its standard financial covenants to maintain flexibility at a low operational cost. The Group has one small secured debenture instrument. Borrowings are arranged to maintain short term liquidity and to ensure an appropriate maturity profile. Short term funding is obtained principally through its RCF and 2023 Term Loan Facility, both provided by a range of banks. Long-term debt mainly comprises the various private placement notes.

8.2 ***Cash flows***

The following table sets out financial information extracted from the cash flow statements for the years ended 31 March 2024 and 2023. The statement of cash flows of the Group as of and for the year ended 31 March 2023 is derived from the 2023 Financial Statements except where purchase and development of investment property have been disaggregated to conform with 2024 Financial Statements presentation, such disaggregated information having been derived from the unaudited comparative column included in the 2024 Financial Statements. The statement of cash flows and the balance sheet of the Group as of and for the year ended 31 March 2022 are derived from the unaudited comparative column included in the 2023 Financial Statements except where purchase and development of investment property have been disaggregated to conform with 2024 Financial Statement presentation.

	For the year ended 31 March		
	2024	**2023**	**2022**
		£ million	
Cash flows (used in)/generated from operating activities	(7.6)	(1.7)	8.9
Cash flows (used in)/generated from investing activities	(231.7)	112.6	(24.1)
Cash flows (used in)/generated from financing activities	242.8	(108.2)	6.3
Cash and cash equivalents at 1 April	19.4	16.7	25.6
Cash and cash equivalents at 31 March	22.9	19.4	16.7

Cash flows (used in) generated from operating activities

The following table provides a breakdown of cash flows from operating activities for the periods indicated.

	For the year ended 31 March		
	2024	**2023**	**2022**
		£ million	
Operating (loss)/profit	(294.5)	(158.5)	168.4
Adjustments for non-cash items	313.4	175.1	(149.7)
(Increase)/decrease in receivables	(8.6)	5.3	0.5
Increase/(decrease) in payables	4.1	(6.1)	3.1
Cash generated from operations	**14.4**	**15.8**	**22.3**
Interest paid	(22.3)	(17.6)	(13.9)
Interest received	0.3	0.1	0.1
Tax repaid	-	-	0.4
Cash flows (used in) /generated from operating activities	**(7.6)**	**(1.7)**	**8.9**

Cash flows (used in)/generated from operating activities were an outflow £7.6 million for the year ended 31 March 2024, compared to an outflow of £1.7 million for the year ended 31 March 2023, principally due to higher levels of interest paid in the year ended 31 March 2024 given higher levels of drawn debt.

Cash flows (used in)/generated from operating activities were an outflow of £1.7 million for the year ended 31 March 2023, compared to an inflow of £8.9 million for the year ended 31 March 2022. The change in cash flows from operating activities from the year ended 31 March 2022 to the year ended 31 March 2023 was mainly attributable to cash outflows from changes in the net movement of receivables and payables of £4.4 million (£3.6 million inflow for the year ended 31 March 2022 compared to a net outflow of £0.8 million in the year ended 31 March 2023) together with the increase in interest paid of £3.7 million, or 26.6%, from an outflow of £13.9 million in the year ended 31 March 2022 to an outflow of £17.6 million in the year ended 31 March 2023, given higher levels of drawn debt.

Cash (used in)/generated from operations reduced from £22.3 million in the year ended 31 March 2022 to £15.8 million for the year ended 31 March 2023, in part due to an increase in administration expenses of 3.3 million, mainly attributable to an increase in employee costs and other head office costs.

Cash flows (used in)/ generated from investing activities

The following table provides a breakdown of cash flows (used in)/generated from investing activities for the periods

indicated.

	For the year ended 31 March		
	2024	**2023**	**2022**
		£ million	
Distributions from joint ventures	-	7.5	7.3
Investment in joint ventures	(0.1)	-	-
Repayment of loans by joint ventures	6.7	9.0	89.5
Purchase of other investments	(0.8)	(0.7)	-
Development of investment property	(121.7)	(80.5)	(83.1)
Purchase of investment property	(128.3)	(39.9)	(37.5)
Purchase of plant and equipment	(0.1)	(0.2)	(0.3)
Sale of properties	12.6	217.4	-
Cash flows (used in)/ generated from investing activities	**(231.7)**	**112.6**	**(24.1)**

Cash flows from investing activities were an outflow of £231.7 million for the year ended 31 March 2024, compared with an inflow of £112.6 million for the year ended 31 March 2023, given higher levels of property acquisitions and development capital expenditure together with greatly reduced property sales in the year ended 31 March 2024 when compared to the year ended 31 March 2023.

Cash flows from investing activities were an inflow of £112.6 million for the year ended 31 March 2023, compared to an outflow of £24.1 million for cash flows used in investing activities for the year ended 31 March 2022. The change to cash inflows from investing activities from the year ended 31 March 2022 to the year ended 31 March 2023 was mainly attributable to the increase in sale of properties from nil to £217.4 million in the year ended 31 March 2023, as the Group made no sales in a slowing and less favourable investment market in 2022.

The change to cash inflows from investing activities was partly offset by the decrease in funds from joint ventures by £80.5 million, or 89.9%, from £89.5 million to £9.0 million during the period under review, as there were no sales of properties in the year ended 31 March 2023, whereas in the year ended 31 March 2022, the Great Ropemaker Partnership sold 160 Old Street for £181.6 million and returned 50% of the proceeds to the Group.

Cash flows generated from/(used in) financing activities

The following table provides a breakdown of cash flows generated from/(used in) financing activities for the periods indicated.

	For the year ended 31 March		
	2024	**2023**	**2022**
		£ million	
RCF repaid [(1)]	(275.4)	(387.0)	(202.5)
RCF drawn [(2)]	308.4	314.0	244.5
2023 Term Loan Facility drawn	248.0	-	-
Purchase of derivative	(2.1)	-	-
Payment of lease obligations	(3.4)	(3.3)	(3.0)
Dividends paid	(32.7)	(31.9)	(32.7)
Cash flows generated from/(used in) financing activities	**242.8**	**(108.2)**	**6.3**

Notes:

(1) Repayments of the RCF.

(2) Drawings on the RCF.

Cash flows generated from financing activities was an inflow of £242.8 million for the year ended 31 March 2024, compared to an outflow of £108.2 million for the year ended 31 March 2023. This was primarily due to the Group drawing down on its 2023 Term Loan Facility during the year.

Cash flows generated from financing activities was an outflow of £108.2 million for the year ended 31 March 2023, compared to an inflow of £6.3 million for the year ended 31 March 2022. The change to cash outflows used in financing activities from the year ended 31 March 2022 to the year ended 31 March 2023 was mainly attributable

to the decrease in the net amounts drawn under the Group's RCF with the repayment in the year ended 31 March 2023 the result of increased net sale receipts from property disposals in the year (including joint ventures at share), including the sale of 50 Finsbury Square, EC2.

8.3 *Capital expenditure*

Capital expenditure for the periods covered by the historical financial information incorporated by reference into this document mainly consisted of property acquisitions and the costs associated with the delivery of the Group's development properties and its Flex conversion programme. Capital expenditure also includes any rent-free periods granted or cash incentives paid to the Group's customers in the course of initiating a new lease, which are capitalised and added to the cost of the property and amortised over the lease term.

Capital expenditure during the year ended 31 March 2024 (including the Group's share of joint ventures) was £142.4 million, compared with £149.3 million in the year ended 31 March 2023 and £151.6 million in the year ended 31 March 2022.

As at 31 March 2024, the Group had committed capital expenditure of approximately £498 million relating to seven on-site schemes and a development pipeline consisting of a further potential five sites and opportunities. From the proceeds of the Rights Issue, the Directors intend to develop properties in its existing pipeline, including through the re-development of two recently purchased assets, The Courtyard, WC1 and the Soho Square Estate, W1. The Directors expect to be committing £168 million in capital expenditure to these two developments, increasing the Group's total committed capital expenditure across developments from approximately £498 million as at 31 March 2024 to approximately £666 million by the second quarter of 2027.

8.4 *Group Debt*

The Group aims to maintain a consistently strong balance sheet and conservative financial leverage, with leverage in the target range of 10% to 35%. As at 31 March 2024, the Group reported an LTV of 32.5%. The Group seeks to maintain access to low cost, diversified debt facilities and plentiful liquidity. In October 2023, the Group entered into and drew upon its 2023 Term Loan Facility, and at 31 March 2024, had more than £500 million available in liquidity. It has also maintained an attractive average cost of debt of 4.1% during the year ended 31 March 2024, and of its total debt as at 31 March 2024, approximately 87% was fixed or capped rate.

The Group's debt obligations as at 31 March 2024, 2023 and 2022 are summarised in the tables below. There has been no material change in the Group's borrowings since 31 March 2024.

	As at 31 March		
	2024	**2023**	**2022**
		(£ millions)	
Current liabilities at amortised cost			
Unsecured			
2017 Private Placement Notes			
—£175.0 million 2.15% private placement notes 2024	175.0	-	-
Non-current liabilities at amortised cost			
Secured			
£21.9 million 5 5/8% first mortgage debenture stock 2029	22.0	22.0	22.0
Unsecured			
£450.0 million RCF	46.1	12.8	85.4
£250.0 million 2023 Term Loan Facility	248.3	-	-
2017 Private Placement Notes			
—£175.0 million 2.15% private placement notes 2024	-	174.8	174.7
2018 Private Placement Notes			
—£40.0 million 2.70% private placement notes 2028	39.9	39.9	39.9
—£30.0 million 2.79% private placement notes 2030	29.9	29.9	29.9
—£30.0 million 2.93% private placement notes 2033	29.9	29.9	29.9
2020 Private Placement Notes			
—£25.0 million 2.75% private placement notes 2032	24.9	24.9	24.9
—£125.0 million 2.77% private placement notes 2035	124.4	124.3	124.3
Non-current interest-bearing loans and borrowings	**565.4**	**458.5**	**531.0**
Total interest-bearing loans and borrowings	**740.4**	**458.5**	**531.0**

The following tables detail the Group’s remaining contractual maturities on its debt obligations and have been drawn

up based on the undiscounted cash flows of financial liabilities, including associated interest payments, based on the earliest date on which the Group is required to pay, and conditions existing as at 31 March 2024:

As at March 2024	Carrying amount	Contractual cash flows	Less than one year	One to two years	Two to five years	More than five years
			(£ millions)			
Non-derivative financial liabilities						
£21.9 million 5 5/8% debenture stock 2029	22.0	27.8	1.2	1.2	3.7	22.9
£450.0 million revolving credit facility	46.1	58.9	4.2	4.2	50.5	-
£250.0 million term loan	248.3	291.3	17.2	17.2	256.9	-
Private placement notes	424.0	489.6	182.5	7.0	60.0	240.1
Derivative financial instruments						
Interest rate cap	(0.4)	(0.3)	(0.2)	(0.1)	-	-
Total	**740.0**	**867.3**	**204.9**	**29.5**	**392.8**	**240.1**

See paragraph 9 of Part XX: "*Additional Information*" for further information relating to the Group's borrowings.

At 31 March 2024, properties with a carrying value of £107.0 million were secured under the Group's 5.625% first mortgage debenture due in 2029, as compared to £111.0 million at 31 March 2023. See paragraph 9 of Part XX: "*Additional Information*" for further information relating to the Group's debenture.

Including cash balances in joint ventures, the Group's total net debt was £695.3 million or £713.5 million excluding customer deposits, equivalent to an EPRA LTV of 32.6%.

All interest bearing loans and borrowings are in sterling. At 31 March 2024, the Group had £603 million of undrawn credit facilities, as compared to £436.0 million as at 31 March 2023.

8.5 *Joint venture debt*

As at 31 March 2024, the Group's joint ventures held no third-party debt.

8.6 *Covenants and gearing*

The Group maintains its RCF, its 2023 Term Loan Facility, its 2024 Short Term Facility (undrawn) and a number of private placement notes with consistent key covenants with which it must comply. The trigger points are at conventional market benchmarks set out in the second column of the table below. Inner Borrowing and Net Gearing are linked to portfolio valuations.

The table below sets out the Group's key covenants and gearing.

Key covenants under unsecured debt facilities[(1)]	Covenant	As at 31 March 2024
Net Gearing[(2)]	<125%	46.8%
Inner Borrowing[(3)]	≥ 1.66x	2.42x
Interest Cover[(4)]	≥ 1.35	3.65x

Notes:

(1) Covenant definitions of key financials vary from accounting definitions under IFRS. Debt Facilities include the RCF, the 2023 Term Loan Facility, the 2024 Short Term Facility (undrawn) and private placement notes. The Company's 2029 Debenture contains other covenants which are not summarised in the table above.

(2) Total Group borrowings at nominal value plus obligations under occupational leases less short-term deposits and cash as a percentage of equity shareholders' funds adjusted for the value of the Group's pension scheme.

(3) Ratio of unencumbered asset value to unsecured borrowings.

(4) Profit before interest, adjusted for the revaluation of properties, profit on sale of properties and non-cash RSP & LTIP charges over net interest net of capitalised interest and fair value movements on derivatives.

9. Off Balance Sheet Items

The Group has no significant off balance sheet items.

10. Critical Accounting Policies and Judgements

The Group's consolidated financial statements are prepared in accordance with UK-adopted International Accounting Standards as applied in accordance with the provisions of the Companies Act as applicable to companies reporting under those standards.

The financial statements have been prepared on the historical cost basis, except for the revaluation of properties and certain financial instruments which are held at fair value. The consolidated financial statements, including the results and financial position, are expressed in pounds sterling (£), which is the presentation currency of the Group.

The Directors believe that the judgements made in the preparation of the financial statements are reasonable. However, actual outcomes may differ from those anticipated.

Critical judgements and key sources of estimation uncertainty are set out below:

In the process of preparing the financial statements, the Directors are required to make certain judgements, assumptions and estimates. Not all of the Group's accounting policies require the Directors to make difficult, subjective or complex judgements or estimates. Any estimates and judgements made are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the Directors' best knowledge of the amount, event or actions, actual results may differ from those estimates.

No critical judgements have been made.

The following is intended to provide an understanding of the estimates that management consider critical because of the level of complexity, judgement or estimation involved in their application and their material impact on the financial statements.

Key source of estimation uncertainty: property portfolio valuation

The valuation to determine the fair value of the Group's investment properties is prepared by its external valuer. The valuation is based upon a number of assumptions, including future rental income, anticipated maintenance costs, future development costs and an appropriate discount rate. The valuer also makes reference to market evidence of transaction prices for similar properties. An adjustment to any of these assumptions could lead to a material change in the property valuation. For the years ended 31 March 2024 and 31 March 2023, the Directors adopted the valuation without adjustment.

11. Key Accounting Policies

11.1 *Revenue*

Gross rental income comprises rental income and premiums on lease surrenders on investment properties for the year, exclusive of service charges receivable, on a straight-line basis. Initial direct costs incurred in arranging a lease are added to the carrying value of investment properties and are subsequently recognised as an expense over the lease term on the same basis as the lease income.

Lease incentives, including rent-free periods and payments to customers, are allocated to the income statement on a straight-line basis over the lease term or on another systematic basis, if applicable. The value of resulting accrued rental income is included within the respective property, with the aggregate cost of the incentive recognised as a reduction in rental income on a straight-line basis over the term of the lease.

Revenue from Fully Managed spaces is split between an amount attributable to the rent on a fitted basis and services income. The rent is recognised in gross rental income (see above) and the services income is recorded over the period when the services are provided and benefit the customer.

The Group's Flex Partnerships represent leases with third-party operators where the rent payable is calculated by reference to the profitability of the space under management. The rent is recognised in gross rental income (see above).

Service charge income is recorded over the period when the services are provided and benefit the customer.

11.2 *Share-based payments*

The cost of granting share-based payments to employees and Directors is recognised within administration expenses in the income statement. The Group has used the stochastic model to value the grants, which is dependent upon factors including the share price, expected volatility and vesting period, and the resulting fair value is amortised through the income statement over the vesting period. The charge is recognised over the vesting period and reversed if it is likely that any non-market-based performance or service criteria will not be met. Any cost in respect of share-based

payments relating to the employees of a subsidiary company is recharged accordingly.

11.3 *Investment property*

Both leasehold and freehold investment properties and investment properties under development are professionally valued on a fair value basis by qualified external valuers and the Directors must ensure that they are satisfied that the valuation of the Group's properties is appropriate for inclusion in the accounts without adjustment. The valuation of the property portfolio reflects its fair value taking into account the market view of all relevant factors, including the climate-related risks associated with the properties. This includes the impact of expected regulatory changes.

The valuations have been prepared in accordance with the current versions of the RICS Valuation – Global Standards (incorporating the International Valuation Standards (IVS)) and the UK national supplement (the Red Book) and have been primarily derived using comparable recent market transactions on arm's length terms.

For investment property, this approach involves applying market-derived capitalisation yields to current and market-derived future income streams with appropriate adjustments for income voids arising from vacancies or rent-free periods.

These capitalisation yields and future income streams are derived from comparable property and leasing transactions and are considered to be the key inputs in the valuation. Other factors that are taken into account in the valuations include the tenure of the property, tenancy details, non-payment of rent, planning, building and environmental factors that might affect the property.

In the case of investment property under development, the approach applied is the 'residual method' of valuation, which is the investment method of valuation as described above with a deduction for the costs necessary to complete the development, together with an allowance for the remaining risk.

The Group recognises sales and purchases of property when control passes on completion of the contract. Gains or losses on the sale of properties are calculated by reference to the carrying value at the end of the previous year, adjusted for subsequent capital expenditure.

11.4 *Lease obligations*

Where the Group is a lessee, a right of use asset and lease liability are recognised at the outset of the lease. The lease liability is initially measured at the present value of the lease payments based on the Group's expectations of the likelihood of the lease term. The lease liability is subsequently adjusted to reflect an imputed finance charge, payments made to the lessor and any lease modifications.

The right of use asset is initially measured at cost, which comprises the amount of the lease liability and direct costs incurred, less any lease incentives received by the Group. The Group has two categories of right of use assets: those in respect of head leases related to its leasehold properties and an occupational lease for its head office. The right of use asset in respect of head leases is classified as investment property and is added to the carrying value of the leasehold investment property. The right of use asset in respect of its occupational leases is classified as property, plant and equipment and is subsequently depreciated over the length of the lease.

11.5 *Depreciation*

No depreciation is provided in respect of freehold investment properties and leasehold investment properties. Plant and equipment is held at cost less accumulated depreciation. Depreciation is provided on plant and equipment, at rates calculated to write off the cost, less residual value prevailing at the balance sheet date of each asset evenly over its expected useful life, as follows:

- Fixtures and fittings – over three to five years.
- Leasehold improvements – over the term of the lease.

11.6 *Joint ventures*

Joint ventures are accounted for under the equity method where, in the Directors' judgement, the Group has joint control of the entity. The Group's level of control over its joint ventures is driven both by the individual agreements which set out how control is shared by the partners and how that control is exercised in practice. The Group balance sheet contains the Group's share of the net assets of its joint ventures. Balances with partners owed to or from the Group by joint ventures are included within investments. The Group's share of joint venture profits and losses are included in the Group income statement in a single line. All of the Group's joint ventures adopt the accounting policies of the Group for inclusion in the Group financial statements. There have been no new joint ventures during the year and no changes to any of the agreements in place.

11.7 ***Pension benefits***

The Group contributes to a defined benefit pension plan which is funded with assets held separately from those of the Group. The full value of the net assets or liabilities of the pension fund is brought onto the balance sheet at each balance sheet date. Actuarial gains and losses are taken to other comprehensive income; all other movements are taken to the income statement.

11.8 ***Capitalisation of interest***

Interest associated with direct expenditure on investment and trading properties under development is capitalised. Direct expenditure includes the purchase cost of a site if it has been purchased with the specific intention to redevelop, but does not include the original book cost of a site where no intention existed. Interest is capitalised from the start of the development work until the date of practical completion. The rate used is the Group's weighted average cost of borrowings or, if appropriate, the rate on specific associated borrowings.

11.9 ***Other investments***

Other investments comprise investments in Pi Labs European PropTech venture capital fund, which is measured at fair value, based on the net assets of the fund; this is a Level 3 valuation as defined by IFRS 13. Changes in fair value are recognised in profit or loss.

11.10 ***Financial instruments***

- **Borrowings:** The Group's borrowings in the form of its debenture, private placement notes and bank loans are recognised initially at fair value, after taking account of any discount or premium on issue and attributable transaction costs. Subsequently, borrowings are held at amortised cost, with any discounts, premiums and attributable costs charged to the income statement using the effective interest rate method.
- **Cash and cash equivalents:** Cash and cash equivalents comprise cash in hand, demand deposits and other short-term highly liquid investments that are readily convertible into a known amount of cash and are subject to insignificant risk of changes in value.
- **Trade receivables and payables:** Trade receivables are initially measured at the transaction price, and are subsequently measured at amortised cost using the effective interest rate method. See note 13 of the 2024 Financial Statements for further information on trade receivables and associated expected credit losses. Trade payables are initially measured at fair value and subsequently measured at amortised cost.
- **Derivative financial instruments** The Group uses derivatives (specifically, a £200 million interest rate cap) to manage interest rate risk, and does not use them for trading. They are recorded, and subsequently revalued, at fair value, with revaluation gains or losses being immediately recognised within the income statement. Derivatives with a maturity of less than 12 months or that expect to be settled within 12 months of the balance sheet date are presented as current assets or liabilities. Other derivatives are presented as non-current assets or liabilities.

12. **Qualitative Disclosure on Market Risk**

The principal categories of market risk the Group is exposed to are capital risk, credit risk, liquidity risk and interest rate risk.

12.1 ***Capital risk***

The Group manages its capital to ensure that entities in the Group will be able to operate on a going concern basis and as such it aims to maintain an appropriate mix of debt and equity financing. The current capital structure of the Group consists of a mix of equity and debt. Equity comprises issued share capital, reserves and retained earnings as disclosed in the Group statement of changes in equity. Debt comprises a fixed rate debenture, the RCF, the 2023 Term Loan Facility, the 2024 Short Term Facility (undrawn) and private placement notes. The Group aims to maintain a loan-to-property value ratio of between 10–35%.

The Group operates solely in the United Kingdom, and its operating profits and net assets are sterling denominated. As a result, the Group has no assets or liabilities denominated in foreign currencies.

12.2 ***Credit risk***

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a policy of reviewing the financial information of prospective customers and only dealing with those that are creditworthy and obtaining sufficient rental cash deposits or third-party guarantees as a means of mitigating financial loss from defaults. The concentration of credit risk is limited due to the large and

diverse customer base, with no one customer providing more than 10% of the Group's rental income. The Directors believe that there is no further expected credit loss required in excess of that provided. Impairment is considered insignificant because the property values in the joint ventures are in excess of any receivables due. The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk. The Group's cash deposits are placed with a diversified range of investment grade banks, and strict counterparty limits ensure the Group's exposure to bank failure is minimised.

12.3 ***Liquidity risk***

The Group operates a framework for the management of its short, medium and long-term funding requirements. Cash flow and funding needs are regularly monitored to ensure sufficient undrawn facilities are in place. The Group's funding sources are diversified across a range of bank and non-bank markets and strict counterparty limits are operated on deposits.

12.4 ***Interest rate risk***

Interest rate risk arises from the Group's use of interest-bearing financial instruments and is the risk that future cash flows arising from a financial instrument will fluctuate due to changes in interest rates. It is the Group's usual policy to reduce interest rate risk in respect of the cash flows arising from its debt obligations either through the use of fixed rate debt or through the use of interest rate derivatives such as swaps, caps and floors, and to maintain the proportion of floating interest rate exposure to between 0–30% of its forecast total debt. However, this target is flexible, and may not be adhered to at all times depending on, for example, the Group's view of future interest rate movements.

Interest rate caps

Interest rate caps are intended to protect the Group from an increase in short-term interest rates by providing for receipt of a cash a payment when the underlying interest rate exceeds a specified rate (the "cap rate") on a notional value. If the underlying rate exceeds the cap rate, the payment is based upon the difference between the two rates, ensuring the Group only pays, on a net basis, the maximum amount of the interest rate applicable under the cap. At 31 March 2024, the Group's only interest rate derivative was a £200 million interest rate cap.

Part XVI. Capitalisation and Indebtedness

The following tables should be read in conjunction with the information appearing elsewhere in this document, including the financial and other information in Part XIV: "*Historical Financial Information of the Group*" of this document.

CAPITALISATION AND INDEBTEDNESS STATEMENT OF THE GROUP

The following tables set out the capitalisation and indebtedness of the Group as reported under IFRS as at 31 March 2024 and have been extracted, without material adjustment, from the 2024 Financial Statements which are incorporated by reference into this document as set out in Part VI: "*Information Incorporated by Reference*". As such, the following tables do not reflect the impact of the Rights Issue on the Group's capitalisation and indebtedness.

Capitalisation

	As at 31 March 2024
	£ million
Shareholders' equity	
Called up share capital	38.7
Share premium account	46.0
Legal reserves	-
Other reserves[(1)]	326.7
Total capitalisation[(2)]	**411.4**

Notes:

(1) Other reserves comprise the capital redemption reserve.

(2) The above excludes retained earnings and investment in own shares.

Indebtedness[(1)]

	As at 31 March 2024
	£ million
Current debt	
— Guaranteed	-
— Secured	-
— Unguaranteed/unsecured[(2)]	(175.0)
Total current debt (including current portion of non-current debt)	**(175.0)**
Non-current debt	
— Guaranteed	-
— Secured[(3)]	(97.1)
— Unsecured[(4)]	(543.4)
Total non-current debt (excluding current portion of long-term debt)	**(640.5)**
Total Indebtedness	**(815.5)**

Notes:

(1) Indebtedness figures are shown at amortised cost.

(2) Unguaranteed or unsecured current debt comprises the 2017 Private Placement Notes.

(3) Secured non-current debt comprises £22.0 million of debenture stock and £75.1 million of non-current lease liabilities as accounted for under IFRS 16. The non-current lease liabilities of £75.1 million is split between £74.1 million of head lease obligations and £1.0 million of occupational lease obligations. Head lease obligations are not included within the Group's net gearing covenant.

(4) Unsecured debt comprises the drawn balance on the RCF, the 2023 Term Loan, 2018 Private Placement Notes and 2020 Private Placement Notes .

Net Indebtedness[1]

	As at 31 March 2024
	£ million
Cash[2]	22.9
Cash equivalents	-
Other current financial assets	-
Liquidity	**22.9**
Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)[3]	(175.0)
Current portion of non-current financial debt	-
Current financial indebtedness	**(175.0)**
Net current financial indebtedness	**(152.1)**
Non-current financial debt (excluding current portion and debt instruments)[4]	(75.1)
Debt instruments[5]	(565.4)
Non-current financial indebtedness	**(640.5)**
Net financial indebtedness	**(792.6)**

Notes:

(1) Indebtedness figures are shown at amortised cost.

(2) Cash is made up of £5.9m of unrestricted cash held at bank and £17.0m of restricted cash relating to amounts held in respect of customer rent deposits. Amounts held in respect of customer rent deposits are subject to restrictions as set out in the customers' lease agreements and therefore are not available for general use by the Group. £17.0 million of restricted cash is not included in the Group's net gearing covenant.

(3) Current financial debt (including debt instruments, but excluding current portion of non-current financial debt) comprises the 2017 Private Placement Notes.

(4) Non-current financial debt (excluding current portion of debt instruments) comprises £75.1 million of non-current lease liabilities as accounted for under IFRS 16. The non-current lease liabilities of £75.1 million is split between £74.1 million of head lease obligations and £1.0 million of occupational lease obligations. Head lease obligations are not included within the Group's net gearing covenant.

(5) Debt instruments comprise the debenture stock, the drawn balance on the RCF, the 2023 Term Loan, 2018 Private Placement Notes and 2020 Private Placement Notes.

Part XVII. Unaudited Pro Forma Financial Information of the Group

Section A - Unaudited Pro Forma Financial Information

The Unaudited Pro Forma Financial Information of the Group set out in this Part XVII has been prepared to illustrate the effect on the financial position of the Group of the Rights Issue. The unaudited pro forma statement of net assets has been presented assuming the Rights Issue had occurred on 31 March 2024.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and by its nature, addresses a hypothetical situation and, therefore, does not represent the Group's actual financial position or results. Such information may not, therefore, give a true picture of the Group's financial position or results of operations nor is it indicative of its results. The Unaudited Pro Forma Financial Information has been prepared in accordance with the UK version of Annex 20 of Commission Delegated Regulation (EU) 2019/980 (which is part of UK law by virtue of the EUWA) supplementing the UK Prospectus Regulation.

The Unaudited Pro Forma Financial Information is based on the Group's audited consolidated balance sheet as at 31 March 2024 and is stated on the basis of the accounting policies of the Group set out in the 2024 Financial Statements.

The Unaudited Pro Forma Financial Information does not constitute financial statements within the meaning of section 434 of the Companies Act. The Unaudited Pro Forma Financial Information has not been prepared, or shall not be construed as having been prepared, in accordance with Regulation S-X under the U.S. Securities Act. Investors should read the whole of this document, including documents incorporated by reference herein, and not rely solely on the summarised unaudited financial information contained below.

The Unaudited Pro Forma Financial Information does not reflect any changes in the trading position of the Group, since 31 March 2024.

Unaudited Pro Forma Statement of Net Assets

			Pro forma adjustments *£ million*		
		As at 31 March 2024 (Note 1) *£ million*	Proceeds from the Rights Issue (Note 2)	Repayment of debt (Note 3)	Pro forma total as at 31 March 2024 *£ million*
Non-current assets					
	Investment property	1,911.0			1,911.0
	Investment in joint ventures	491.3			491.3
	Property, plant and equipment	2.0			2.0
	Pension asset	4.9			4.9
	Derivative financial instruments	0.4			0.4
	Other investments	2.4			2.4
		2,412.0	-		2,412.0
Current assets					
	Trade and other receivables	24.9			24.9
	Cash and cash equivalents	22.9	335.8	(47.0)	311.7
		47.8	335.8	(47.0)	336.6
Current assets held for sale					
	Investment property held for sale	18.2			18.2
		18.2			18.2
Total assets		2,478.0	335.8	(47.0)	2,766.8
Current liabilities					
	Interest-bearing loans and borrowings	(175.0)			(175.0)
	Trade and other payables	(76.2)			(76.2)
	Corporation tax	(0.3)			(0.3)
		(251.5)	-		(251.5)
Non-current liabilities					
	Interest-bearing loans and borrowings	(565.4)		47.0	(518.4)
	Head lease obligations	(74.1)			(74.1)
	Occupational lease obligations	(1.0)			(1.0)
	Provisions in respect of warranties on sold buildings	(3.0)			(3.0)
		(643.5)	-	47.0	(596.5)
Total liabilities		(895.0)	-	47.0	(848.0)
Net assets		1,583.0	335.8	-	1,918.8

(1) The net assets of the Group as at 31 March 2024 have been extracted without material adjustment from the 2024 Financial Statements.

(2) This adjustment reflects gross proceeds of £350.3 million raised from the issue of the New Ordinary Shares in connection with the Rights Issue net of estimated expenses in connection with the Rights Issue of approximately £14.5 million excluding VAT.

(3) This adjustment reflects the repayment in full of amounts drawn as at 31 March 2024 under the Group's £450.0 million RCF.

(4) A reconciliation of the Group's EPRA pro forma loan-to-value position, adjusted to illustrate the effects of the Rights Issue, as presented in Note 9 to the 2024 Financial Statements, are set out in the table below:

	As at 31 March 2024 *£ million*
Net debt including joint ventures (as reported in note 9 of the 2024 Financial Statements) (A)	760.4
Property portfolio at market value including joint ventures (as reported in note 9 of the 2024 Financial Statements) (B)	2,331.2
EPRA loan-to-property value (as reported) (A/B)	32.6%
Pro forma net debt including joint ventures (adjusted for pro forma impact of the Rights Issue) (C)*	424.6
Pro forma EPRA loan-to-property value (adjusted for pro forma impact of the Rights Issue) (C/B)	18.2%

*The pro forma adjustment reflects the net proceeds of the Rights Issue of £335.8 million.

Section B - Accountant's Report on the Unaudited Pro Forma Financial Information

The Directors
Great Portland Estates plc
33 Cavendish Square
London
W1G 0PW

Merrill Lynch International
2 King Edward Street
London
EC1A 1HQ

24 May 2024

Dear Ladies and Gentlemen

Great Portland Estates plc (the "Company")

We report on the unaudited pro forma financial information (the "**Unaudited Pro Forma Financial Information**") set out in Section A of Part XVII of the Company's prospectus dated 24 May 2024 (the **"Prospectus")**.

This report is required by section 3 of Annex 20 to the PR Regulation and is given for the purpose of complying with that item and for no other purpose.

Opinion

In our opinion:

(a) the Pro Forma Financial Information has been properly compiled on the basis stated; and

(b) such basis is consistent with the accounting policies of the Company.

Responsibilities

It is the responsibility of the Directors to prepare the Pro Forma Financial Information in accordance with sections 1 and 2 of Annex 20 to the PR Regulation.

It is our responsibility to form an opinion, as required by section 3 of Annex 20 of the PR Regulation, as to the proper compilation of the Pro Forma Financial Information and to report our opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed at the date of their issue.

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PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under item 5.3.2R(2)(f) of the Prospectus Regulation Rules of the Financial Conduct Authority (the "**Prospectus Regulation Rules**") to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 1.3 of Annex 3 to the PR Regulation, consenting to its inclusion in the Prospectus.

Basis of preparation

The Pro Forma Financial Information has been prepared on the basis described in the notes to the Pro Forma Financial Information, for illustrative purposes only, to provide information about how the proposed admission of the new ordinary shares of the Company to the premium listing segment of the Official List maintained by the Financial Conduct Authority (the "**FCA**") and the proposed admission of those shares to trading on the London Stock Exchange's main market for listed securities, might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the consolidated financial statements for the year ended 31 March 2024.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council ("**FRC**") in the United Kingdom. We are independent in accordance with the Revised Ethical Standard 2019 issued by the FRC as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Declaration

For the purposes of item 5.3.2R(2)(f) of the Prospectus Regulation Rules we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 3 to the PR Regulation.

Yours faithfully

PricewaterhouseCoopers LLP
Chartered Accountants

CBRE

Condensed Valuation Report

In respect of:

Great Portland Estates plc Portfolios known as:

Great Portland Estates plc – The Wholly Owned Portfolio

GHS (G.P.) Ltd ("GHS") – C/O Great Portland Estates plc

The Great Ropemaker Partnership (G.P.) Ltd ("GRP") – C/O Great Portland Estates plc

The Great Victoria Partnership (G.P.) Ltd ("GVP") – C/O Great Portland Estates plc

On behalf of:

the Addressees as set out below

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Condensed Valuation Report

Introduction

Report Date	24 May 2024
Valuation Date	31 March 2024
Addressee	The Board of Directors Great Portland Estates plc 33 Cavendish Square London W1G 0PW (hereinafter referred to as the "Company") and Merrill Lynch International 2 King Edward Street, EC1A 1HQ, London, United Kingdom (in their capacity as Sponsor and Joint Global Coordinator to the Company) and Numis Securities Limited 45 Gresham St, EC2V 7BF, London, United Kingdom (in their capacity as Joint Global Coordinator to the Company) and J.P. Morgan Securities plc 25 Bank Street, E14 5JP, London, United Kingdom (in their capacity as Joint Global Coordinator to the Company) and Banco Santander, S.A. Paseo de Pereda 9-12, Santander, Spain (in their capacity as Co-Lead Manager to the Company) (Merrill Lynch International, Numis Securities Limited and J.P. Morgan Securities plc together the “Joint Global Coordinators”, Banco Santander, S.A. as Co-Lead Manager and all the above collectively referred to as “the Addressees”)

The Properties	41 properties held by Great Portland Estates plc (including those in Joint Venture Ownership), as set out in the Schedule of Properties below in Appendix A.
Instruction	To value without re-inspecting the unencumbered freehold and leasehold interests (as applicable) of the Properties on the basis of Market Value as at the Valuation Date in accordance with Terms of Engagement entered into between CBRE Limited ("CBRE") and the Addressees dated 21 May 2024 (the "Valuation").
Status of Valuer	You have instructed us to act as an "external valuer" as defined in the current version of the RICS Valuation – Global Standards (2022). Please note that the Valuation may be investigated by the RICS for the purposes of the administration of the Institution's conduct and disciplinary regulations in order to ensure compliance with the RICS Valuation - Global Standards (2022).
Purpose and Basis of Valuation	The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2022) incorporating the International Valuation Standards and the UK national supplement (the 'Red Book'). We understand that our valuation report and the Appendices to it (together the "Valuation Report") are required for the inclusion in a prospectus (the "Prospectus") to be published by the Company in connection with the rights issue of new ordinary shares by the Company in accordance with the UK Prospectus Regulation and the FCA's Listing Rules and Prospectus Regulation Rules (the "Rights Issue"), as a result of which new ordinary shares in the Company will be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's Main Market ("Admission"). This Valuation has been prepared on the basis of Market Value as defined in the current edition of the RICS Valuation – Global Standards (2022) and in accordance with the Valuation Assumptions set out below. The effective date of our Valuation is 31 March 2024 (the "Valuation Date"). - In accordance with the Red Book, we have made certain disclosures in connection with this valuation instruction and our relationship with the Addressees.
Market Value of the Properties as at 31 March 2024 (All Assets)	**£2,807,301,000 (TWO BILLION, EIGHT HUNDRED AND SEVEN MILLION, THREE HUNDRED AND ONE THOUSAND POUNDS)** exclusive of VAT, as shown in the Schedule of Capital Values set out below. For the avoidance of doubt, we have valued the Properties as real estate and the values reported above represent 100% of the Market Values of the assets. There are no negative values to report. Our opinion of Market Value is based upon the Scope of Work and Valuation Assumptions attached and has been primarily derived using comparable recent market transactions on arm's length terms. We are required to show the split of values between freehold and leasehold property, and to report the following categories of property separately:

Property Type	Freehold	Long Leasehold	Short Leasehold *	Total
Held for Investment	£1,132,851,000 (16 Properties)	£1,336,200,000 (19 Properties) #	£66,750,000 (3 Properties)	**£2,535,801,000 (38 Properties)**
Held for Development	NA	NA	NA	**NA**
In the Course of Development	£120,100,000 (2 Properties)	£151,400,000 (2 Properties)	NA	**£271,500,000 (4 Properties)**
TOTAL	**£1,252,951,000**	**£1,487,600,000**	**£66,750,000**	**£2,807,301,000 (42 Properties) ##**

*Short Leasehold less than 50 years unexpired

170 Piccadilly (Egyptian House and Dudley House) is held under 2 headleases but for the purpose of the above table is categorised as a single long leasehold property.

For purposes of above table Hanover Square has been split into the part freehold and part long leasehold titles hence 42 properties are stated rather than 41 illustrated elsewhere in the report.

Market Value of the Properties as at 31 March 2024 (at share)

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

£2,331,176,000 (TWO BILLION, THREE HUNDRED AND THIRTY-ONE MILLION, ONE HUNDRED AND SEVENTY-SIX THOUSAND POUNDS) exclusive of VAT.

Where a Property is owned through an indirect investment structure or a joint tenancy in a trust for sale, our Valuation represents the relevant apportioned percentage of ownership of the value of the whole Property, assuming full management control. Our Valuation therefore is unlikely to represent the value of the interests in the indirect investment structure through which the Property is held.

A full list of Properties together with value brackets and ownership proportion can be found in Appendix E.

Report Format

Appendix A of this Valuation Report contains the Schedule of Properties.

Appendix B provides detail on those Properties currently under development.

Appendix C provides a split of the value of the Properties by tenure.

Appendix D provides a split of the value of the Properties by location.

Appendix E provides a Schedule of Properties by ownership structure and value bracket.

Appendix F gives the details of those Properties the Market Values of which are 5% or over of the aggregate portfolio value.

The Company has expressly instructed us not to disclose certain information, which is considered commercially sensitive, namely the individual values of the Properties with the exception of those assets over 5% of the aggregate value as per UK VPS 3.

In accordance with UK VPS 3 for property in the course of development the market value has been disclosed in Appendix B which reflects the value of the completed property assuming that it had been completed at the valuation date, less the anticipated costs to complete, including the costs of finance and other holding costs.

Market Conditions

We draw your attention to a combination of global inflationary pressures (leading to higher interest rates) and recent failures/stress in banking systems which have increased the

	potential for constrained credit markets, negative capital value movements and enhanced volatility in property markets over the short-to-medium term. Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect this heightened level of volatility and the potential for deteriorating market conditions. It is important to note that the conclusions set out in this Valuation Report are valid as at the Valuation Date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.
Portfolios and Aggregation	We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.
Valuation Approach for Properties in Course of Development	In the case of development valuations, we would draw your attention to the fact that, even in normal market conditions, the residual method of valuation is very sensitive to changes in key inputs, with small changes in variables (such as the timing of the development, finance/construction costs and sales rates) having a disproportionate effect on land value. Consequently, in reference to the Market Conditions section above it is inevitable that there is even greater uncertainty, with site values being susceptible to much more variance than normal.
Building Contracts	Current supply issues associated with some building material shortages are impacting on construction costs and timing. Unexecuted construction / building contracts may be subject to price increases and executed contracts may contain conditions which allow the builder to pass on any increases to the instructing party. We recommend you obtain appropriate advice to confirm there are no adverse conditions within the final construction/building contract and/or ensure there are additional funds available to cover potential cost escalations. Rising building costs and shortages of labour and materials may also affect the builder`s viability and/or ability to meet construction timeframes. In this climate, we strongly recommend you verify the experience and financial capability of the builder to complete the project on time and on budget. Caution is advised in this regard. In the absence of any information to the contrary, we have assumed that the construction contract and any warranties will be assignable.
Compliance with Valuation Standards	The Valuation has been prepared in accordance with the latest version of the RICS Valuation – Global Standards (2022) incorporating the International Valuation Standards) and the UK national supplement (the "Red Book") current as the Valuation Date. The valuations are compliant with the International Valuation Standards, the Financial Conduct Authority's ("FCA") Listing Rules, Prospectus Regulation Rules and Primary Market Technical Note 619.1 ("TN 619.1") paragraphs 128 to 130 (inclusive) of Part III.1 (Property companies) and the London Stock Exchange requirements. The Properties have been valued by valuers who are professionally qualified and suitably experienced for the purpose of the Valuation in accordance with the Red Book. We confirm that we have sufficient local and national knowledge of the particular property market involved and have the skills and understanding to undertake the Valuation competently. Where the knowledge and skill requirements of the Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of the Red Book. This Valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of the subject Properties. Other valuers may

	reach different conclusions as to the value of the subject Properties. This Valuation is for the sole purpose of providing the intended user with the valuer's independent professional opinion of the value of the subject Properties as at the Valuation Date.
TN 619.1 III.I 130 (vi)	TN 619.1 III.I 130 (vi) requires us to comment on any differences between the valuation figure in this Valuation Report and the valuation figure included in the Company's latest published annual accounts which are as at 31 March 2024. The valuation figure in this report is the same as that included in the Company's annual accounts as at 31 March 2024.
Construction Cost Volatility	Material costs, labour costs and supply chains are unusually volatile with the market experiencing price increases in some, or all of these areas during 2023 and continuing into 2024. This has created significant uncertainty in cost estimates, which is likely to continue. In addition, there are significant risks that delays may be encountered in sourcing materials and labour, and as such, delivery risks are also heightened in this climate. Furthermore, the likelihood of ongoing cost escalations and sourcing delays is high. This may place additional pressure on both the developer's and builder's profit margins and development viability. These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard.
Sustainability Considerations	For the purposes of this Valuation Report, we have made enquiries to ascertain any sustainability factors which are likely to impact on value, consistent with the scope of our terms of engagement. Sustainability encompasses a wide range of physical, social, environmental, and economic factors that can affect the value of an asset, even if not explicitly recognised. This includes key environmental risks, such as flooding, energy efficiency and climate, as well as design, legislation and management considerations - and current and historic land use. CBRE are currently gathering and analysing data around the four key areas we feel have the most potential to impact on the value of an asset: - Energy Performance - Green Certification - Sources of Fuel and Renewable Energy Sources - Physical Risk/Climate Risk Where we recognise the value impacts of sustainability, we are reflecting our understanding of how market participants include sustainability factors in their decisions and the consequential impact on market valuations.
Climate Risk Legislation	The UK Government is currently producing legislation which enforces the transition to net zero by 2050, and the stated 78% reduction of greenhouse gases by 2035 (based on a 1990 baseline). We understand this to include an update to the Minimum Energy Efficiency Standards, stated to: - Increase the minimum requirements for non-domestic properties from an E (since 2018) to a B in 2030; and, - Incentivise a minimum EPC of C for privately rented residential properties from 2028. The government also intends to introduce an operational rating. It is not yet clear how this will be legislated, but fossil fuels used in building, such as natural gas for heating, are incompatible with the UK's commitment to be Net Zero Carbon by 2050. This upcoming legislation could have a potential impact to future asset value.

	We also note that the UK's introduction of mandatory climate related disclosures (reporting climate risks and opportunities consistent with recommendations by the "Task Force for Climate Related Financial Disclosure" (TCFD)), including the assessment of so-called physical and transition climate risks, will potentially have an impact on how the market views such risks and incorporates them into the sale of letting of assets. The European Union's "Sustainable Finance Disclosure Regulations" (SFDR) may impact on UK asset values due to the requirements in reporting to European investors.
Assumptions	The Properties details on which each Valuation are based are as set out in this Valuation Report. We have made various assumptions as to tenure, letting, taxation, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below. If any of the information or assumptions on which the Valuation is based are subsequently found to be incorrect, the Valuation figures may also be incorrect and should be reconsidered.
Variations and/or Departures from Standard Assumptions	None.
Verification	We recommend that before any financial transaction is entered into based upon these Valuations, you obtain verification of any third-party information contained within our Valuation Report and the validity of the assumptions we have adopted. We would advise you that whilst we have valued the Properties reflecting current market conditions, there are certain risks which may be, or may become, uninsurable. Before undertaking any financial transaction based upon this Valuation, you should satisfy yourselves as to the current insurance cover and the risks that may be involved should an uninsured loss occur.
Independence	The total annual fees, including the fee for this assignment, earned by CBRE (or other companies forming part of the same group of companies within the UK) from the Company (or other companies forming part of the same group of companies) is less than 5.0% of the CBRE group's total annual UK revenues. It is not anticipated this situation will vary in the financial year to 31 December 2024. We confirm that neither the valuers concerned nor CBRE have any personal interest in the Company, or any of the Properties or in the outcome of the Valuation.
Previous Involvement and Conflicts of Interest	We confirm that we have valued the Properties on behalf of the Company on a six-monthly basis for the Wholly Owned portfolio and quarterly for the Joint Venture portfolios for financial reporting purposes for in excess of 10 years, the most recent valuation being 31 March 2024 which we confirm is aligned to the Valuation reported herein. From time to time, CBRE provides agency or professional services to the Company. We do not consider that this previous involvement represents a conflict of interest and you have confirmed to us that you also considers this to be the case. We confirm that we are not aware of any conflicts of interest that would prevent us from exercising the required levels of independency and objectivity in undertaking the Valuation. Copies of our conflict of interest checks have been retained within the working papers.
Disclosure	The principal signatory of this Valuation Report has continuously been the signatory of valuations for the Company since 2010. The individuals responsible for valuing the portfolio were rotated in March 2021. CBRE has continuously been carrying out Valuation instructions for the Company for in excess of 10 years.

	CBRE Ltd has carried out Valuation, Agency and Professional services on behalf of the Company for in excess of 10 years.
Responsibility	For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f), we are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that, to the best of our knowledge, the information contained in this Valuation Report is in accordance with the facts and this Valuation Report makes no omissions likely to affect its import. This Valuation Report complies with Rule 5.4.5G of the Prospectus Regulation Rules and Paragraphs 128 to 130 of Part III.1 (Property companies) of the FCA's Primary Market Technical Note 619.1. Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with this Valuation Report or our statement above, required by and given solely for the purposes of complying with item 1.2 of Annex 3 and Annex 12 of the UK Version of Commission Delegated Regulation (EU) 2019/980, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.
Reliance	Save as set out in "Responsibility" above, the contents of this Valuation Report may only be relied upon by: i) Addressees of the Valuation Report; and ii) Parties who have received prior written consent from CBRE in the form of a reliance letter; for the specific purpose set out herein and no responsibility is accepted to any third party for the whole or any part of its contents. No reliance may be placed upon the contents of this Valuation Report by any party for any purpose other than in connection with the Purpose of Valuation.
Publication	Neither the whole nor any part of our Valuation Report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear. Such publication of, or reference to this Valuation Report will not be permitted unless it contains a sufficient contemporaneous reference to any departure from the Red Book or the incorporation of the special assumptions referred to herein.

Yours faithfully

Nick Knight
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For and on behalf of CBRE Limited

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Yours faithfully

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Source of Information and Scope of Works

Sources of Information	We have carried out our work based upon information supplied to us by the Company and their professional advisors which we have assumed to be correct and comprehensive. The following provides a summary of information received by the Company which has been relied upon. - Lease Information Forms and Heads of Terms received on 12 February 2024 and updated 19 March 2024. - Fully Managed Opex schedule received 5 March 2024. - Tenancy Schedule named MTS 01.03.24 received on 7 March 2024. - EPC Cost Tracker received 25 March 2024. - Updated development and major refurbishment budgets received 26 and 27 March 2024.
The Properties	Our Valuation Report contains a brief summary of the Properties details on which our Valuation has been based. You have expressly instructed us not to disclose certain information which is considered by the Company to be commercially sensitive, namely the individual values of the Properties.
Inspection	As part of our valuation instruction from the Company for financial reporting purposes, the Properties have been subject to internal inspections on an annual basis. As instructed, we have not re-inspected all the Properties for the purpose of this present valuation instruction. The Company has confirmed that they are not aware of any material changes to the physical attributes of the properties, or the nature of their location, since the last inspection of each Property. We have assumed this advice to be correct. Where properties have not been reinspected, the valuer will not carry out the usual range of enquiries performed during a full inspection of these properties and will make the appropriate assumptions based on the information provided or available that, without a full inspection, cannot be verified. The instructing parties acknowledge and accept the heightened and inherent uncertainty and risks relying upon a valuation prepared on a desktop basis.
Areas	We have not measured the Properties but have relied upon the floor areas provided to us by you or your professional advisors, which we have assumed to be correct and comprehensive, and which you have advised us have been calculated using the: Gross Internal Area (GIA), Net Internal Area (NIA) or International Property Measurement Standard (IPMS) 3 – Office, measurement methodology as set out in the latest edition of the RICS Property Measurement Standards.
Environmental Matters	We have not been instructed to make any investigations in relation to the presence or potential presence of contamination in land or buildings or the potential presence of other environmental risk factors and to assume that if investigations were made to an appropriate extent then nothing would be discovered sufficient to affect value. We have not carried out investigation into past uses, either of the Properties or of any adjacent lands, to establish whether there is any potential for contamination from such uses or sites, or other environmental risk factors and have therefore assumed that none exists.
Sustainability Considerations	In carrying out this Valuation, we have considered the impact of sustainability factors on the value of the Properties. Based on our inspections and our review of the information that was available to us, we have not identified any risk factors which, in our opinion, would affect value. However, CBRE gives no warranty as to the absence of such risk factors in relation to sustainability.
Services and Amenities	We understand that the Properties are located in an area served by mains gas, electricity, water and drainage. None of the services have been tested by us.

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

Valuation Assumptions

Introduction	An Assumption is defined in the Red Book Glossary and VPS 4 to be a "supposition taken to be true" (an "Assumption"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that it has been agreed need not be verified by the valuer as part of the valuation process. Assumptions are made when it is reasonable for the valuer to accept that something is true without the need for specific investigation. The Company has confirmed and we confirm that our Assumptions are correct as far as the Company and we, respectively, are aware. In the event that any of these Assumptions prove to be incorrect then our valuations should be reviewed. The principal Assumptions which we have made are stated within this Valuation Report. For the avoidance of doubt, the Assumptions made do not affect compliance with the approach to Market Value under the Red Book.
Capital Values	The Valuation has been prepared on the basis of "Market Value", which is defined in the Red Book as: "The estimated amount for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion." The Valuation represents the figure that would appear in a hypothetical contract of sale at the Valuation Date. No adjustment has been made to this figure for any expenses of acquisition or realisation - nor for taxation which might arise in the event of a disposal. No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charge. No account has been taken of the availability or otherwise of capital based Government or European Community grants.
Taxation, Costs and Realisation Costs	As stated above, no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal. Our valuations reflect purchasers' statutory and other normal acquisition costs.
VAT	We have not been advised whether the Properties are elected for VAT. All rents and capital values stated in this Valuation Report are exclusive of VAT.
Net Annual Rent	Net annual rent is defined for the purposes of this transaction as "the current income or income estimated by the valuer: (i) ignoring any special receipts or deduction arising from the property; (ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and (iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the property and allowances to maintain it in a condition to command its rent". (iv) for the Fully Managed properties the Net Annual Rent will also include the deduction of Opex (rates, staffing, utilities etc) which is provided to us by the company.
Estimated Net Annual Rental Value	The estimated net annual rental value is based on the current rental value of each of the Properties. The rental value reflects the terms of the leases where the Properties, or parts thereof, are let at the date of valuation. Where the Properties, or parts thereof, are vacant at the date of valuation, the rental value reflects the rent we consider would be obtainable on an open market letting as at the date of valuation.
Rental Values	Unless stated otherwise rental values indicated in our Valuation Report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily

	appropriate for other purposes, nor do they necessarily accord with the definition of Market Rent in the Red Book, which is as follows: "The estimated amount for which an interest in real property should be leased on the Valuation Date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."
Fixtures, Fittings and Equipment	Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building. Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our Valuations. Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our Valuations. All measurements, areas and ages quoted in our Valuation Report are approximate.
Environmental Matters	In the absence of any information to the contrary, we have assumed that: a) the Properties are not contaminated and are not adversely affected by any existing or proposed environmental law; b) any processes which are carried out on the Properties which are regulated by environmental legislation are properly licensed by the appropriate authorities; c) in England and Wales, the Properties possesses current Energy Performance Certificates ("EPCs") as required under the Government's Energy Performance of Buildings Directive – and that they have an energy efficient standard of 'E', or better. Under the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 it became unlawful for landlords to rent out business or residential premise from 1st April 2018 – unless the site has reached a minimum EPC rating of an 'E', or secured a relevant exemption. In Scotland, we have assumed that the Properties possess current EPCs as required under the Scottish Government's Energy Performance of Buildings (Scotland) Regulations – and that they meet energy standards equivalent to those introduced by the 2002 building regulations. The Assessment of Energy Performance of Non-Domestic Buildings (Scotland) Regulations 2016 requires building owners to commission an EPC and Action Plan for sale or new rental of non-domestic buildings bigger than 1,000 sq m that do not meet 2002 building regulations energy standards. Action Plans contain building improvement measures that must be implemented within 3.5 years, subject to certain exemptions; d) the Properties possess current energy performance certificates as required under government directives; e) the Properties are either not subject to flooding risk or, if they are, that sufficient flood defences are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value; and f) invasive species such as Japanese Knotweed are not present on the Properties. High voltage electrical supply equipment may exist within, or in close proximity of, the Properties. The National Radiological Protection Board (NRPB) has advised that there may be a risk, in specified circumstances, to the health of certain categories of people. Public perception may, therefore, affect marketability and future value of the Properties. Our Valuation reflects our current understanding of the market and we have not made a discount to reflect the presence of this equipment.
Repair and Condition	In the absence of any information to the contrary, we have assumed that:

	a) there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the Properties; b) the Properties are free from rot, infestation, structural or latent defect; c) no currently known deleterious or hazardous materials or suspect techniques, including but not limited to Composite Panelling, ACM Cladding, High Alumina Cement (HAC), Asbestos, Reinforced Autoclaved Aerated Concrete (Raac), have been used in the construction of, or subsequent alterations or additions to, the Properties; and d) the services, and any associated controls or software, are in working order and free from defect. We have otherwise had regard to the age and apparent general condition of the Properties. Comments made in the Properties details do not purport to express an opinion about, or advise upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.
Title, Tenure, Lettings, Planning, Taxation and Statutory & Local Authority Requirements	Unless stated otherwise within this Valuation Report, and in the absence of any information to the contrary, we have assumed that: a) the Properties possesses a good and marketable title free from any onerous or hampering restrictions or conditions; b) the building has been erected either prior to planning control, or in accordance with planning permissions, and has the benefit of permanent planning consents or existing use rights for their current use; c) the Properties is not adversely affected by town planning or road proposals; d) the building complies with all statutory and local authority requirements including building, fire and health and safety regulations, and that a fire risk assessment and emergency plan are in place; e) only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of the Properties to comply with the provisions of the Disability Discrimination Act 1995 (in Northern Ireland) or the Equality Act 2010 (in the rest of the UK); f) all rent reviews are upward only and are to be assessed by reference to full current market rents; g) there are no tenant's improvements that will materially affect our opinion of the rent that would be obtained on review or renewal; h) tenants will meet their obligations under their leases, and are responsible for insurance, payment of business rates, and all repairs, whether directly or by means of a service charge; i) there are no user restrictions or other restrictive covenants in leases which would adversely affect value; j) where more than 50% of the floorspace of the Properties is in residential use, the Landlord and Tenant Act 1987 (the "Act") gives certain rights to defined residential tenants to acquire the freehold/head leasehold interest in the Properties. Where this is applicable, we have assumed that necessary notices have been given to the residential tenants under the provisions of the Act, and that such tenants have elected not to acquire the freehold/head leasehold interest. Disposal on the open market is therefore unrestricted; k) where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required; l) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy; and

	m) Land Transfer Tax (or the local equivalent) will apply at the rate currently applicable. In the UK, Stamp Duty Land Tax (SDLT) in England and Northern Ireland, Land and Buildings Transaction Tax (LABTT) in Scotland or Land Transaction Tax (LTT) in Wales, will apply at the rate currently applicable.

Appendices

Appendix A: Schedule of Properties

Address	Portfolio	Tenure	Ownership Purpose	Inspection Date
18,19 & 20 Hanover Square and 64-72 New Bond Street and 14-18 Brook Street, London, W1	GHS	Freehold & Long Leasehold*	Investment	27 March 2024
103-113 Regent Street and 12-13 Vigo Street, London W1	GRP	Long Leasehold*	Investment	7 February 2024
200 Grays Inn Road, London WC1	GRP	Long Leasehold*	Investment	10 August 2023
Elm Yard, 13-16 Elm Street, London WC1	GRP	Freehold	Investment	10 August 2023
Mount Royal, 508-540 Oxford Street, London, W1	GVP	Long Leasehold*	Investment	19 October 2023
City Tower, 40 Basinghall Street London EC2	Wholly Owned	Long Leasehold*	Investment	17 August 2023
New City Court, St Thomas Street, London SE1	Wholly Owned	Freehold	Investment	14 August 2023
Woolyard, 46-58 Bermondsey Street, London SE1	Wholly Owned	Freehold	Investment	14 August 2023
The Hickman, Whitechapel, London, E1	Wholly Owned	Freehold	Investment	17 August 2023
2 Cathedral Street, London, SE1	Wholly Owned	Freehold	Investment	10 August 2023
6-10 St Andrew Street, London, EC4	Wholly Owned	Long Leasehold*	Investment	10 August 2023
Bramah House, 63 Bermondsey Street, SE1	Wholly Owned	Freehold	Investment	14 August 2023
1 Newman Street, 70-88 Oxford Street, London, W1	Wholly Owned	Freehold	Investment	22 February 2024
Wells & More, 45 Mortimer Street, London W1	Wholly Owned	Freehold	Investment	10 August 2023
Elsley House, 20 Great Titchfield Street, London, W1	Wholly Owned	Freehold	Investment	10 August 2023
Kent House, 14-17 Market Place, London, W1	Wholly Owned	Long Leasehold*	Investment	10 August 2023
120 New Cavendish Street, London, W1	Wholly Owned	Freehold	Investment	6 March 2024
35-38 Portman Square, London, W1	Wholly Owned	Short Leasehold**	Investment	10 August 2023
183-190 Tottenham Court Road, London, W1	Wholly Owned	Short Leasehold**	Investment	6 March 2024
23-24 Newman Street, London, W1	Wholly Owned	Freehold	Investment	10 August 2023
Walmar House 288-300 Regent Street & 46 Margaret St, London, W1	Wholly Owned	Long Leasehold*	Investment	10 August 2023
Orchard Court, 119 Portman Square & 132-144 Wigmore Street, London W1	Wholly Owned	Long Leasehold*	Investment	4 December 2023
31-32 Alfred Place, London, W1	Wholly Owned	Long Leasehold*	Investment	15 August 2023
33-34 Alfred Place, London, W1	Wholly Owned	Long Leasehold*	Investment	15 August 2023

Address	Portfolio	Tenure	Ownership Purpose	Inspection Date
7-15 Gresse Street & 12-13 Rathbone Place, London W1	Wholly Owned	Long Leasehold*	Investment	15 August 2023
14-16 Dufours Place & 52-54 Broadwick Street, London W1	Wholly Owned	Freehold	Investment	26 June 2023
Pollen House, 10-12 Cork Street, W1	Wholly Owned	Long Leasehold*	Investment	4 September 2023
Carrington House, 126-130 Regent Street, London, W1	Wholly Owned	Long Leasehold*	Investment	7 February 2024
Kingsland House, 122-124 Regent Street, London, W1	Wholly Owned	Long Leasehold*	Investment	7 February 2024
Empire House, 174-175 Piccadilly and 52 Jermyn Street, London, W1	Wholly Owned	Long Leasehold*	Investment	4 September 2023
54/56 Jermyn Street, London, W1	Wholly Owned	Long Leasehold*	Investment	4 September 2023
170 Piccadilly (Dudley and Egyptian House), London, W1 #	Wholly Owned	Long Leasehold*	Investment	4 September 2023
Foxglove House, 166/168 Piccadilly, London, W1	Wholly Owned	Long Leasehold*	Investment	4 September 2023
95 New Bond Street, London, W1	Wholly Owned	Freehold	Investment	27 March 2024
96 New Bond Street, London, W1	Wholly Owned	Short Leasehold**	Investment	27 March 2024
141 Wardour Street, London, W1	Wholly Owned	Freehold	Investment	26 June 2023
Challenger House, 42 Adler Street, London E1	Wholly Owned	Freehold	Investment	17 August 2023
2 Aldermanbury Square, London, EC2	Wholly Owned	Long Leasehold*	Development	17 August 2023
Minerva House, 5 Montague Close, London, SE1	Wholly Owned	Freehold	Development	10 August 2023
180 Piccadilly (30 Duke Street, St James), London, W1	Wholly Owned	Long Leasehold*	Development	4 September 2023
Soho Square Estate, 18 Soho Square, London, W1	Wholly Owned	Freehold	Development	22 February 2024

* more than 50 years unexpired

** 50 years or less unexpired

170 Piccadilly is held under 2 headleases but for the purposes of our valuation is valued as a single investment.

Appendix B: Properties in the Couse of Development

Property	Tenure	Description
2 Aldermanbury Square, London, EC2 CITY OF LONDON	Long Leasehold	Valued on the basis of a residual appraisal. Development to include 322,897 sq ft of office and retail accommodation. Planning: Full planning consent granted 29 September 2021. Application: 21/00116/FULMAJ Consented Scheme: Demolition of the existing building at 55 Basinghall Street (known as City Place House) and the erection of a thirteen storey Class E building for commercial, business and service use with Class E retail use at ground floor level with works to include partial removal, re-alignment and reinstatement of existing walkways; partial demolition, reconfiguration and refurbishment of the basement, lower ground, ground and mezzanine floors of 40 Basinghall Street (known as City Tower) for Class E commercial, business and service and retail use works to include the provision of a new lift and staircase between street and Highwalk level and reconfiguration and re landscaping of the existing first floor terrace area; formation of a new pedestrian route between London Wall and Basinghall Street; hard and soft landscaping works including alterations to and within the public highway; other works incidental to the proposed development. Start of Development: April 2022. Pre-lettings: Office is pre-let to Clifford Chance LLP. Current Stage of Development: Construction. Target Date for Practical Completion: January 2026 Capex Outstanding: £203m build cost with additional professional fees, marketing, finance (carrying) costs and other costs, making a total of £238.8m Gross Development Value (let): £406.2m Market Value (as at 31 March 2024): £106.7m
Minerva House, 5 Montague Close, London, SE1 SOUTHWARK	Freehold	Valued on the basis of a residual appraisal. Development to include 143,129 sq ft of office and retail accommodation. Planning: Full planning consent granted 19 March 2024. Application: 21/AP/4194 Consented Scheme: Redevelopment of existing building including partial demolition and two storey upward extension to create eight-storey Class E building with installation of roof terraces, associated highway and landscaping works, cycle parking, refuse storage including plant facilities at roof level. Start of Development: October 2023. Pre-lettings: None. Current Stage of Development: Pre-construction. Target Date for Practical Completion: December 2026 Capex Outstanding: £106m build cost with additional professional fees, marketing, finance (carrying) costs and other costs, making a total of £140.1m Gross Development Value (let): £231.5m Market Value (as at 31 March 2024): £50.1m – including the adjacent residential units.
180 Piccadilly (30 Duke Street, St James), London, W1 REST OF WEST END	Long Leasehold	Valued on the basis of a residual appraisal. Development to include 322,897 sq ft of office and retail space. Planning: Full planning consent granted 7 March 2024: Application: 21/01138/FULL Consented Scheme: Demolition of existing buildings and redevelopment of the site to create a Class E use building, including basement plant and cycle parking facilities, installation of roof top plant and all other works incidental to the proposals. Start of Development: March 2024 Pre-lettings: None Current Stage of Development: Start of Demolition Target Date for Practical Completion: July 2026 Capex Outstanding: £80.8m build cost with additional professional fees, marketing, finance (carrying) costs and other costs, making a total of £114m Gross Development Value (let): £194.3m Market Value (as at 31 March 2024): £44.7m

Property	Tenure	Description
Soho Square Estate, 18 Soho Square, London, W1 REST OF WEST END	Freehold	Valued on the basis of a residual appraisal. Development to include 100,290 sq ft of office and retail including 11,883 sq ft of retail on Oxford St. Planning: Full planning consent granted 1 July 2020: Application: 19/00514/FULL Consented Scheme: Development Site At 29-43 Oxford Street And 16 And 17-19, Soho Square, London Start of Development: Likely to commence in Q1 2025 Pre-lettings: None Current Stage of Development: Pre Construction Target Date for Practical Completion: March 2028 Capex Outstanding: £80.2m build cost with additional contingency allowance, professional fees, marketing, finance (carrying) costs and other costs, making a total of £151m Gross Development Value (let): £262.6m Market Value (as at 31 March 2024): £70m

Sensitivity Analysis

With all developments a small change in an input can have a significant impact on the residual land value. To demonstrate this, set out below are examples of changes to variables and how these impact on the values detailed above.

Yield: an increase of 25 bps in the yield adopted in calculating the gross development values (GDV) would reduce the GDVs by between 5.24% and 5.73% for the 4 development assets but reduce the residual values by between 13.31% and 16.26%. Conversely, if the yield were reduced by 25 bps then the GDVs would increase by between 5.8% and 6.42% while the residual values could increase by between 14.91% and 17.98%. This shows the disproportionate impact on the residual value.

Estimated Rental Values: a £2.50 per sq ft increase or decrease in the rental values assumed would result in an increase or decrease (respectively) in the GDVs by between 1.49% and 3.26% , but an increase or decrease in the residual value of 4.32% and 9.14% respectively, again reiterating the disproportionate impact on the residual value.

Finance & Construction Costs: if the finance rate assumed were to be increased by 50 bps then the residual values would be impacted negatively by 1.60% and 3.44%; similarly if construction costs were £10 per sq ft higher then the residual values would drop by between 0.13% and 1.14%.

Appendix C: Market Value of the Properties as at 31 March 2024 split by Tenure (100%)

Property Type	Market Value
Freehold	£1,252,951,000 (ONE BILLION, TWO HUNDRED AND FIFTY TWO MILLION, NINE HUNDRED AND FIFTY ONE THOUSAND POUNDS)
Long Leasehold *	£1,487,600,000 (ONE BILLION, FOUR HUNDRED AND EIGHTY SEVEN MILLION, SIX HUNDRED THOUSAND POUNDS)
Short Leasehold **	£66,750,000 (SIXTY SIX MILLION, SEVEN HUNDRED AND FIFTY THOUSAND POUNDS)
Portfolio Total	**£2,807,301,000 (TWO BILLION, EIGHT HUNDRED AND SEVEN MILLION, THREE HUNDRED AND ONE THOUSAND POUNDS)**

* more than 50 years unexpired

** 50 years or less unexpired

Appendix D: Market Value of the Properties as at 31 March 2024 split by property location

Property Location	Market Value
City	£702,025,000 (SEVEN HUNDRED AND TWO MILLION AND TWENTY FIVE THOUSAND POUNDS)
North of Oxford Street (NOHO)	£907,066,000 (NINE HUNDRED AND SEVEN MILLION AND SIXTY SIX THOUSAND POUNDS)
Rest of West End	£1,198,210,000 (ONE BILLION ONE HUNDRED AND NINETY EIGHT MILLION TWO HUNDRED AND TEN THOUSAND POUNDS)
Portfolio Total	**£2,807,301,000 (TWO BILLION EIGHT HUNDRED AND SEVEN MILLION THREE HUNDRED AND ONE THOUSAND POUNDS)**

Appendix E: Market Value of the Properties as at 31 March 2024 split by Value (GPE Share) and Ownership

Ownership	Property Name	Location	Tenure	Asset Class	Passing Rent* (GPE Share)	Net Internal Area (Sq ft)
	£200 million plus					
50% GHS	Hanover Square	REST OF WEST END	Freehold & Long Leasehold	Office and Retail	£11,285,835	224,312
100%	1 Newman Street & 70-88 Oxford Street	NOHO	Freehold	Office and Retail	£3,431,203	121,293
100%	The Piccadilly Buildings	REST OF WEST END	Long Leasehold	Office and Retail	£7,990,133	222,955
	£100 million - £200 million					
100%	Wells & More	NOHO	Freehold	Office and Retail	£4,745,308	117,575
100%	Elsley House	NOHO	Freehold	Office	£3,254,816	64,687
100%	2 Aldermanbury Square	CITY	Long Leasehold	Office and Retail	NA	322,897
100%	Kent House	NOHO	Freehold	Office and Retail	£3,861,853	56,372
	£75 million - £100 million					
100%	City Tower	CITY	Long Leasehold	Office and Retail	£6,751,946	121,241
100%	Walmar House	NOHO	Long Leasehold	Office and Retail	£3,500,000	56,470
	£50 million - £75 million					
100%	Soho Square Estate	REST OF WEST END	Freehold	Office and Retail	£464,600	100,290
50% GRP	200 & 2014 Gray's Inn Road	CITY	Long Leasehold	Office	£2,737,122	285,934
100%	The Hickman	CITY	Freehold	Office	£3,902,929	72,941
100%	35 Portman Square	NOHO	Long Leasehold	Office	£5,465,885	73,006
100%	Carrington House, 126/130 Regent Street	REST OF WEST END	Long Leasehold	Office and Retail	£3,178,228	30,731
100%	Woolyard	CITY	Freehold	Office	£2,856,860	46,330
100%	New City Court, 14/20 St Thomas Street	CITY	Freehold	Office	£2,069,897	98,024

Ownership	Property Name	Location	Tenure	Asset Class	Passing Rent* (GPE Share)	Net Internal Area (Sq ft)
100%	Minerva House	CITY	Freehold	Office and Retail	NA	143,129
	£30 million - £50 million					
100%	48/54 Broadwick Street and 16 Dufour's Place	REST OF WEST END	Freehold	Office	£2,061,000	25,962
100%	Challenger House	CITY	Freehold	Hotel	£2,272,141	59,206
100%	6/10 St Andrew Street	CITY	Freehold	Office	NA	43,839
100%	31/34 Alfred Place	NOHO	Long Leasehold	Office	NA	37,867
100%	141 Wardour Street	REST OF WEST END	Freehold	Office and Retail	NA	29,914
50% GVP	Mount Royal, 508/540 Oxford Street	NOHO	Long Leasehold	Retail	£3,000,835	92,290
100%	Pollen House	REST OF WEST END	Long Leasehold	Office and Retail	£2,177,309	21,268
	£10 million - £30 million					
100%	7/15 Gresse Street	NOHO	Long Leasehold	Office	£2,490,000	47,006
50% GRP	103/113 Regent Street	REST OF WEST END	Long Leasehold	Retail	£2,466,592	56,850
50% GRP	Elm Yard	CITY	Freehold	Office	£1,332,361	49,367
100%	Orchard Court	NOHO	Long Leasehold	Office and Retail	£215,610	47,720
100%	95/96 New Bond Street	REST OF WEST END	Freehold & Long Leasehold	Office and Retail	£274,440	8,941
100%	Kingsland House, 122/124 Regent Street	REST OF WEST END	Long Leasehold	Office and Retail	£565,308	8,621
100%	Bramah House	CITY	Freehold	Office	£247,344	15,696
	Below £10 million					
100%	2 Cathedral Street	CITY	Long Leasehold	Office	£332,040	6,439
100%	23/24 Newman Street	NOHO	Long Leasehold	Residential	£7,850	25,100
100%	193/190 Tottenham Court Road	NOHO	Long Leasehold	Retail	£438,389	12,617
100%	120 New Cavendish Street, London, W1	NOHO	Freehold	Office	£100	NA

* Passing rent based on gross rent receivable and net of head rent (includes residual income on development sites)

Appendix F: Properties Exceeding 5% of Aggregate Market Value of Portfolio

Property Address	Location, Description, Age and Tenure	Tenancy	Market Value
18,19 & 20 Hanover Square and 64- 72 New Bond Street and 14-18 Brook Street, London, W1.	Hanover Square comprises a 1.3 acre prime Mayfair development with frontages to Hanover Square, New Bond Street, Tenterden Street and Brook Street. Full site construction commenced in 2018 (once land handed back from Crossrail) with Practical Completion in November 2020 The development totals circa 224,300 sq. ft NIA comprising three separate mixed-use buildings, including offices, retail, restaurant and residential apartments. • 18-19 Hanover Square – c. 130,100 sq. ft offices and c. 2,200 sq ft retail • 1 Medici Courtyard – c. 34,400 sq. ft offices • New Bond Street – c. 28,200 sq. ft prime retail • 20 Hanover Square – c. 6,300 sq. ft offices and c. 10,500 sq. ft restaurant let to The Maine • 14 Brook St – c. 12,700 sq. ft 6 private apartments/residential sold off The development includes a new public courtyard in the centre of the site accessible from Hanover Square, New Bond Street and Tenterden Street. 18-19 and 20 Hanover Square have elevations on the western side of Hanover Square gardens which has undergone a major public realm improvement by Westminster CC New Bond Street / 1 Medici Courtyard and 20 Hanover Square are both held freehold. 18-19 Hanover Square is subject to a long leasehold interest from TFL on a 150 year term effective 1 October 2018 (144.5 years unexpired) at a peppercorn rent.	The offices, retail and restaurant accommodation are fully let with the 6 residential units sold off on a long leasehold basis. The Property is let to 17 tenants on 25 separate leases with total passing rent of £22.6m p.a. The total estimated rental value is: £29.9m • 18-19 Hanover Square has a passing rent of £14.93m with a Weighted Average Unexpired Lease Term (WAULT) to expiry of 13.66 years (12.99 to break). • 20 Hanover Square has a passing rent of £1.23m with a WAULT to expiry of 14.71 years • Medici Courtyard (inc. New Bond St) has a passing rent of £6.37m with a WAULT to expiry of 11.18 years (7.65 to break)	£643,500,000 GPE Share: £321,775,000
1 Newman Street & 70-88 Oxford Street W1	1 Newman Street comprises a prime mixed use development on the northern elevation of Oxford Street at its junction with Newman St and opposite new Tottenham Court Road Elizabeth Line Station.	The office and retail units are fully let to five office tenants including Bell Rock Capital Management LLP, Exane SA and Marlin Equity Partners Limited and four retail	£237,000,000

Property Address	Location, Description, Age and Tenure	Tenancy	Market Value
	The property totals circa 121,300 sq. ft NIA with retail accommodation over basement, ground and first floor (c. 40,200 sq ft) with offices over six upper floors (c. 81,100 sq ft). Designed by ORMS and completed in 2021 the development is accredited BREEAM Excellent, WireScore Platinum with an EPC B rating. The property benefits from a 3,135 sq ft communal terrace on the 8th floor with additional private terraces on the 2nd and 7th floors. 1 Newman Street is held freehold.	tenants including Pandora Jewellery and The Fragrance Shop. The basement area is let to Boom Battle Bar. The total passing rent is £11.3m increasing to £11.95m by April 2028 based on guaranteed fixed uplift (excluding the turnover rent element on the basement letting). The total estimated rental value is: £12.27m WAULT to expiry of 10.6 years (8.3 to break)	
Wells & More 45 Mortimer St, London W1	Wells and More comprises a mixed use development at the corner of Mortimer and Wells Street in the heart of Fitzrovia. The property totals circa 117,600 sq ft NIA with retail / showroom accommodation at ground floor and offices over the upper parts. The residential units have been sold off on a long leasehold basis. Originally designed by Aukett Fitzroy Robinson the building reached practical completion in 2008 with additional upgrades and refurbishments in the intervening periods including 2023 refurbishment of the reception, end of journey facilities and communal central courtyard. Wells & More is held freehold	The property is 72% Let by floor area (Ground, 1st and 2nd Floors currently vacant and in refurbishment) with a rent passing of £4.74m p.a. and an ERV of £8.8m WAULT to expiry of 5.8 years (3.3 to break)	£151,750,000

Part XIX. ERISA and Other Considerations

ERISA imposes certain duties on persons who are fiduciaries of employee benefit plans (as defined in Section 3(3) of ERISA), including entities whose underlying assets include assets of ERISA Plans by reason of such a plan's investment in such entities **(ERISA Plans**), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirements of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions (**prohibited transactions**) involving the assets of ERISA Plans or plans defined in Section 4975(e)(1) of the Code, such as individual retirement accounts and Keogh plans and entities the underlying assets of which include the assets of such plans (together with **ERISA Plans**, **Plans**) and certain persons (referred to as "Parties-In-Interest" in Section 406 of ERISA and as "Disqualified Persons" in Section 4975 of the Code) having certain relationships to such plans and entities, unless a statutory or administrative exception or exemption is applicable to the transaction. A Party-In-Interest or Disqualified Person who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and/or Section 4975 of the Code.

The United States Department of Labor (the **DOL**), the government agency primarily responsible for administering the ERISA fiduciary rules and the prohibited transaction rules under ERISA and the Code, has issued a regulation (the **Plan Asset Regulation**, codified at 29 C.F.R. §2510.3-101, as modified by Section 3(42) of ERISA) that specifies the circumstances under which the underlying assets of an entity are treated as assets of a plan (or **plan assets**), and which are subject to Title I of ERISA or Section 4975 of the Code, by reason of the plan's investment in the entity. Under the Plan Asset Regulation, when a Plan invests in an "operating company", the Plan's assets include investment, but do not, solely by reason of such investment, include any of the underlying assets of the operating company. The term "operating company" is generally defined in the Plan Asset Regulation to mean an entity that is primarily engaged, directly or through a majority owned subsidiary or subsidiaries, in the production or sale of a product or service other than the investment of capital. The Plan Asset Regulation also treats an entity that qualifies as a "real estate operating company" (**REOC**) as an operating company. In addition, the Plan Asset Regulation provides that if equity participation in any entity by "Benefit Plan Investors" is not "significant" then the entity's underlying assets will not be treated as "**plan assets**". "**Benefit Plan Investors**" are defined in Section 3(42) of ERISA, to include (a) any employee benefit plan (as defined in Section 3(3) of ERISA), that is subject to Part 4 of Title I of ERISA, (b) any plan (as defined in Section 4975(e)(1) of the Code) to which Section 4975 of the Code applies, and (c) any entity whose underlying assets include plan assets by reason of such an employee benefit plan's or a plan's investment in the entity. Equity participation by Benefit Plan Investors in an entity is significant if, immediately after the most recent acquisition of any equity interest in the entity, 25% or more of the total value of any class of equity interests in the entity (excluding the value of any interests held by certain persons, other than Benefit Plan Investors, having discretionary authority or control over the assets of the entity or providing investment advice with respect to the assets of the entity for a fee, direct or indirect, or any affiliates of such persons) is held by Benefit Plan Investors.

Although the issue is not free from doubt, the Company believes that its underlying assets are currently not plan assets subject to Title I of ERISA or Section 4975 of the Code. In an effort to prevent the Company's assets from being treated as plan assets for purposes of ERISA, purchasers of New Ordinary Shares, by their purchase of New Ordinary Shares, will be deemed to represent, warrant and agree that they are not, are not acting on behalf of, and for so long as they hold any Ordinary Shares will not be, and will not be acting on behalf of, Benefit Plan Investors. However, there can be no assurance that such deemed representations and warranties will be effective to prevent the Company's underlying assets from being treated as plan assets subject to Title I of ERISA or Section 4975 of the Code or that the Company's underlying assets will not be treated as plan assets subject to Title I of ERISA or Section 4975 of the Code. Investors are advised to consult their own legal counsel with regard to this issue.

If for any reason the assets of the Company are deemed to be "plan assets" within the meaning of the Plan Asset Regulation, both the Company and fiduciaries causing Plans to acquire or hold the Company's Ordinary Shares could be adversely affected. With regard to the Company itself, although the reach of ERISA outside the United States is uncertain these adverse effects could include, (i) certain transactions that the Company might enter into, or may have entered into, in the ordinary course of its business might constitute non-exempt "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code, which generally require rescission of prohibited transactions and could result in an excise tax on the amount of the transaction, (ii) various providers of fiduciary or other services to the Company, and any other parties with authority or control with respect to the Company, could be deemed to be Plan fiduciaries or otherwise Parties in Interest or Disqualified Persons by virtue of their provision of such service, and (iii) the payment of certain of the fees by the Company might be considered to be a non-exempt "prohibited

transaction" under Section 406 of ERISA or Section 4975 of the Code. With regard to fiduciaries causing Plans to invest in the Company's Ordinary Shares, among other consequences (A) the underlying assets of the Company could be subject to ERISA's reporting and disclosure requirements, in which case a Plan fiduciary would be required to report the Plan's share of each of the Company's assets as an asset of the Plan, (B) a fiduciary causing a Plan to make an investment in the equity of the Company could be deemed to have delegated its responsibility to manage the assets of the Plan and could be held responsible under ERISA for investment decisions made by the Company, and (C) it is not clear that Section 404(b) of ERISA, which generally prohibits Plan fiduciaries from maintaining the indicia of ownership of assets of Plans subject to Title I of ERISA outside the jurisdiction of the district courts of the United States, would be satisfied in all instances.

In addition, if a purchaser of New Ordinary Shares is a governmental plan (as defined in Section 3(32) of ERISA), certain church plan (as defined in Section 3(33) of ERISA), or non-U.S. plan (as described in Section 4(b)(4) of ERISA), which is not subject to the fiduciary responsibility provisions of Title I of ERISA or the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code, but is subject to any U.S. federal, state, local or non-U.S. law that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code (**Other Plan Law**), it will be deemed to represent, warrant and agree that its acquisition, holding and disposition of New Ordinary Shares (or any interest therein) will not constitute or result in a violation under any such Other Plan Law. Fiduciaries of any such plans should consult with their counsel before acquiring the New Ordinary Shares.

EACH PURCHASER AND TRANSFEREE OF NEW ORDINARY SHARES (OR ANY INTEREST THEREIN) WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (I) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS SUCH NEW ORDINARY SHARES OR INTERESTS THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR, AND (II) IF IT IS A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, (1) IT IS NOT, AND FOR SO LONG AS IT HOLDS SUCH NEW ORDINARY SHARES OR INTERESTS THEREIN WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY SHARE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE COMPANY (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO ANY OTHER PLAN LAW, AND (2) ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NEW ORDINARY SHARES (OR ANY INTEREST THEREIN) WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY OTHER PLAN LAW.

The sale of Ordinary Shares to a Plan is in no respect a representation by the Company that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such an investment is appropriate for a Plan generally or any particular Plan.

Part XX. Additional Information

1. Responsibility

The Directors, whose names appear in Part III: "*Directors, Secretary, Registered Office and Advisers*" of this document, and the Company accept responsibility for the information contained in this document. To the best of the knowledge of the Directors and the Company, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

2. Incorporation and Registered Office

2.1 The Company was incorporated and registered in England and Wales under the Companies Acts 1948 with the name New Great Portland Estates Limited on 30 December 1957 as a private company limited by shares with registered number 00596137. The Company's name was subsequently changed to Great Portland Estates Limited on 3 February 1958, and was admitted to listing on the London Stock Exchange in 1959. On 14 July 1981, the Company was re-registered as a public limited company under the name Great Portland Estates plc.

2.2 The registered office of the Company is at 33 Cavendish Square, London W1G 0PW, United Kingdom (telephone number 020 7647 3000). The Company's LEI is 213800JMEDD2Q4N1MC42 and its website address is www.gpe.co.uk.

2.3 The principal legislation under which the Company operates and under which the Ordinary Shares were created, is the Companies Act.

3. Share Capital of the Company

3.1 As at the Latest Practicable Date, the share capital of the Company was £38,748,260, comprised of 253,867,911 Ordinary Shares, all of which were fully paid or credited as fully paid. The Ordinary Shares in the share capital of the Company have a nominal value of 15 5⁄19 pence each and are listed on the premium listing segment of the Official List and admitted to trading on the London Stock Exchange's main market for listed securities.

3.2 The issued and fully paid ordinary share capital of the Company immediately following completion of the Rights Issue, assuming that no options or awards granted under the Share Plans are exercised or vest between the Latest Practicable Date and the date of completion of the Rights Issue, is expected to be as follows:

	Number	Aggregate nominal value (£)
Ordinary Shares	406,188,658	61,997,216

3.3 Subject to Admission, pursuant to the Rights Issue, 152,320,747 New Ordinary Shares will be issued at a price of 230 pence per New Ordinary Share. This will result in the issued ordinary share capital of the Company increasing by approximately 60.0%. Qualifying Shareholders who take up their pro rata entitlement in full will suffer no dilution to their interests in the Company. Qualifying Shareholders who do not take up any of their rights to subscribe for the New Ordinary Shares will be diluted by 37.5% following the Rights Issue (assuming no options granted under the Share Plans are exercised between the Latest Practicable Date and the date of completion of the Rights Issue).

3.4 Section 561 of the Companies Act confers on shareholders certain rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash other than by way of allotment to employees under an employee's share scheme as defined in Section 1166 of the Companies Act. The Company is subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash and the statutory rights of pre-emption in Section 561 of the Companies Act. The statutory rights of pre-emption apply to the issue of New Ordinary Shares which are not the subject of the disapplication referred to in paragraphs 5(c) and 5(d) of this Part XX or reserved for issue in connection with share options and schemes. The statutory rights of pre-emption have been disapplied as set out in paragraphs 5(c) and 5(d) of this Part XX to give the Directors flexibility in relation to rights issues and otherwise permit the Directors to allot Ordinary Shares for cash having a nominal value of up to 10% of the issued ordinary share capital for general corporate purposes, and a further 10% of the issued ordinary share capital for financing (or refinancing) an acquisition or other capital investment (including development and/or refurbishment expenditure).

3.5 The New Ordinary Shares which are the subject of the Rights Issue will be provisionally allotted (nil paid) to all Shareholders on the register at close of business on the Record Date by a resolution of a committee of the Board and created in accordance with the laws of England and Wales.

4. Information about the New Ordinary Shares

Description and type of securities

The New Ordinary Shares will be fully paid ordinary shares with a nominal value of 15 5⁄19 pence each. The New Ordinary Shares will be traded on the main market for listed securities of the London Stock Exchange under the ticker symbol "GPE". It is expected that Admission of Nil Paid Rights will become effective and that dealings in the New Ordinary Shares (nil paid) will commence at 8.00 a.m. on 28 May 2024 and that dealings in the New Ordinary Shares, fully paid, will commence at 8.00 a.m. on 12 June 2024.

On Admission, the New Ordinary Shares will be registered with an ISIN of GB00BF5H9P87 and a SEDOL of BF5H9P8. The ISIN for the Nil Paid Rights will be GB00BQXP7G81 and the SEDOL will be BQXP7G8. The ISIN for the Fully Paid Rights will be GB00BQXP7H98 and the SEDOL will be BQXP7H9.

The New Ordinary Shares will be issued under the Companies Act.

The New Ordinary Shares will be freely transferable and there will be no restrictions on the transfer of New Ordinary Shares in the United Kingdom.

All New Ordinary Shares will, when issued and fully paid, rank pari passu in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions made, paid or declared after the date of issue of the New Ordinary Shares, save in respect of any dividend or distribution with a record date falling before the date of commencement of dealings in the New Ordinary Shares, fully paid, on the London Stock Exchange, including the recommended final dividend for the year ended 31 March 2024. The New Ordinary Shares do not carry any rights to participate in a distribution of capital (including on a winding-up) other than those that exist as a matter of law.

On a show of hands at general meetings of the Company, every Shareholder who is present in person and every person holding a valid proxy shall have one vote and on a poll every Shareholder present in person or by proxy shall have one vote per New Ordinary Share.

Form and currency of the New Ordinary Shares

The New Ordinary Shares will be in registered form and will be capable of being held in certificated and uncertificated form. The Registrar of the Company is Equiniti Limited.

The New Ordinary Shares are, and on Admission will be, denominated in pounds sterling.

Title to the certificated New Ordinary Shares will be evidenced by entry in the register of members of the Company and title to uncertificated New Ordinary Shares will be evidenced by entry in the operator register maintained by the Registrar (which will form part of the register of members of the Company).

No share certificates will be issued in respect of New Ordinary Shares in uncertificated form. No temporary documents of title have been or will be issued in respect of the New Ordinary Shares.

It is currently anticipated that the New Ordinary Shares will be eligible to join CREST (the computerised, paperless system for settlement of sales and purchases of shares in the London securities market) with effect immediately upon Admission.

5. Share Capital Authorities

It was resolved by Shareholders at the Company's 2023 Annual General Meeting that:

(a) the Directors are authorised to allot shares that are equity securities (within the meaning of section 551 of the Companies Act) up to an aggregate nominal amount of £12,916,086, representing approximately one-third of the issued share capital of the Company;

(b) up to a further amount of £12,916,086, representing approximately a further third of the issued share capital of the Company, provided they are offered by way of rights issue or other pre-emptive offer to Shareholders;

(c) the pre-emption rights are disapplied to permit the Directors to:

  (i) allot shares that are equity securities up to a maximum aggregate nominal amount of £3,874,826 representing approximately 10% of the issued share capital of the Company as at 29 May 2023, for general corporate purposes; and

(ii) allot shares that are equity securities up to an aggregate amount of 20% of any allotment of equity securities from time to time made under paragraph (c)(i) above, provided such authority is to be used only for the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights published by the Pre-Emption Group on 4 November 2022 (the **2022 Statement of Principles**). The maximum nominal amount of equity securities that could be issued under this paragraph (ii) is £774,965, representing approximately 2% of the issued share capital of the Company as at 29 May 2023; and

(d) the pre-emption rights are disapplied to permit the Directors to:

(i) allot shares that are equity securities up to a maximum aggregate nominal amount of £3,874,826 representing approximately 10% of the issued share capital of the Company as at 29 May 2023, to be used only for financing (or refinancing) an acquisition or other capital investment of a kind contemplated by the 2022 Statement of Principles, and including development and/or refurbishment expenditure, and which is announced contemporaneously with the allotment, or has taken place in the preceding 12 month period and is disclosed in the announcement of the allotment; and

(ii) allot shares that are equity securities up to an aggregate amount of 20% of any allotment of equity securities from time to time made under paragraph (d)(i) above, provided such authority is to be used only for the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles. The maximum nominal amount of equity securities that could be issued under this paragraph (ii) is £774,965, representing approximately 2% of the issued share capital of the Company as at 29 May 2023.

The authorities will expire at the earlier of: (i) 1 October 2024; or (ii) the conclusion of the Company's annual general meeting in 2024.

As at the Latest Practicable Date, the Company holds no ordinary shares in treasury.

6. **Significant Shareholders**

6.1

(i) The following table sets out the name of each person who, directly or indirectly, is interested in voting rights representing 3% or more of the total voting rights in respect of the Company's issued share capital, and the amount of such person's holding as at 22 May 2024, insofar as it is known to the Company by virtue of the notifications made pursuant to the Companies Act and/or Chapter 5 of the Disclosure Guidance and Transparency Rules, and immediately following completion of the Rights Issue:

	As at the Latest Practicable Date		**Immediately following completion of the Rights Issue[(1)]**	
Name	**Number of Ordinary Shares**	**Percentage of Ordinary Shares (%)**	**Number of Ordinary Shares**	**Percentage of Ordinary Shares (%)**
Norges Bank Investment Management	32,829,313	12.93	52,526,901	12.93
T. Rowe Price Associates, Inc.	27,888,682	10.99	44,621,891	10.99
BlackRock, Inc.	25,359,592	9.99	40,575,347	9.99
KKR Investment Management LLC	13,579,569	5.35	21,727,310	5.35

Notes:

(1) Assuming that such persons are entitled to participate in the Rights Issue in respect of all of the Ordinary Shares in which they have a notifiable interest as set out against their names in the table above and they take up their entitlements in full.

6.2 Save as disclosed in paragraph 6.1 of this Part XX, the Directors are not aware of any holdings of voting rights (within the meaning of Chapter 5 of the Disclosure Guidance and Transparency Rules) which will represent three per cent. or more of the total voting rights in respect of the issued share capital of the Company as at 22 May 2024 (being the Latest Practicable Date).

6.3 There are no differences between the voting rights enjoyed by the shareholders described in paragraph 6.1 of this Part XX and those enjoyed by any other holder of Ordinary Shares in the Company.

6.4 The Company and the Directors are not aware of any arrangements, the operation of which may at a

subsequent date result in a change in control of the Company.

7. Directors

7.1 The following table sets out certain information with respect to the members of the Board as at the date of this document. The business address for each of the members of the Board is 33 Cavendish Square, London W1G 0PW, United Kingdom.

Name	Position
Richard Mully	Non-Executive Chair
Toby Courtauld	Chief Executive
Nick Sanderson	Chief Financial & Operating Officer
Dan Nicholson	Executive Director
Nick Hampton	Senior Independent Director
Mark Anderson	Non-Executive Director
Karen Green	Non-Executive Director
Vicky Jarman	Non-Executive Director
Champa Magesh	Non-Executive Director
Emma Woods	Non-Executive Director

7.2 The names, business experience and principal business activities outside the Group of the Directors are set out below.

Richard Mully

Richard Mully is Chair of the Company and a non-executive Director. Mr Mully was appointed to the Board in December 2016 and became Chair with effect from 1 February 2019. He is also chair of the Nominations Committee. Mr Mully has extensive property, banking and private equity experience. Mr Mully was formerly chairman of Arlington Business Parks Partnership LLP, vice chairman and member of the supervisory board of Alstria Office REIT-AG, co-founder and managing partner of Soros Real Estate Partners LLC, a non-executive director and chairman of the remuneration committee of Abrdn plc (formerly Standard Life Aberdeen plc) and senior independent director at ISG, Hansteen Holdings and St Modwen Properties.

Mr Mully is also currently a senior advisor to TPG Global LLC and chairman of RX Propellant Pvt. Ltd. (an Actis-controlled private company based in India). He is also a director of Starr Street Limited, which co-invests in and acts as a corporate director of several TPG controlled European private real estate companies, and an Advisory Board Member of Brydell Partners, a private UK investment firm.

Toby Courtauld

Toby Courtauld is the Chief Executive of the Company. Mr Courtauld joined the Group as Chief Executive and was appointed to the Board in April 2002. He is chair of the Executive Committee and Sustainability Committee and director of the general partner of the GHS Limited Partnership. Mr Courtauld has more than three decades of experience in real estate. He was previously with the property company MEPC for 11 years, where he gained broad experience ranging from portfolio management through to corporate transactions and general management as a member of the group executive committee. He is a past president of the British Property Federation Board and Policy Committee.

Mr Courtauld is also currently a director of The New West End Company, non-executive director of Liv-ex Limited, member of the Council of Imperial College London and chair of its Property Committee.

Nick Sanderson

Nick Sanderson is the Chief Financial & Operating Officer of the Company. Mr Sanderson was appointed to the Board in July 2011 and is a member of the Executive Committee, Sustainability Committee, Inclusion Committee, chair of the Social Impact Committee and director of the general partners of each of the GHS Limited Partnership and the Great Ropemaker Partnership. Mr Sanderson joined the Group in July 2011 as Finance Director, was subsequently promoted to Finance & Operations Director and is now Chief Financial & Operating Officer. Mr Sanderson was formerly Partner, Head of Real Estate Corporate Finance Advisory at Deloitte, following ten years of real estate investment banking experience in Europe and Asia with Nomura, Lehman Brothers and UBS Investment Bank. Mr Sanderson's wide-ranging property-related financial experience, combined with strategic and corporate finance skills, enables him to develop, implement and articulate the Company's strategy, and lead the delivery of a wide range of financial and

operational matters along with the Group's Flex, customer experience and marketing activities.

Mr Sanderson is also currently a member of the Reporting and Accounting Committee of the European Public Real Estate Association and trustee of the Outward Bound Trust.

Dan Nicholson

Dan Nicholson is an Executive Director of the Company. Mr Nicholson was appointed to the Board in September 2021 and is a member of the Executive Committee and Sustainability Committee, Chair of the Health & Safety Committee and director of the general partners of each of the Great Ropemaker Partnership, the Great Victoria Partnership and the Great Victoria Partnership (No.2). Mr Nicholson joined the Group in September 2021 and has responsibility for the new business, portfolio management, Health & Safety and development management teams. He has extensive knowledge of the real estate industry and, prior to joining the Company, spent over ten years with Tishman Speyer, for the majority of which he ran their UK business. Mr Nicholson started his career as a surveyor at Lambert Smith Hampton before gaining broad property investment, development and asset management experience in a number of organisations, including at City & West End Property Group, Quintain Estates & Development plc and real estate private equity firm, Three Delta LLP.

Mr Nicholson is also a non-executive director of Bioregional Homes Limited.

Nick Hampton

Nick Hampton is the Senior Independent Director of the Company. Mr Hampton was appointed to the Board in October 2016 and is a member of the Nomination Committee, Remuneration Committee and Audit Committee. Mr Hampton is currently Chief Executive Officer (previously Chief Financial Officer) of Tate & Lyle PLC, and prior to this spent 20 years with PepsiCo in a number of financial, commercial and operational roles.

Mark Anderson

Mark Anderson is a non-executive Director of the Company. Mr Anderson was appointed to the Board in September 2021 and is a member of the Audit Committee, Nomination Committee and Remuneration Committee. Mr Anderson is currently property and international managing director of Whitbread Plc and leads its international businesses and M&A activities. Mr Anderson previously spent 16 years at J Sainsbury PLC in a variety of senior positions, finally managing all aspects of its property estate.

Mr Anderson is also currently a trustee for Tourism for All UK.

Karen Green

Karen Green is a non-executive Director of the Company. Ms Green was appointed to the Board in December 2023 and is a member of the Audit Committee, Remuneration Committee and Nomination Committee. Ms Green is currently a Non-Executive Director, Senior Independent Director and Chair of the Sustainability Committee at Phoenix Group Holdings plc, a Non-Executive Director and Chair of the Remuneration Committee at Admiral Group plc, a Non-Executive Director at Miller Insurance Services LLP and a Non-Executive Director at Asta Managing Agency Limited. She was previously a Council Member and Chair of the Investment Committee at Lloyd's of London until November 2023. Ms Green was formerly Chief Executive of Aspen UK between 2011 and 2017, which comprised the UK insurance and reinsurance companies of U.S.-listed Aspen Insurance Holdings, and held a number of other senior positions at Aspen including Group Head of Strategy and Corporate Development. Prior to that, she held various senior corporate finance, M&A and private equity roles at GE Capital and then MMC Capital (now Stone Point Capital), having started her career as an investment banker at Baring Brothers and then Schroders plc.

Ms Green is also currently a member of the Supervisory Board of TMF Group Holdings B.V., Trustee of Wellbeing of Women Limited and advisor to Cytora Limited.

Vicky Jarman

Vicky Jarman is a non-executive Director of the Company. Ms Jarman was appointed to the Board in February 2020, and is chair of the Audit Committee and member of the Nomination Committee and Remuneration Committee, Ms Jarman is currently a Non-Executive Director of Melrose Industries plc. She is a chartered accountant who qualified at KPMG before spending over ten years with Lazard Ltd, working in the Investment Banking team, and then as Chief Operating Officer for the London and Middle East operations until 2009. Ms Jarman has previously been a Non-Executive Director and Chair of the Audit Committees of Equiniti Group plc, Hays plc and De La Rue plc, a Non-Executive Director of Signature Aviation plc and Entain plc and Senior Independent Director at Equiniti Group plc.

Champa Magesh

Champa Magesh is a non-executive Director of the Company. Ms Magesh was appointed to the Board in August 2022, and is a member of the Audit Committee, Nomination Committee and Remuneration Committee. Ms Magesh is currently Managing Director for the hospitality division at The Access Group, a private equity-owned business management software provider. She was formerly a member of the executive team at Trainline plc and President of Trainline Partner Solutions, where she was responsible for Trainline's business travel and white label businesses. Ms Magesh has also held senior positions at Amadeus IT Group between 2015 and 2020 and leadership roles at American Express, Royal Bank of Scotland and Cisco Systems.

Emma Woods

Emma Woods is a non-executive Director of the Company. Ms Woods was appointed to the Board in February 2022 and is chair of the Remuneration Committee and a member of the Audit Committee and Nomination Committee. Ms Woods is currently Chair of Ancient + Brave, a Non-Executive Director and Chair of the Remuneration Committee of Huel Limited (a nutritional food company) and Chair of Tortilla Mexican Grill plc. She was formerly a Non-Executive Director, Senior Independent Director and Chair of the Remuneration Committee of The Gym Group plc, Chief Executive Officer at Wagamama and subsequently an Advisory Board Member of the Wagamama Brand Board. She has also held senior marketing roles at Merlin Entertainments, Pizza Express and Unilever.

In addition to their directorships of the Company and other members of the Group, the Directors hold, or have held, the following directorships and are or were members of the following partnerships, within the past five years:

Name	Current directorships and partnerships	Previous directorships and partnerships
Richard Mully	Advisor, TPG Global LLC Advisory Board Member, Brydell Partners IM LLP Chairman, RX Propellant Pvt. Ltd. Director, Starr Street Limited Campo Holdings (as appointed representative of Starr Street Limited, corporate director) Home & Co (as appointed representative of Starr Street Limited, corporate director) Physicus (as appointed representative of Starr Street Limited, corporate director)	Non-Executive Director, Abdrn plc Senior Advisor, Actis LLP Vice Chairman of the Supervisory Board, Alstria Office REIT-AG Chairman, Arlington Business Parks Partnership Ltd Chair, Campus Holdings, S.a r.l. Senior Advisor, Hodes Weill LLC Consultant, Peak Capital Advisors LLP Advisor and Chair of the Investment Committee, Yew Grove REIT plc Director, Campo PSA Investments GP S.a r.l.
Toby Courtauld	Non-Executive Director, Liv-Ex Limited Director, New West End Company Member of Council and Chair of the Property Committee, Imperial College London Director, GHS (GP) Limited Director, GHS (Nominee) Limited Director, 14 Brook Street Management Company Limited	N/A
Nick Sanderson	Trustee, Outward Bound Trust Member of the Reporting & Accounting Committee, EPRA Director, Great Ropemaker Partnership (GP) Limited Director, Great Ropemaker Property Ltd Director, Great Ropemaker Property (Nominee 1) Limited Director, Great Ropemaker Property (Nominee 2) Limited Director, GHS (GP) Limited Director, GHS (Nominee) Limited Director, 14 Brook Street Management Company Limited	N/A
Dan Nicholson	Non-Executive Director, Bioregional Homes Limited Director, The Great Victoria Partnership (GP) Limited	TS 33 Holborn (GP) Holdco Limited Tishman Speyer Properties UK Limited

Name	Current directorships and partnerships	Previous directorships and partnerships
	Director, Great Victoria Property Limited Director, Great Victoria Property (No.2) Limited Director, Great Ropemaker Partnership (GP) Limited Director, Great Ropemaker Property Ltd Director, Great Ropemaker Property (Nominee 1) Limited Director, Great Ropemaker Property (Nominee 2) Limited	
Nick Hampton	Director, Porters Park Golf Club Limited Chief Executive Officer, Tate & Lyle plc	N/A
Mark Anderson	Property and International Managing Director, Whitbread Group plc Trustee, Tourism For All UK Director, London Hotel Holdings Limited Director, London Hotel Holdings 2 Limited Director, Manchester Hotel Holdings Limited Director, Premier Inn Hotels LLC Director, Premier Inn International Development Limited Director, Premier Inn Kier Limited Director, Quay House Admirals Way Land Limited	Director, Premier Inn Holding GmbH Director, Premier Inn GmbH Director, Premier Inn Hotel GmbH Director, Premier Inn Essen City Hauptbahnhof GmbH Director, Premier Inn Hamburg Nordkanalstrasse GmbH Director, Premier Inn Dortmund Königswall GmbH Director, UNA 312. Equity Management GmbH Director, Premier Inn München Frankfurter Ring GmbH Director, Premier Inn Mannheim Quadrate T1 GmbH Director, Premier Inn Frankfurt Eschborn GmbH Director, Premier Inn Rostock City Hafen GmbH Director, UNA 352. Equity Management GmbH Director, Premier Inn Frankfurt City Ostbahnhof GmbH Director, AIRE HIEX Stuttgart Verwaltungs GmbH Director, Premier Inn Verwaltungsgesellschaft Süd GmbH Director, Premier Inn München Messe GmbH Director, Premier Inn Nürnberg City Nordost GmbH Director, Premier Inn Stuttgart Feuerbach GmbH Director, WHRI Holding Company Limited Director, Premier Inn At Holding Gmbh Director, Premier Inn AT Hotelbetriebsgesellschaft GmbH Director, Premier Inn AT Immobilienbesitz GmbH
Karen Green	Non-Executive Director, Senior Independent Director and Chair for the Sustainability Committee, Phoenix Group Holdings plc Non-Executive Director, Asta Managing Agency Limited Non-Executive Director, Miller Insurance Services LLP Non-Executive Director and Chair for the Remuneration Committee, Admiral Group plc Director, Ffolkes Solutions Ltd Member of the Supervisory Board, TMF Group Holdings B.V. Trustee, Wellbeing of Women Limited Advisor, Cytora Ltd	Director, Aspen Managing Agency Limited Director, Asta Corporate Member Limited Council Member and Special Advisor, Lloyd's of London

Name	Current directorships and partnerships	Previous directorships and partnerships
Vicky Jarman	Non-Executive Director, Melrose Industries plc	GVC Holdings Limited Signature Aviation Limited
Champa Magesh	Managing Director for the Hospitality Division, The Access Group	Trainline.com Limited Amadeus IT Services UK Limited Trainline Partner Solutions
Emma Woods	Non-Executive Director and Chair for the Remuneration Committee, Huel Limited Chair, Tortilla Mexican Grill plc Chair, Ancient+Brave Non-Executive Director, Goldonder Board (Abba Voyage)	Non-Executive Director, The Gym Group plc Director, Mabel Bidco Limited Director, Mabel Mezzco Limited Director, Mabel Midco Limited Director, Mabel Topco Limited Director, Ramen USA Limited Director, Wagamama Limited Director, Wagamama CPU Limited Director, Wagamama Finance Limited Director, Wagamama Group Limited Director, Wagamama (Holdings) Limited Director, Wagamama Newco Limited

7.3 At the date of this document, save as described below, none of the Directors has at any time within at least the past five years:

(a) save as disclosed in paragraph 7.1 of this Part XX, been director or partner of any companies or partnerships; or

(b) had any convictions in relation to fraudulent offences (whether spent or unspent); or

(c) been adjudged bankrupt or entered into an individual voluntary arrangement; or

(d) been a director of any company at the time of, or within 12 months preceding, any receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with that company's creditors generally or with any class of its creditors; or

(e) been a partner in a partnership at the time of, or within 12 months preceding, any compulsory liquidation, administration or partnership voluntary arrangement of such partnership; or

(f) had his or her assets form the subject of any receivership or has been a partner of a partnership at the time of, or within 12 months preceding, any assets thereof being the subject of a receivership; or

(g) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including any designated professional body); or

(h) ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

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

7.5 There are no outstanding loans or guarantees granted or provided by any member of the Group for the benefit of any of the Directors.

7.6 Save for their capacities as persons legally and beneficially interested in Ordinary Shares, there are:

(a) no actual or potential conflicts of interest between the duties owed by the Directors or the Senior Managers to the Company and their private interests and/or other duties that they may also have; and

(b) no arrangements or understandings with major Shareholders, customers, suppliers or others, pursuant to which any Director or Senior Manager was selected.

7.7 Each of the Directors has a statutory duty under the Companies Act to avoid conflicts of interests with the Company and to disclose the nature and extent of any such interest to the Board. Under the Articles of Association and, as permitted by the Companies Act, the Board may authorise any matter which would otherwise involve a Director breaching this duty to avoid conflicts of interest and may attach to any such authorisation such conditions and/ or restrictions as the Board deems appropriate (including in respect of the receipt of information or restrictions on participation at certain Board meetings), in accordance with the Articles of Association.

8. Executive Remuneration

The Group's shareholders approved a revised Directors' remuneration policy (the **Remuneration Policy**) at the 2023 Annual General Meeting. The principal changes under the Remuneration Policy included the introduction of a restricted share plan in place of the long-standing Long Term Incentive Plan (**LTIP**) (adopting the market conventional approach of making grants at 50% of the previous LTIP level); and (ii) the redesigning of the annual bonus scorecard. The executive directors' bonus objective targets for the year ended 31 March 2024 included:

- Market Performance (measured by GPE's relative TAR (EPRA NTA growth plus dividends) per share vs FTSE 350 real estate companies excluding agencies (on a straight-line basis));
- Optimising financial performance during downturn (measured by: (i) the rent achieved on market lettings during the year vs ERV (as per CBRE at start of year) – '% beat to market rent' (on a straight-line basis); (ii) vacancy rate at year end (including completed development / refurbished space during year) (on a straight line basis); and (iii) maintaining appropriate liquidity);
- Transforming the business and putting customers first (measured by: (i) hitting planning milestones in the year (combination of planning submissions and planning approvals across the entire portfolio); (ii) commitments to new Flex space over the year (on a straight line basis); and (iii) market leading customer NPS vs office benchmark (on a straight line basis));
- Delivering a Net Zero Carbon Roadmap (measured by: (i) reduction in energy consumption vs office benchmark targets set each year against a Roadmap (on a straight line basis); and (ii) all new developments to be net zero or on track to be net zero);
- Personal and business culture (measured by: (i) each executive director's personal objectives; (ii) maintaining and nurturing a positive and inclusive culture (measured through employee engagement and inclusion index survey scores); and (iii) achievement against gender and diversity targets).

The Directors believe that these bonus targets create alignment with the Group's strategic priorities and drive management to deliver the Company's strategy and optimise returns for shareholders.

The following disclosures on Executive Remuneration are incorporated by reference from the 2024 Annual Report:

Section	Page number(s)
Executive Directors' remuneration and bonus outcomes	129-30
Executive Directors' LTIP awards and share interests	133-35
Total shareholder return performance	140
CEO pay ratio	140
Employee share trust	141
Directors' remuneration policy	128-129

9. Material Contracts

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

Underwriting Agreement for the Rights Issue

On 23 May 2024, the Company entered into the Underwriting Agreement pursuant to which the Company has appointed BofA Securities as Sponsor, and BofA Securities, Deutsche Numis, J.P. Morgan and Santander as Underwriters. Pursuant to the terms and conditions of the Underwriting Agreement, the Underwriters have severally agreed, subject to certain conditions, to use reasonable endeavours to procure subscribers, or failing which, the Underwriters will themselves severally subscribe for their proportionate share of New Ordinary Shares not taken up under the Rights Issue or will procure sub-Underwriters to do so, in each case, at the Rights Issue Price.

In consideration of the services of the Underwriters under the Underwriting Agreement, and subject to their obligations under the Underwriting Agreement having become unconditional and the Underwriting Agreement not being terminated, the Company has agreed to pay a commission of 2.4% on the New Ordinary Shares at such times and in such proportions as between the Underwriters as contained in the Underwriting Agreement. The Company has also agreed, regardless of whether the Underwriters' obligations under the Underwriting Agreement become unconditional or the Underwriting Agreement is terminated, that the Company shall pay all costs and expenses properly incurred in connection with, or incidental to, the Rights Issue, Admission and the arrangements

contemplated by the Underwriting Agreement. The Company has given certain customary representations and warranties to the Sponsor and the Underwriters as to the accuracy of the information contained in this document and other relevant documents, and in relation to other matters relating to the Group. In addition, the Company has given customary indemnities to the Sponsor and the Underwriters and certain indemnified persons connected with each of them. The obligations of the Sponsor and the Underwriters under the Underwriting Agreement are subject to certain customary conditions including, amongst others:

- the fulfilment by the Company of certain of its obligations under the Underwriting Agreement including the delivery of certain documents to the Underwriters, by the times and dates specified in the Underwriting Agreement;
- Admission occurring on or before 8.00 a.m. (London time) on 28 May 2024 (or such later time and date as the Joint Global Co-ordinators and the Company may agree).

In certain circumstances, including among others, where there has been a material adverse change or the occurrence of certain force majeure events, or where any of the conditions are not satisfied (or, where capable of being waived, are not waived by the Joint Global Coordinators) or shall have become incapable of being satisfied by the required time and date, the Joint Global Co-ordinators may terminate the Underwriting Agreement.

The Rights Issue will become fully unconditional at Admission. Following Admission, the Underwriting Agreement will not be subject to any condition or right of termination (including in respect of statutory withdrawal rights).

The Company has given certain undertakings including an undertaking that it will not, without the prior written consent of the Joint Global Coordinators, undertake certain actions in relation to its share capital, including issuing further Ordinary Shares, for a period of 180 days from the date for settlement of the Underwriters' payment obligations to the Company in respect of the New Ordinary Shares pursuant to the Underwriting Agreement, subject to certain exceptions, including the issue of the New Ordinary Shares.

Banking Facilities

(i) ***the Revolving Credit Facility***

On 30 October 2014, the Company as borrower entered into a £450.0 million syndicated revolving credit facility with, among others, Lloyds Bank plc as facility agent, National Westminster Bank plc, Banco Santander S.A., London Branch, Wells Fargo Bank, N.A., London Branch, Bank of China Limited, London Branch and Lloyds Bank plc as original lenders and Banco Santander S.A., London Branch as sustainability coordinator (as amended, amended and restated, supplemented, novated and/or otherwise varied from time to time, the **RCF**). The RCF is unsecured.

Each loan under the RCF may be used for general corporate purposes of the Group.

Any loans which have been drawn under the RCF must be repaid on the last day of each term, being one week, or more than one week and ending on the last day of a month, or one, two, three or six months, as selected in the utilisation request for the relevant loan. The facility is available from the date of the RCF until the date falling one week before the maturity date of the facility, being 30 January 2027, following extensions with the consent of the lenders pursuant to extension letters dated 19 January 2021, 19 January 2022 and 27 April 2023.

The rate of interest on each loan is the percentage rate per annum equal to the aggregate of the applicable margin plus SONIA (for compounded rate loans). The margin is determined by reference to the base margin, being, as at 30 January 2020, 0.90% per annum, which thereafter is adjusted (in a range between 0.90 to 1.50% per annum) in accordance with the ratio of consolidated net borrowings of the Group to consolidated shareholders' funds, as calculated on the last day of each financial year and financial half year of the Company. The margin may also be adjusted up or down from the base margin depending on whether certain environmental KPIs (such as a reduction in carbon, attainment in biodiversity gains or a reduction in energy consumption) are met or not met. If an obligor under the RCF fails to pay any amount under the finance documents when due, default interest will accrue at a rate which is 1% per annum higher than the interest rate that would otherwise have been payable if the overdue amount had been a loan under the RCF, from the due date for payment of that amount to the date of actual payment.

A number of events would lead to mandatory prepayment of any outstanding loans, such as:

- if a lender under the RCF becomes aware that it is or will become unlawful in any relevant jurisdiction for that lender to perform any of its obligations under a finance document, or to fund or maintain its share in any loan under the RCF; or
- if (subject to a number of exceptions) a person or group of persons acting in concert (as defined in the City Code on Takeovers and Mergers) gains control (as defined in sections 450 and 451 of the Corporation Tax Act 2010) of the Company, and the Company and the facility agent fail to agree to continue the facility within 30 days of the facility agent being notified of such control.

The Company may also voluntarily prepay any outstanding loans or cancel any commitments under the RCF, both subject to a de minimis threshold of £1,000,000.

The RCF Agreement requires that the Company complies with certain financial covenants, which stipulate that:

- the ratio of consolidated net borrowings to consolidated shareholders' funds, as calculated on the last day of each financial year and financial half year of the Company, is not more than 1.25:1;
- the ratio of unencumbered net asset value to consolidated unsecured borrowings is not less than 1.66:1 at any time; and
- the ratio of consolidated profits before interest and tax to consolidated net interest is not less than 1.35:1 for any period of 12 months ending on the last day of each financial year and financial half year of the Company.

Each of the financial covenants is tested by delivery of a compliance certificate within 30 days of the delivery of the Company's annual or interim financial statements. Failure to comply with any financial covenants will result in an event of default (subject to a 30-day cure period).

The RCF contains certain other representations and covenants by, and restrictions on, the Company and the obligors, including, without limitation, compliance with all applicable environmental laws and regulations and a requirement to deliver a sustainability compliance certificate each year.

The RCF also contains certain events of default, upon the occurrence of which the lenders may terminate the facility and demand repayment. These events of default include (without limitation and subject to certain grace periods and materiality thresholds) failure to make payments under the RCF and related finance documents, breach of any of the financial covenants described above, any material misrepresentation, cross-default in excess of specified amounts, unlawfulness or certain insolvency events or proceedings. If an event of default occurs, the facility agent may give notice of cancellation of the total commitments, and/or declare that the outstanding loans, together with accrued interest, to be immediately due and payable or payable on demand. On the giving of such notice or demand, the outstanding amounts would be repayable immediately.

The RCF is governed by English law.

(ii) ***2023 Term Loan Facility***

On 29 September 2023, the Company as borrower entered into a £250.0 million syndicated term loan facility with, among others, Lloyds Bank plc as facility agent and National Westminster Bank plc, Bank of China Limited, London Branch and Lloyds Bank plc as original lenders (as amended, amended and restated, supplemented, novated and/or otherwise varied from time to time, the **2023 Term Loan Facility**). The 2023 Term Loan Facility is unsecured.

The loan drawn under the 2023 Term Loan Facility may be used for general corporate purposes of the Group.

The loan drawn under the 2023 Term Loan Facility must be repaid in full on 29 September 2026, subject to two one-year extensions for any lender with their consent.

The rate of interest on each loan is the percentage rate per annum equal to the aggregate of the applicable margin plus SONIA. The margin is determined by reference to the base margin, which is adjusted (in a range between 1.75 to 2.35% per annum) in accordance with the ratio of consolidated net borrowings of the Group to consolidated shareholders' funds, as calculated on the last day of each financial year and financial half year of the Company. If an obligor under the 2023 Term Loan Facility fails to pay any amount under the finance documents when due, default interest will accrue at a rate which is 1% per annum higher than the interest rate that would otherwise have been payable if the overdue amount had been a loan under the 2023 Term Loan Facility, from the due date for payment of that amount to the date of actual payment. The margin may also be adjusted up or down from the base margin depending on whether certain environmental KPIs (such as a reduction in carbon, attainment in biodiversity gains or a reduction in energy consumption) are met or not met.

A number of events would lead to mandatory prepayment of any outstanding loans, such as:

- if a lender under the 2023 Term Loan Facility becomes aware that it is or will become unlawful in any relevant jurisdiction for that lender to perform any of its obligations under a finance document, or to fund or maintain its share in any loan under the 2023 Term Loan Facility; or
- if (subject to a number of exceptions) a person or group of persons acting in concert (as defined in the City Code on Takeovers and Mergers) gains control (as defined in sections 450 and 451 of the Corporation Tax Act 2010) of the Company, and the Company and the facility agent fail to agree to continue the facility within 45 days of the facility agent being notified of such control.

The Company may also voluntarily prepay any outstanding loans or cancel any commitments under the 2023 Term Loan Facility, both subject to a de minimis threshold of £1,000,000.

The 2023 Term Loan Facility requires that the Company complies with certain financial covenants, which stipulate that:

- the ratio of consolidated net borrowings to consolidated shareholders' funds, as calculated on the last day of each financial year and financial half year of the Company, is not more than 1.25:1;
- the ratio of unencumbered net asset value to consolidated unsecured borrowings is not less than 1.66:1 at any time; and
- the ratio of consolidated profits before interest and tax to consolidated net interest is not less than 1.35:1 for any period of 12 months ending on the last day of each financial year and financial half year of the Company.

Each of the financial covenants is tested by delivery of a compliance certificate within 30 days of the delivery of the Company's annual or interim financial statements. Failure to comply with any financial covenants will result in an event of default (subject to a 30-day cure period).

The 2023 Term Loan Facility also contains certain events of default, upon the occurrence of which the lenders may terminate the facility and demand repayment. These events of default include (without limitation and subject to certain grace periods and materiality thresholds) failure to make payments under the 2023 Term Loan Facility and related finance documents, breach of any of the financial covenants described above, any material misrepresentation, cross-default in excess of specified amounts, unlawfulness or certain insolvency events or proceedings. If an event of default occurs, the facility agent may give notice of cancellation of the total commitments, and/or declare that the outstanding loans, together with accrued interest, to be immediately due and payable or payable on demand. On the giving of such notice or demand, the outstanding amounts would be repayable immediately.

The 2023 Term Loan Facility is governed by English law.

(iii) ***2024 Short Term Facility***

On 25 January 2024, the Company as borrower entered into a £200.0 million term loan facility with, among others, Banco Santander S.A., London Branch as facility agent and Banco Santander S.A., London Branch as original lender (as amended, amended and restated, supplemented, novated and/or otherwise varied from time to time, the **2024 Short Term Facility**). The 2024 Short Term Facility is unsecured.

Each loan under the 2024 Short Term Facility may be used for general corporate purposes of the Group.

Any loans which have been drawn under the 2024 Short Term Facility must be repaid on the date falling 12 months after the date of the 2024 Short Term Facility, being 25 January 2025 (subject to two six-month extensions at the option of the Company) (the **Final Maturity Date**). The facility is available from the date of the 2024 Short Term Facility until the date falling one month before Final Maturity Date.

The rate of interest on each loan is the percentage rate per annum equal to the aggregate of the applicable margin plus SONIA. The margin is 0.75% as at the date of the 2024 Short Term Facility and steps-up by 0.25% at each of the dates falling six months and 12 months after the date of the 2024 Short Term Facility, with a subsequent final step-up of 0.50% at the date falling 18 months after the date of 2024 Short Term Facility. If an obligor under the 2024 Short Term Facility fails to pay any amount under the finance documents when due, default interest will accrue at a rate which is 1% per annum higher than the interest rate that would otherwise have been payable if the overdue amount had been a loan under the 2024 Short Term Facility, from the due date for payment of that amount to the date of actual payment.

A number of events would lead to mandatory prepayment of any outstanding loans, such as:

- if a lender under the 2024 Short Term Facility becomes aware that it is or will become unlawful in any relevant jurisdiction for that lender to perform any of its obligations under a finance document, or to fund or maintain its share in any loan under the 2024 Short Term Facility;
- if (subject to a number of exceptions) a person or group of persons acting in concert (as defined in the City Code on Takeovers and Mergers) gains control (as defined in sections 450 and 451 of the Corporation Tax Act 2010) of the Company, and the Company and the facility agent fail to agree to continue the facility within 30 days of the facility agent being notified of such control;
- if a member of the Group disposes of any real estate asset or subsidiary in the business of owning and managing real estate assets to a person which is not a member of the Group, and the net proceeds of such disposal are in excess of £30,000,000; or
- if there is an issue, sale or public offering by a member of the Group of any equity security or any public or private bond, private placement or other capital markets issue by a member of the Group, or if a loan is made available to a member of the Group by a person that is not an affiliate of the Company and other than under the finance

documents (each being a **relevant financing**).

If a relevant financing occurs, the Company must immediately notify the facility agent and procure that an amount at least equal to the net proceeds (being any amount received by a member of the Group from a relevant financing less all taxes and reasonable costs and expenses incurred by any member of the Group in connection with that relevant financing) of the relevant financing is applied towards prepayment of any outstanding loans. Any such prepayment must be made on or before the date which is 10 business days after the date on which the net proceeds of the relevant financing are received by a member of the Group. If the amount to be applied in prepayment is more than the amount of any loans then outstanding, the Company's undrawn commitments will be automatically cancelled in an amount equal to such excess. The Rights Issue is considered a relevant financing under the 2024 Short Term Facility, as such the Company's undrawn commitments will be automatically cancelled upon receipt of proceeds of the Rights Issue. The Company expects to give notice after Admission.

The Company may also voluntarily prepay any outstanding loans or cancel any commitments under the 2024 Short Term Facility, both subject to a de minimis threshold of £1,000,000.

If all or part of an outstanding loan is repaid or prepaid, an amount of the commitments equal to the amount of the loan which is repaid or prepaid will be deemed to be cancelled on the date of repayment or prepayment, and any such cancellation will reduce the commitments of the lenders rateably.

The 2024 Short Term Facility requires that the Company complies with certain financial covenants, which stipulate that:

- the ratio of consolidated net borrowings to consolidated shareholders' funds, as calculated on the last day of each financial year and financial half year of the Company, is not more than 1.25:1;
- the ratio of unencumbered net asset value to consolidated unsecured borrowings is not less than 1.66:1 at any time; and
- the ratio of consolidated profits before interest and tax to consolidated net interest is not less than 1.35:1 for any period of 12 months ending on the last day of each financial year and financial half year of the Company.

Each of the financial covenants are tested by delivery of a compliance certificate within 30 days of the delivery of the Company's annual or interim financial statements. Failure to comply with any financial covenants will result in an event of default (subject to a 30-day cure period).

The 2024 Short Term Facility also contains certain events of default, upon the occurrence of which the lenders may terminate the facility and demand repayment. These events of default include (without limitation and subject to certain grace periods and materiality thresholds) failure to make payments under the 2024 Short Term Facility and related finance documents, breach of any of the financial covenants described above, any material misrepresentation, cross-default in excess of specified amounts, unlawfulness or certain insolvency events or proceedings. If an event of default occurs, the facility agent may give notice of cancellation of the total commitments, and/or declare that the outstanding loans, together with accrued interest, to be immediately due and payable or payable on demand. On the giving of such notice or demand, the outstanding amounts would be repayable immediately.

The 2024 Short Term Facility is governed by English law.

(iv) ***Private Placement Notes***

In September 2020, the Group issued two series of notes (the **2020 Private Placement Notes**) with proceeds of £25.0 million and £125.0 million each pursuant to the Note Purchase Agreement dated 11 September 2020. The use of proceeds from this issuance was to repay existing financial indebtedness and/or general corporate purposes. These notes are unsecured, carry an average interest rate of 2.8% (representing a spread over relevant Gilts of 249 basis points) and were issued with an average maturity of 13.5 years. The 2020 Private Placement Notes contain financial covenants in line with the financial covenants in the Group's RCF. The 2020 Private Placement Notes were placed with six investors. As of 31 March 2024, £150 million of the Group's 2020 Private Placement Notes were outstanding.

In March 2018, the Group issued three series of notes (the **2018 Private Placement Notes**) with proceeds of £40.0 million, £30.0 million and £30.0 million each pursuant to the Note Purchase Agreement dated 13 March 2018. The use of proceeds from this issuance was to repay existing financial indebtedness and/or general corporate purposes. These notes are unsecured, carry an average interest rate of 2.81% (representing a spread to the relevant Gilts of just over 100 basis points) and were issued with an average maturity of 12.3 years. The 2018 Private Placement Notes contain financial covenants in line with the financial covenants in the Group's RCF. The 2018 Private Placement Notes were placed with seven existing lenders to the Group. As of 31 March 2024, £100 million of the Group's 2018 Private Placement Notes were outstanding.

In March 2017, the Group issued one series of notes (the **2017 Private Placement Notes**) with proceeds of £175.0 million pursuant to the Note Purchase Agreement dated 28 March 2017. The use of proceeds from this issuance was to

repay existing financial indebtedness and/or general corporate purposes. These notes are unsecured, carry an interest rate of 2.15% and were issued with a maturity of seven years. The 2017 Private Placement Notes contain financial covenants in line with the financial covenants in the Group's RCF. The 2017 Private Placement Notes were placed with eight lenders. As of 31 March 2024, £175 million of the Group's 2017 Private Placement Notes were outstanding and were subsequently repaid on 22 May 2024.

(v) ***2029 First Mortgage Debenture Stock***

On 26 January 1999, the Company issued £100.0 million 5.625% first mortgage debenture stock due 31 January 2029 (the **Original Issue**). The Company then issued a further £50.0 million 5.625% first mortgage debenture stock due 31 January 2029 on 31 January 2007 which were consolidated to form a single series with the Original Issue (together with the Original Issue, the **Bonds**). As at 31 March 2024, the carrying value of the Bonds was £22.0 million.

The Bonds carry interest at the rate of 5.625% per annum. Interest in respect of the Bonds is payable semi-annually in arrear on 31 January and 31 July in each year until the maturity date (unless the Bonds are redeemed or purchased and cancelled early). The Bonds will mature on 31 January 2029 but may be redeemed before then.

The Bonds are constituted and secured by a trust deed entered into between the Company as issuer, Royal Exchange Trust Company Limited as trustee and the original charging companies named therein and dated 26 January 1999, as amended, supplemented and restated from time to time (the **Trust Deed**). The payment obligations in relation to the Bonds are secured by charges by way of first legal mortgage over various freehold and leasehold land and buildings (the **specifically mortgaged premises**) as further described in the Trust Deed. The terms and conditions of the Bonds (the **Bond Conditions**) contain, *inter alia*, call options for the Company, covenants in respect of the specifically mortgaged premises and certain events of default. The Trust Deed and the Bond Conditions are governed by English law.

10. UK Taxation

10.1 *General*

The following statements are intended to apply only as a general guide to certain UK tax considerations in relation to the New Ordinary Shares, Nil Paid Rights and Fully Paid Rights. They are based on current UK tax law and what is understood to be current practice of HM Revenue and Customs (**HMRC**) (which may not be binding on HMRC), both of which are subject to change at any time, possibly with retrospective effect. They relate only to certain limited aspects of the UK taxation treatment of, and are intended to apply only to acquirers of, New Ordinary Shares, Nil Paid Rights and Fully Paid Rights who are resident and, in the case of individuals, domiciled or deemed domiciled, solely in the United Kingdom for UK tax purposes (except where the position of non-UK resident or non-UK domiciled Shareholders is referred to expressly) and do not apply to Shareholders to whom split-year treatment applies. They apply only to Shareholders who hold the New Ordinary Shares as investments (other than under an individual savings account or a self-invested personal pension) and who are the absolute beneficial owners of both the New Ordinary Shares and any dividends paid on them. The statements may not apply to certain classes of shareholders such as (but not limited to) persons acquiring their New Ordinary Shares in connection with an office or employment, persons holding their shares through trust arrangements, dealers in securities, banks, insurance companies and collective investment schemes.

Qualifying Shareholders should note that the tax legislation of their jurisdiction of tax residence may have an impact on the tax treatment of any dividends which they receive in respect of the New Ordinary Shares. Prospective acquirers of New Ordinary Shares, Nil Paid Rights and Fully Paid Rights who are in any doubt as to their tax position regarding the acquisition, ownership and disposition of the New Ordinary Shares, Nil Paid Rights or Fully Paid Rights or who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their UK tax position should seek their own professional advice.

10.2 *Dividends*

As the principal company of a REIT Group, the Company may distribute PIDs or non-property income dividends (**Non-PIDs**). The tax treatment for Shareholders varies in each case.

(a) *Taxation of PIDs*

(i) *Withholding tax*

Subject to certain exceptions summarised below, the Company must withhold income tax at the basic rate (20 per cent.) from any PIDs made to Shareholders (whether paid in cash or via scrip dividend). The Company must provide Shareholders who receive a PID with a written statement (a certificate of deduction) that shows the gross amount of the PID, the amount of tax deducted and the actual amount paid.

The Company is not required to withhold income tax at source in certain circumstances. These include where the Company reasonably believes that the person beneficially entitled to the PID is: (i) a company resident in the United Kingdom for corporation tax purposes; (ii) a company that is not resident in the United Kingdom but carries on a trade in the United Kingdom through a permanent establishment and is required to bring the PID into account in computing its chargeable profits; (iii) an entity that is exempt, such as a local authority or charity; (iv) the scheme administrator of a registered pension scheme, the sub-scheme administrator of certain pension sub-schemes, the account provider for a child trust fund, the account manager of an individual savings account, or the plan manager of a personal equity plan and that, in each case, the PID is to be applied for the purposes of the fund, scheme, account or plan (as applicable); or (v) a partnership each member of which is a person or body mentioned in the exceptions above (and where only some of the members of the partnership are such persons or bodies, the Company may in some circumstances be able to make a payment of the relevant proportion of the PID without deduction of tax).

For any of these exceptions to apply, the Company must form a reasonable belief as to the relevant Shareholder's entitlement to an exception. The Company therefore requires a Shareholder wishing to claim entitlement to an exception to submit a claim form, copies of which are on the Company's website.

Where tax has been withheld by the Company from the payment of a PID, Shareholders who are individuals may, depending on the rates of income tax applicable to them, be liable to further tax on receipt of the PID at their applicable marginal rate, incur no further liability on receipt of the PID, or be entitled to claim repayment of some or all of the tax withheld on receipt of the PID. Shareholders who are subject to UK corporation tax will generally be liable to pay corporation tax on receipt of a PID subject to any income tax withheld at source (though this is unlikely to occur), which can be set against the Shareholder's corporation tax liability in the accounting period in which the PID is received.

Shareholders who are not tax resident in the United Kingdom cannot make a claim under a double taxation treaty for the Company to pay a PID without withholding tax or at a reduced rate. The right of a Shareholder to claim repayment of any part of the tax withheld from a PID will depend on the existence and terms of any double taxation treaty between the United Kingdom and the country in which the Shareholder is tax resident, as well as the ability of the Shareholder to satisfy the requirements of the relevant double taxation treaty. Shareholders who are not tax resident in the United Kingdom should obtain their own tax advice concerning tax liabilities on PIDs received from the Company.

(ii) *Taxation on receipt*

- Individuals

Subject to certain exceptions, a PID will generally be treated in the hands of Shareholders who are individuals as profits of a UK property business (within the meaning given by section 264 of the Income Tax (Trading and Other Income) Act 2005). PIDs received by a Shareholder from the Company will be treated as profits of a separate UK property business from any other UK property business carried on by the relevant Shareholder. Therefore, any surplus expenses from a Shareholder's own UK property business cannot be set off against a PID from the Company as part of a single calculation of the profits of the Shareholder's UK property business.

Individual Shareholders will be liable to income tax at their prevailing rates, subject to credit in respect of any withholding tax deducted at source by the Company on the PID (as described further in the discussion of withholding tax above). No Nil Rate Band is available in respect of PIDs. Individual Shareholders who are liable to income tax at the basic rate will have no further income tax to pay if withholding tax is applied to the PID, while higher or additional rate taxpayers will be liable to pay further income tax. Individual Shareholders who are exempt from income tax will be entitled to claim some or all of the tax withheld.

- Companies

Subject to certain exceptions, a PID will generally be treated in the hands of Shareholders who are within the charge to corporation tax as the profits of a UK property business (within the meaning given by section 205 of the Corporation Tax Act 2009). PIDs received by a Shareholder from the Company will be treated as profits of a separate UK property business from any other UK property business carried on by the relevant Shareholder. Therefore, any surplus expenses from a Shareholder's own UK property business cannot be set off against a PID from the Company as part of a single calculation of the profits of the Shareholder's UK property business.

Shareholders within the charge to corporation tax will generally be subject to corporation tax at the rate applicable to that Shareholder, subject to credit in respect of any withholding tax deducted at source by the Company on the PID. Withholding tax will generally not be required to be deducted by the Company on payment of a PID to a Shareholder within the charge to corporation tax. For further information, please see the discussion of withholding tax above.

- Non-UK tax residents

A PID will generally be treated in the hands of Shareholders who are resident outside the UK for tax purposes as the profits of a UK property business (within the meaning given by section 264 of the Income Tax (Trading and Other Income) Act 2005). Income tax will be collected by way of withholding tax (at the basic rate) deducted at source by the Company (see the withholding tax discussion above for more information). Under section 548(7) of the Corporation Tax Act 2010, this income will expressly not be treated as non-resident landlord income for the purposes of regulations under section 971 of the Income Tax Act 2007.

Non-UK tax resident Shareholders should seek their own professional advice concerning any non-UK tax implications of receiving PIDs from the Company that may arise in their relevant jurisdiction.

(b) *Taxation of Non-PIDs*

Non-PIDs are treated in the same way as ordinary dividends. References to dividends in the following sections therefore include Non-PIDs (but not PIDs).

(i) *Withholding tax*

The Company will not be required to deduct or withhold amounts on account of UK tax at source from Non-PIDs, irrespective of the residence or particular circumstances of the Shareholder receiving such dividend payment.

(ii) *Taxation on receipt*

A Shareholder's liability to taxation on dividends will depend upon the circumstances of the Shareholder and is outlined below:

- Individuals

A nil rate of income tax will apply for the first £500 of dividend income received by an individual Shareholder in the tax year running 6 April 2024 to 5 April 2025 (the **Nil Rate Band**).

The rate of tax applicable to dividend income in excess of the Nil Rate Band will depend on the wider tax position of the Shareholder. Broadly speaking, after taking into account the amount (if any) of a Shareholder's personal allowance, and any other allowances, exemptions and reliefs, the Shareholder's taxable income up to the basic rate limit will fall within the basic rate band; taxable income between the basic rate limit and the higher rate limit will fall within the higher rate band; and taxable income above the higher rate limit will fall within the additional rate band.

The rates of income tax on dividends received above the Nil Rate Band are: (a) 8.75 per cent. for dividends in the basic rate band; (b) 33.75 per cent. for dividends in the higher rate band; and (c) 39.35 per cent. for dividends in the additional rate band.

In determining the tax band in which any dividend income over the Nil Rate Band falls, dividend income is treated as the top slice of a Shareholder's income and dividend income within the Nil Rate Band is still taken into account.

Because dividend income (including income within the Nil Rate Band) is taken into account in assessing whether a Shareholder's overall income is above the higher or additional rate limits, the receipt of such income may also affect the amount of personal allowances to which the Shareholder is entitled.

- Companies

Shareholders within the charge to UK corporation tax that are "small companies" for the purposes of Chapter 2 of Part 9A of the Corporation Tax Act 2009 will not be subject to UK corporation tax on any dividend received from the Company provided certain conditions are met (including an anti-avoidance condition).

Shareholders within the charge to UK corporation tax that are not "small companies" for this purpose will not be subject to UK corporation tax on any dividend received from the Company so long as the dividend falls within an exempt class and certain conditions are met. For example, (i) dividends paid on shares that are not redeemable and do not carry any present or future preferential rights to dividends or to the Company's assets on its winding up, and (ii) dividends paid to a person holding less than a 10% interest in the Company, should generally fall within an exempt class. However, the exemptions mentioned above are not comprehensive and are subject to anti-avoidance rules.

If the conditions for exemption are not met or cease to be satisfied, or such a Shareholder elects an otherwise exempt dividend to be taxable, the Shareholder will be subject to UK corporation tax on dividends received from the Company, at the rate of corporation tax applicable to that Shareholder (the main rate of corporation tax is currently 25%).

10.3 ***Capital Gains***

(a) *New Ordinary Shares acquired pursuant to the Rights Issue*

For the purposes of UK capital gains tax and corporation tax on chargeable gains, the issue of New Ordinary Shares to Existing Ordinary Shareholders who take up their rights pursuant to the Rights Issue should be regarded as a reorganisation of the share capital of the Company.

Therefore a Shareholder who takes up their entitlement to New Ordinary Shares pursuant to the Rights Issue should not be treated as acquiring a new asset or as making a disposal of any part of that Shareholder's Existing Ordinary Shares by reason of taking up all or part of that Shareholder's rights to New Ordinary Shares. Instead, the New Ordinary Shares issued to that Shareholder should be treated as the same asset, and having been acquired at the same time, as that Shareholder's Existing Ordinary Shares. The amount paid for the New Ordinary Shares acquired under the Rights Issue up to the Shareholder's entitlement should be added to the base cost of that Shareholder's Existing Ordinary Shares. Upon such a Shareholder acquiring their New Ordinary Shares, the Existing Ordinary Shares and New Ordinary Shares should be treated as a single pool of Ordinary Shares, with the base cost of the Existing Ordinary Shares (as so increased) generally being spread pro rata between the Existing Ordinary Shares and the New Ordinary Shares received.

(b) *Disposal or lapse of rights to acquire New Ordinary Shares*

If a Shareholder disposes of all or some of their rights to acquire New Ordinary Shares, or allows or is deemed to have allowed all or some of that Shareholder's rights to acquire New Ordinary Shares to lapse and receives a cash payment in respect of those rights, then that Shareholder may, in certain circumstances, incur a liability to UK taxation on chargeable gains.

However, if the proceeds that a Shareholder obtains from a lapse or disposal of the rights to acquire New Ordinary Shares are "small" compared with the market value of the Existing Ordinary Shares in respect of which the rights arose, then that Shareholder should not be treated as making a disposal for the purposes of UK taxation of chargeable gains. The proceeds should instead be deducted from the acquisition cost of that Shareholder's holding of Existing Ordinary Shares for the purposes of computing any chargeable gain or allowable loss on a subsequent disposal, unless such proceeds are greater than the base cost of the Existing Ordinary Shares in respect of which the rights arose and a valid election is made.

HMRC will normally treat proceeds as "small" if the amount of the proceeds either does not exceed 5% of the market value (at the date of the disposal or lapse) of the Existing Ordinary Shares in respect of which the rights arose or does not exceed £3,000.

(c) *Subsequent disposal of Ordinary Shares (including New Ordinary Shares)*

A disposal or deemed disposal of Ordinary Shares by a Shareholder who is resident in the UK for tax purposes may, depending on the Shareholder's circumstances and subject to any available exemptions and reliefs, give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains.

(i) Individuals

For an individual Shareholder, the principal factors that will determine the UK capital gains tax position on a disposal or deemed disposal of Ordinary Shares are the extent to which the Shareholder realises any other capital gains in the UK tax year in which the disposal is made, the extent to which the Shareholder has incurred capital losses in that or earlier UK tax years, the UK income tax band into which the Shareholder falls, and the level of the annual allowance of tax-free gains in that UK tax year (the **Annual Exemption**). The Annual Exemption for the tax year running 6 April 2024 to 5 April 2025 is £3,000.

The applicable rate for an individual Shareholder who makes a capital gain on the disposal (or deemed disposal) of Ordinary Shares which (after taking advantage of the Annual Exemption and deducting any available capital losses) is liable to UK capital gains tax is 10% or 20%, depending on the individual's personal circumstances, including other taxable income and gains in the relevant year.

A Shareholder who ceases to be resident in the UK for tax purposes and then reacquires UK tax residence before five complete tax years have elapsed and who disposes of Ordinary Shares during that period of non-residence may also be liable on their return to the UK to tax on any capital gain realised, subject to any available exemptions or reliefs.

(ii) Companies

A disposal or deemed disposal of Ordinary Shares by a Shareholder within the charge to UK corporation tax may give rise to a chargeable gain or allowable loss for the purposes of UK corporation tax, depending on the circumstances

and subject to any available exemptions or reliefs. Corporation tax is charged on chargeable gains at the rate applicable to that company.

(iii) Non-resident Shareholders

As set out in more detail below, a non-UK resident Shareholder may be liable to UK tax on chargeable gains in respect of a disposal or deemed disposal of Ordinary Shares, depending on the Shareholder's circumstances (including the availability of any exemption or relief, including exemption under the terms of an applicable double taxation agreement).

In general, persons who are not resident in the UK may be subject to UK tax on chargeable gains arising on a disposal or deemed disposal of shares that derive at least 75% of their value from UK land where the person making the disposal has a "substantial indirect interest" in the UK land. It is expected that the Ordinary Shares will derive at least 75% of their value from UK land for this purpose and, on the assumption that the Company is a REIT at the time of any relevant disposal, all Shareholders will be treated as having a substantial indirect interest in UK land, irrespective of the size of their shareholding.

10.4 ***Stamp duty and stamp duty reserve tax***

(a) *General*

The following statements about UK stamp duty and stamp duty reserve tax (**SDRT**) apply regardless of whether or not a Shareholder is resident, domiciled or deemed domiciled in the United Kingdom.

Certain categories of person, including intermediaries, brokers, dealers and persons connected with depositary receipt arrangements and clearance services, may not be liable to stamp duty or SDRT or may be liable at a higher rate or may, although not primarily liable for tax, be required to notify and account for it under the Stamp Duty Reserve Tax Regulations 1986. This section does not cover the treatment of New Ordinary Shares issued or transferred: (i) to, or to a nominee for, a person whose business is or includes the provision of clearance services; or (ii) to, or to a nominee or agent for, a person whose business is or includes issuing depositary receipts.

(b) *The Rights Issue*

No liability to stamp duty or SDRT will arise on the issue of the New Ordinary Shares or the Provisional Allotment Letters by the Company or on the crediting of Nil Paid Rights or Fully Paid Rights to stock accounts in CREST.

A purchaser of rights to New Ordinary Shares represented by Provisional Allotment Letters (whether nil or fully paid) or of Nil Paid Rights or Fully Paid Rights held in CREST on or before the latest time for registration or renunciation will not generally be liable to pay stamp duty, but the purchaser will normally be liable to pay SDRT at the rate of 0.5% of the value or amount of the consideration given.

Where such a purchase is effected through a stockbroker or other financial intermediary, that person will normally account to HMRC for the SDRT and should indicate that this has been done in any contract note issued to the purchaser. In other cases, the purchaser of the rights to the New Ordinary Shares represented by the Provisional Allotment Letters may be liable to account for the SDRT to HMRC. Any SDRT arising on the transfer of Nil Paid Rights or Fully Paid Rights held in CREST should be collected and accounted for, in accordance with the CREST rules, to HMRC by the operator of CREST.

(c) *Deposit of New Ordinary Shares in CREST*

Deposits of New Ordinary Shares into CREST will generally not be subject to stamp duty or SDRT unless such a transfer is made for a consideration in money or money's worth, in which case a liability to SDRT will arise usually at the rate of 0.5% of the amount of value of the consideration.

(d) *Subsequent transfers within CREST*

Paperless transfers of Ordinary Shares within CREST are generally liable to SDRT, rather than stamp duty, at the rate of 0.5% of the amount of value of the consideration. CREST is obliged to collect SDRT on relevant transactions settled within the system and to account for this to HMRC.

(e) *Subsequent transfers outside CREST*

The conveyance or transfer on sale of Ordinary Shares outside the CREST system will generally be subject to stamp duty on the instrument of transfer at the rate of 0.5% of the amount or value of the consideration given (rounded up to the nearest £5).

An exemption from stamp duty is available on an instrument transferring Ordinary Shares where the amount or

value of the consideration is £1,000 or less, and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000.

An unconditional agreement to transfer Ordinary Shares will normally give rise to a charge to SDRT at the rate of 0.5% of the amount or value of the consideration for the Ordinary Shares. However, where within six years of the date of the agreement (or, if the agreement is conditional, the date on which it becomes unconditional) an instrument of transfer is executed pursuant to the agreement, and stamp duty is paid on that instrument, any SDRT already paid will generally be refunded (generally, but not necessarily, with interest) provided that a claim for payment is made, and any outstanding liability to SDRT will be cancelled.

The purchaser or transferee of the Ordinary Shares will generally be responsible for paying SDRT. In the absence of contractual agreement, no party is legally responsible for the payment of stamp duty as it is not an assessable tax; however, in practice the purchaser or transferee will usually pay this to ensure that the company register of members can be updated by the registrar to show the transfer.

11. U.S. Federal Income Taxation

The following is a summary of certain U.S. federal income tax considerations relevant to U.S. Holders (as defined below) of the receipt, exercise and disposition of Nil Paid Rights, as well as the acquisition, ownership and disposition of Fully Paid Rights and New Ordinary Shares, pursuant to the Rights Issue. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the **Internal Revenue Code**), final, temporary and proposed U.S. Treasury regulations, and administrative and judicial interpretations, all of which are subject to change, possibly with retroactive effect, as well as on the income tax treaty between the United States and the United Kingdom as currently in force (the **Treaty**).

This summary does not discuss all aspects of U.S. federal income taxation that may be relevant to investors in light of their particular circumstances, such as investors subject to special tax rules (including, without limitation: (i) financial institutions; (ii) insurance companies; (iii) dealers in stocks, securities, or currencies or notional principal contracts; (iv) regulated investment companies; (v) real estate investment trusts; (vi) tax-exempt organisations; (vii) partnerships, pass-through entities, or persons that hold Nil Paid Rights, Fully Paid Rights or New Ordinary Shares through pass-through entities; (viii) holders that are not U.S. Holders; (ix) holders that own (directly, indirectly or constructively) 10% or more of the stock of the Company by vote or value; (x) investors that hold Nil Paid Rights, Fully Paid Rights or New Ordinary Shares as part of a straddle, hedge, conversion, constructive sale or other integrated transaction for U.S. federal income tax purposes; (xi) investors that have a functional currency other than the U.S. dollar; and (xii) U.S. expatriates and former long-term residents of the United States), all of whom may be subject to tax rules that differ significantly from those summarised below. This summary does not address tax consequences applicable to holders of equity interests in a holder of the Nil Paid Rights, Fully Paid Rights or New Ordinary Shares, U.S. federal estate, gift or alternative minimum tax or net investment tax considerations, or non-U.S., state or local tax considerations. This summary only addresses U.S. Holders that will receive Nil Paid Rights with respect to Existing Ordinary Shares in the Rights Issue, and it assumes that such U.S. Holders will hold their Nil Paid Rights, Fully Paid Rights and New Ordinary Shares as capital assets within the meaning of Section 1221 of the Internal Revenue Code (generally, property held for investment).

For the purposes of this summary, a **U.S. Holder** is a beneficial owner of Nil Paid Rights, Fully Paid Rights or New Ordinary Shares that is for U.S. federal income tax purposes (i) an individual who is a citizen or resident of the United States, (ii) a corporation created in, or organised under the laws of, the United States or any state thereof, including the District of Columbia, (iii) an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The United States federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Nil Paid Rights, Fully Paid Rights or New Ordinary Shares generally will depend on the status of the partner and the activities of the partnership. Partnerships, or entities or arrangements treated as partnerships for U.S. federal income tax purposes, that hold Nil Paid Rights, Fully Paid Rights or New Ordinary Shares should consult their own tax advisers regarding the specific U.S. federal income tax consequences to their partners from the acquisition, ownership and disposition of Nil Paid Rights, Fully Paid Rights or New Ordinary Shares.

11.1 ***Taxation of Nil Paid Rights***

(a) *Distribution of Nil Paid Rights*

The proper characterisation of the issuance of Nil Paid Rights, and any subsequent sale by the Underwriters of such Nil Paid Rights and the remittance of the proceeds from that sale to certain U.S. Holders whose Nil Paid Rights were sold, is unclear. Under U.S. federal income tax principles, the issuance and sale of such Nil Paid Rights could be treated either as a distribution of property by the Company or as a distribution of Nil Paid Rights by the Company and a subsequent sale of those Nil Paid Rights by the relevant U.S. Holders.

If a distribution of property were considered to be made by the Company, a U.S. Holder would generally be required to include in income as foreign source ordinary dividend income, as described below under "*—Taxation of New Ordinary Shares—Dividends*" below, an amount equal to the fair market value of the Nil Paid Rights on the date of their distribution. In such a case, a U.S. Holder would have a tax basis in the Nil Paid Rights equal to the amount treated as a dividend, and a U.S. Holder's holding period in the Nil Paid Rights would begin on the date the Nil Paid Rights were received.

The Directors believe that the issuance of Nil Paid Rights and any subsequent remittance of proceeds from the sale by the Underwriters of such Nil Paid Rights should not be treated as a distribution of property by the Company such that a U.S. Holder should not be required to include any amount in income for U.S. federal income tax purposes as a result of the issuance of Nil Paid Rights. It is possible that the U.S. Internal Revenue Service (the **IRS**) will take a contrary view. U.S. Holders are urged to consult their tax advisers as to the proper characterisation of the issuance of Nil Paid Rights and any subsequent remittance of proceeds from the sale by the Underwriters of such Nil Paid Rights. The remainder of this discussion assumes that the issuance and sale of Nil Paid Rights and any subsequent remittance of proceeds from the sale by the Underwriters of such Nil Paid Rights will not be a distribution of property for U.S. federal income tax purposes.

If, on the date Nil Paid Rights are issued, the fair market value of the Nil Paid Rights allocable to a U.S. Holder is less than 15% of the fair market value of the Existing Ordinary Shares with respect to which such Nil Paid Rights are issued, the Nil Paid Rights will have a zero basis for U.S. federal income tax purposes unless such U.S. Holder affirmatively elects to allocate basis in proportion to the relative fair market value of such U.S. Holder's Existing Ordinary Shares and the Nil Paid Rights, determined on the date of issuance. This election must be made in the tax return of the U.S. Holder for the taxable year in which the Nil Paid Rights are issued.

If, on the date Nil Paid Rights are issued, the fair market value of the Nil Paid Rights attributable to a U.S. Holder is 15% or greater than the fair market value of the Existing Ordinary Shares with respect to which the Nil Paid Rights are issued, then the basis in such U.S. Holder's Existing Ordinary Shares must be allocated between such Existing Ordinary Shares and the Nil Paid Rights issued in proportion to their fair market values determined on the date the Nil Paid Rights are issued. This general rule will apply with respect to Nil Paid Rights only if the Nil Paid Rights are exercised or sold.

(b) *Sale or Other Disposition of Nil Paid Rights*

Subject to the passive foreign investment company (**PFIC**) rules discussed below, a U.S. Holder will recognise capital gain or loss on the sale or other disposition of Nil Paid Rights (including a sale of Nil Paid Rights by the Underwriters on its behalf) in an amount equal to the difference between such U.S. Holder's adjusted tax basis in the Nil Paid Rights and the U.S. dollar value of the amount realised (as determined for U.S. federal income tax purposes) from the sale or other disposition. Any gain or loss generally will be treated as arising from U.S. sources and will be a long-term capital gain or loss if the holding period for the Nil Paid Rights is more than one year. The holding period of such U.S. Holder in the Nil Paid Rights should include its holding period in the Existing Ordinary Shares with respect to which the Nil Paid Rights were distributed.

For the U.S. federal income taxation of an amount realised in non-U.S. currency from a sale or other disposition, refer to the discussion below under "*—Taxation of New Ordinary Shares—Sale or other Disposition of New Ordinary Shares*" below.

(c) *Exercise of Nil Paid Rights and Receipt of Fully Paid Rights*

A U.S. Holder who is permitted to receive Nil Paid Rights will not ordinarily recognise taxable income upon the receipt of Fully Paid Rights pursuant to the exercise of Nil Paid Rights. Such a U.S. Holder will have a tax basis in the Fully Paid Rights equal to the sum of such U.S. Holder's tax basis in the Nil Paid Rights exercised to obtain the Fully Paid Rights and the U.S. dollar value of the Rights Issue Price on the exercise date. Such a U.S. Holder's holding period in the Fully Paid Rights received generally will begin on the date the Nil Paid Rights are exercised.

(d) *Expiration of Nil Paid Rights*

If a U.S. Holder who is permitted to receive Nil Paid Rights allows Nil Paid Rights to expire without selling or exercising them and such U.S. Holder does not receive any proceeds from the sale of Nil Paid Rights by the Underwriters, such U.S. Holder should not recognise any loss upon the expiration of the Nil Paid Rights and any tax basis from Existing Ordinary Shares that was allocated to the Nil Paid Rights will be reallocated back to such Existing Ordinary Shares.

11.2 ***Taxation of Fully Paid Rights***

(a) *Exercise of Fully Paid Rights*

A U.S. Holder will not ordinarily recognise taxable income upon the receipt of New Ordinary Shares pursuant to the exercise of Fully Paid Rights. A U.S. Holder will have a tax basis in the New Ordinary Shares equal to such U.S. Holder's tax basis in the Fully Paid Rights and a holding period starting on the date the Nil Paid Rights were exercised.

(b) *Sale or Other Disposition of Fully Paid Rights*

Subject to the PFIC rules discussed below, a U.S. Holder will recognise capital gain or loss on the sale, exchange or other disposition of Fully Paid Rights in an amount equal to the difference between such U.S. Holder's adjusted tax basis in the Fully Paid Rights and the U.S. dollar value of the amount realised (as determined for U.S. federal income tax purposes) from the sale, exchange or other disposition. Any gain or loss generally will be treated as arising from U.S. sources, and will be long-term capital gain or loss if the U.S. Holder's holding period in the Fully Paid Rights exceeds one year.

For the U.S. federal income taxation of an amount realised in non-U.S. currency from a sale, exchange or other disposition, refer to the discussion below under "*—Taxation of New Ordinary Shares—Sale or other Disposition of New Ordinary Shares*" below.

11.3 ***Taxation of New Ordinary Shares***

(a) *Dividends*

Subject to the PFIC rules discussed below, a distribution made by the Company on the New Ordinary Shares (including amounts withheld in respect of non-U.S. income tax, if any) generally will be treated as a dividend includible in the gross income of a U.S. Holder as ordinary income to the extent of the Company's current and accumulated earnings and profits as determined for U.S. federal income tax purposes. The Company does not expect to maintain calculations of earnings and profits for U.S. federal income tax purposes. Therefore, a U.S. Holder should expect that such distribution will generally be treated as a dividend. Such dividends will not be eligible for the dividends received deduction allowed to corporations.

"Qualified dividend income" received by individuals and certain other non-corporate U.S. Holders will be subject to preferential rates. Dividends will be treated as "qualified dividend income" if (i) the Company is a "qualified foreign corporation" (as defined below) and (ii) such dividend is paid on New Ordinary Shares that have been held by such U.S. Holder for at least 61 days during the 121-day period beginning 60 days before the ex-dividend date. The Company generally will be a "qualified foreign corporation" if (1) it is either (a) eligible for the benefits of the Treaty, or (b) if the stock with respect to which such dividend is paid is readily tradable on an established securities market in the United States, and (2) it is not a PFIC in the taxable year of the distribution or the immediately preceding taxable year. The Company has not determined whether it will be eligible for the benefits of the Treaty, nor has it (as discussed below) determined its PFIC status.

Dividends on the New Ordinary Shares generally will constitute income from sources outside the United States for foreign tax credit limitation purposes. The amount of any distribution of property other than cash will be the fair market value of the property on the date of the distribution.

The U.S. dollar value of any distribution made by the Company in currency other than U.S. dollars (a **foreign currency**) must be calculated by reference to the exchange rate in effect on the date of receipt of such distribution by the U.S. Holder, regardless of whether the foreign currency is in fact converted into U.S. dollars. If the foreign currency so received is converted into U.S. dollars on the date of receipt, such U.S. Holder generally will not recognise foreign currency gain or loss on such conversion. If the foreign currency so received is not converted into U.S. dollars on the date of receipt, such U.S. Holder will have a basis in the foreign currency equal to its U.S. dollar value on the date of receipt. Any gain on a subsequent conversion or other disposition of the foreign currency generally will be treated as ordinary income or loss to such U.S. Holder and generally will be income or loss from sources within the United States for foreign tax credit limitation purposes. The rules governing foreign tax credits

are complex, and U.S. Holders should consult their tax advisers regarding the creditability of foreign taxes in their particular circumstances.

(b) *Sale or other Disposition of New Ordinary Shares*

Subject to the PFIC rules discussed below, a U.S. Holder generally will recognise gain or loss for U.S. federal income tax purposes upon a sale or other disposition of its New Ordinary Shares in an amount equal to the difference between the amount realised from such sale or disposition and the U.S. Holder's adjusted tax basis in such New Ordinary Shares, as determined in U.S. dollars. Such gain or loss generally will be capital gain or loss and will be long-term capital gain (taxable at a reduced rate for non-corporate U.S. Holders, such as individuals) or loss if, on the date of sale or disposition, such New Ordinary Shares were held by such U.S. Holder for more than one year. The deductibility of capital loss is subject to significant limitations. Such gain or loss realised generally will be treated as derived from U.S. sources.

A U.S. Holder that receives foreign currency from a sale or disposition of New Ordinary Shares generally will realise an amount equal to the U.S. dollar value of the foreign currency on the date of sale or disposition or, if such U.S. Holder is a cash basis or electing accrual basis taxpayer and the New Ordinary Shares are treated as being traded on an "established securities market" for this purpose, the settlement date. If the New Ordinary Shares are so treated and the foreign currency received is converted into U.S. dollars on the settlement date, a cash basis or electing accrual basis U.S. Holder will not recognise foreign currency gain or loss on the conversion. If the foreign currency received is not converted into U.S. dollars on the settlement date, the U.S. Holder will have a basis in the foreign currency equal to the U.S. dollar value on the settlement date. Any gain or loss on a subsequent conversion or other disposition of the foreign currency generally will be treated as ordinary income or loss to such U.S. Holder and generally will be income or loss from sources within the United States for foreign tax credit limitation purposes. The rules governing foreign tax credits are complex, and U.S. Holders should consult their tax advisers regarding the creditability of foreign taxes in their particular circumstances.

(c) *Passive Foreign Investment Company Rules*

In general, a corporation organised or incorporated outside the United States is a PFIC in any taxable year in which, after taking into account the income and assets of certain subsidiaries, either (i) at least 75% of its gross income is classified as "passive income" or (ii) at least 50% of the average quarterly value attributable to its assets produce or are held for the production of passive income. Passive income for this purpose generally includes dividends, interest, royalties, rents and gains from commodities and securities transactions.

The Company has not determined whether it was treated as a PFIC in any past taxable years or will be treated as a PFIC in the current or subsequent taxable years. PFIC status is factual in nature, generally cannot be determined until the close of the taxable year in question, and is determined annually. If the Company is or was a PFIC in any year that a U.S. Holder is a shareholder, the Company generally will continue to be treated as a PFIC for that U.S. Holder in all succeeding years, regardless of whether the Company continues to meet the income or asset test described above. If the Company were a PFIC in any taxable year that a U.S. holder is a shareholder, materially adverse U.S. federal income tax consequences could result for the U.S. Holders. If the Company is not a PFIC, the general tax treatment for dividends and capital gains described above should control.

If a U.S. Holder does not validly make one of the elections discussed below, for any taxable year during which the Company is a PFIC, the U.S. Holder will be subject to special tax rules with respect to any "excess distribution" received (including return of capital distributions) and any gain realised from a sale or other disposition of New Ordinary Shares. Distributions received in a taxable year that are greater than 125% of the average annual distributions received during the shorter of the three preceding taxable years or the U.S. Holder's holding period for the New Ordinary Shares will be treated as excess distributions. Under these special tax rules: (a) the excess distribution or gain will be allocated rateably over the U.S. Holder's holding period for the New Ordinary Shares; (b) the amount allocated to the current taxable year and to any year before the Company became a PFIC will be treated as ordinary income; and (c) the amount allocated to each other year will be subject to tax at the highest tax rate in effect for that year and an interest charge (at the rate generally applicable to underpayments of tax for the period from such year to the current year) will be imposed on the resulting tax attributable to each such year.

(d) *Mark-To-Market Election*

In lieu of being subject to the PFIC rules discussed above, a U.S. Holder may make an election to include any gain or loss on the New Ordinary Shares as ordinary income or loss under a mark-to- market method, provided that the New Ordinary Shares are regularly traded on a qualified exchange. Application has been made for the New Ordinary Shares to be admitted to the London Stock Exchange's main market for listed securities, which the Company expects to be a qualified exchange. However, no assurances can be given that the New Ordinary Shares will be regularly traded for purposes of the mark-to-market election.

If a U.S. Holder makes an effective mark-to-market election, the U.S. Holder will include in each year as ordinary income the excess of the fair market value of its New Ordinary Shares at the end of the year over its adjusted tax basis in the New Ordinary Shares. The U.S. Holder will be entitled to deduct as an ordinary loss each year the excess of its adjusted tax basis in the New Ordinary Shares over their fair market value at the end of the year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. A U.S. Holder's adjusted tax basis in the New Ordinary Shares will be increased by the amount of any income inclusion and decreased by the amount of any deductions under the mark-to-market rules. In addition, gains from an actual sale or other disposition of New Ordinary Shares will be treated as ordinary income, and any losses will be treated as ordinary losses to the extent of any net mark-to-market gains for prior years.

If a U.S. Holder makes a mark-to-market election, it will be effective for the taxable year for which the election is made and all subsequent taxable years unless the New Ordinary Shares are no longer regularly traded on a qualified exchange or the IRS consents to the revocation of the election.

(e) *Qualified Electing Fund Election*

In addition to the mark-to-market election, a U.S. Holder will be subject to different rules from those described above if the U.S. Holder makes an election to treat the Company as a qualified electing fund (QEF) for U.S. federal income tax purposes. To make a QEF election, the Company must provide U.S. Holders with certain information compiled according to U.S. federal income tax principles. The Company is not required to, and currently does not intend to, compile such information for U.S. Holders, and therefore it is expected that this election will be unavailable.

(f) *Specified Foreign Financial Asset Reporting*

Certain U.S. Holders that own certain foreign financial assets with an aggregate value in excess of $50,000 at the end of the taxable year or $75,000 at any time during the taxable year (or, for certain individuals living outside the United States and married individuals filing joint returns, certain higher thresholds) may be required to file an information report with respect to such assets with their tax returns. The Nil Paid Rights, Fully Paid Rights or New Ordinary Shares are expected to constitute foreign financial assets subject to these requirements unless the Nil Paid Rights, Fully Paid Rights or New Ordinary Shares are held in an account at a financial institution (in which case the amount may be reportable if maintained by a non-U.S. financial institution).

U.S. Holders should consult with tax advisers regarding the application of the rules relating to foreign financial asset reporting.

(g) *U.S. Information Reporting; Backup Withholding Tax*

Payments to a U.S. Holder may be subject to information reporting unless it is established that payments to it are exempt from these rules. Payments that are subject to information reporting may be subject to backup withholding if a U.S. Holder does not provide its taxpayer identification number or certification of exempt status and otherwise comply with the backup withholding rules. Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules are available to be credited against a U.S. Holder's U.S. federal income tax liability and may be refunded to the extent they exceed such liability, provided the required information is timely provided to the IRS.

Under U.S. federal income tax law and regulations, certain categories of U.S. persons must file information returns with respect to their investment in the equity interests of a foreign corporation. A U.S. person that purchases for cash New Ordinary Shares will be required to file IRS Form 926 or similar form if the transfer, when aggregated with all transfers made by such person (or any related person) within the preceding 12 month period, exceeds $100,000. In the event a U.S. Holder fails to file any such required form, the U.S. Holder could be required to pay a penalty equal to 10% of the gross amount paid for such New Ordinary Shares up to a maximum penalty of $100,000.

U.S. Holders should note that the discussion above in paragraph 10 of this Part XX is also relevant. See in particular paragraph 10.4 of this Part XX relating to stamp duty and stamp duty reserve tax.

12. Litigation and Arbitration

During the 12 months preceding the date of this document, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Company or the Group.

13. Related Party Transactions

Financial information relating to related party transactions for each of the years ended 31 March 2024, 31 March

2023 and 31 March 2022 is set out:

(a) in note 5, 11 and 26 in the notes to the 2024 Financial Statements on page 157, 167 and 177 respectively of the 2024 Annual Report;

(b) in notes 4, 9 and 25 in the notes to the 2023 Financial Statements on page 161, 170 and 177 respectively of the 2023 Annual Report; and

(c) in notes 4, 10 and 24 in the notes to the 2022 Financial Statements on page 146, 156 and 162 respectively of the 2022 Annual Report.

each of which are incorporated by reference into this Prospectus.

The Group has entered into the following related party transactions between 31 March 2024 and the Latest Practicable Date.

	£ million
Wages and salaries	0.6
Share-based payments	-
Social security costs	0.1
Other pension costs	0.1
	0.8

14. Regulatory Disclosures

Below is a summary of the information disclosed in accordance with the Company's obligations under MAR since June 2023 which is relevant as at the date of this Prospectus.

(a) On 16 June 2023, the Company announced that Karen Green would join the Board as a Non-Executive Director with effect from 1 December 2023. It was further noted that Karen Green would also be a member of the Audit, Remuneration and Nomination Committees.

(b) On 6 July 2023, the Company published a quarterly trading update for the quarter to 30 June 2023. The Company reported strong operating performance with £6.4 million of new leasing deals at rents 17% higher than the March 2023 ERV and a low investment void rate of 3.6%. The Company also announced two acquisitions for £53.0 million in Soho and Bermondsey Street, and a resolution to grant planning permission for the redevelopment of Minerva House, SE1.

(c) On 6 July 2023, the Company announced the results of voting on the resolutions at its 2023 Annual General Meeting held on the same day. All resolutions were passed by the required majorities.

(d) On 10 July 2023, the Company announced that it had completed the leasing at The Hickman, E1, after letting the remaining office space to digital transformation company TPXimpact. The Company also reported recent lettings to New Look and Goodlord, who joined Runway East and Four as occupiers of the refurbished office building. The Hickman was named the world's first SmartScore 'Platinum' rated building in 2021.

(e) On 19 July 2023, the Company announced that it had exchanged an option with The Crown Estate which could be used to secure a new headlease and development agreement for the redevelopment of French Railways House & 50 Jermyn Street, SW1. The Company stated that the redevelopment would provide 66,800 Sq. ft. of Grade A offices and two retail/restaurant units in the historic St James's district, with a strong focus on sustainability and circular economy principles.

(f) On 18 August 2023, the Company announced the acquisition of King Sloane Properties Limited, which owns the freehold interests at 16/19 Soho Square, 29/43 Oxford Street and 7 Falconberg Mews, W1, from Belgravia & Chelsea Property Services Limited for £70 million, subject to further balance sheet adjustments. The site benefits from planning consent to demolish the existing buildings and deliver approximately 90,000 Sq. ft of new Grade A office and prime retail space. The Company plans to redevelop this strategic West End freehold site into a best-in-class headquarters building with excellent sustainability credentials.

(g) On 3 October 2023, the Company announced that it had signed its unsecured 2023 Term Loan Facility with three existing relationship banks at a headline margin of 175 basis points over SONIA. The loan has an initial three-year term which may be extended to a maximum of five years at the Company's request, subject to bank consent. The Company also capped its interest rate exposure and as a result of the loan, has cash and undrawn credit facilities in excess of £470 million. The Company linked the loan to ESG-related KPIs in line with its existing £450 million ESG-linked RCF. The loan will support the Group's strategic priorities, including its near-term development programme and its private placement debt maturity in May 2024.

(h) On 5 October 2023, the Company published a business update for the six months to 30 September 2023. The Company reported strong leasing performance with 37 new leases and renewals signed at rents 13.4% ahead of March 2023 ERV and a further £6.2 million of rent under offer. The Company also announced the commitment to the redevelopment of French Railways House, W1, the planning permission for the redevelopment of Minerva House, SE1, and the acquisition of the Soho Square Estate, W1, for £70 million. The Company also signed a new £250 million unsecured 2023 Term Loan Facility, increasing its liquidity to over £470 million.

(i) On 1 November 2023, the Company announced several senior operational team role changes to enhance its Customer First approach and grow its Flex workspace offer. The changes included the expansion of Rebecca Bradley's role as Director of Customer Experience & Relationships, the creation of new roles for Simon Rowley as Director of Flex Workspaces and Jordan McLean as Director of IT, Innovation & Digital Transformation, and the expansion of Helen Hare's role as Director of Projects. The Company also announced the departure of three senior directors.

(j) On 16 November 2023, the Company announced its results for the six months ended 30 September 2023, highlighting strong leasing performance, upgraded rental growth guidance, £122.9 million of acquisitions of investment property assets, commitment to French Railways House & 50 Jermyn Street, SW1 development, and significant liquidity. The Company reported a 10.3% valuation decline driven by yield expansion, with ERVs up 1.8%, and an IFRS and EPRA NTA per share of 650 pence. The Company maintained its interim dividend at 4.7 pence.

(k) On 23 January 2024, the Company published a business update for the quarter to 31 December 2023. The Company reported strong leasing performance with £5.0 million of new leasing deals and renewals in the quarter and £16.1 million year to date, 10.4% ahead of March 2023 ERV. The Company also announced good progress at its two committed HQ developments at 2 Aldermanbury Square, EC2 and French Railways House & 50 Jermyn Street, SW1, and that preparation was underway for two near-term HQ schemes at Minerva House, SE1 and Soho Square Estate, W1, all expected to deliver healthy returns. The Company also committed to further Flex expansion at 141 Wardour Street, W1.

15. Working Capital

The Company is of the opinion that, taking into account the net proceeds of the Rights Issue and the facilities available to the Group, the working capital available to the Group is sufficient for its present requirements, that is, for at least the next 12 months from the date of publication of this Prospectus.

16. No Significant Change

There has been no significant change in the financial position or financial performance of the Group since 31 March 2024, being the date to which the latest audited annual financial information of the Group has been published, to the date of publication of this document.

17. Mandatory Bids and Compulsory Acquisition

The City Code applies to the Company. Rule 9 of the City Code requires a person to make a mandatory cash offer to all shareholders and holders of voting securities of a company in the following situations: (i) that person has acquired an interest in shares that gives them 30% or more of the voting rights of the company (taken together with any shares in which any person acting in concert with them is interested); or (ii) that person (and any person acting in concert with them) already has an interest in shares that gives them between 30% and 50% of the voting rights of the company, and they (or any person acting in concert with them) then increase their interest in any other shares which increases the percentage of shares carrying voting rights in which they are interested.

The cash offer must be at the highest price that person (or anyone acting in concert with them) has paid for any shares in the company in the previous 12 months. The offer must cover all classes of equity shares, whether voting or non-voting, and any other transferable securities with voting rights.

Under Sections 974 to 991 of the Companies Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90% of the shares in the Company (in value and by voting rights) to which such offer relates, it may then compulsorily acquire the outstanding shares not assented to the offer. The offeror would do so by sending a notice to outstanding holders of shares telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for the outstanding holders of shares. The consideration offered to the holders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

In addition, pursuant to Section 983 of the Companies Act, if an offeror acquires or agrees to acquire not less than 90% of the shares in the Company (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire their shares on the same terms as the takeover offer. The offeror would be required to give any holder of shares notice of their right to be bought out within one month of that right arising. These sell-out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of shares notifying them of their sell-out rights. If a holder of shares exercises their rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

18. Valuation Report

18.1 The property valuations in the Condensed Valuation Report, as set out in Part XVIII: "*Condensed Valuation Report*" of this document, are as at 31 March 2024.

18.2 There has been no material change to the value of the properties outlined in the Condensed Valuation Report since 31 March 2024.

19. Independent Auditors

19.1 PricewaterhouseCoopers LLP (PwC), whose registered address is 7 More London Riverside, London SE1 2RT, United Kingdom, were appointed as independent auditors of the Company on 6 July 2023.

19.2 PricewaterhouseCoopers LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

19.3 Deloitte LLP (Deloitte), whose registered address is Deloitte LLP, 1 New Street Square, London EC4A 3HQ, United Kingdom, were the independent auditors of the Company from appointment by shareholders on 15 July 2003 to 31 March 2023.

19.4 Deloitte LLP is registered to carry out audit work in the United Kingdom by the Institute of Chartered Accountants in England and Wales.

20. Consents

20.1 PricewaterhouseCoopers LLP has given and has not withdrawn its written consent to the inclusion in this Prospectus of its report set out in Part B of Part XVII: "*Unaudited Pro Forma Financial Information of the Group*" of this document and has authorised the contents of the part of this Prospectus which comprises its report for the purpose of paragraph 5.3.2R(2)(f) of the Prospectus Regulation Rules. A written consent under the Prospectus Regulation Rules is different from a consent filed with the SEC under Section 7 of the U.S. Securities Act. As the Ordinary Shares have not been and will not be registered under the U.S. Securities Act, PricewaterhouseCoopers LLP has not filed and will not be required to file a consent under Section 7 of the U.S. Securities Act.

20.2 CBRE Limited has given and has not withdrawn its written consent to the inclusion in this Prospectus of the Condensed Valuation Report set out in Part XVIII: "*Condensed Valuation Report*" of this document and has authorised the contents of those parts of this Prospectus which comprise its report for the purpose of paragraph 5.3.2R(2)(f) of the Prospectus Regulation Rules.

20.3 Each of BofA Securities, Deutsche Numis, JP Morgan, Santander and Lazard has given and not withdrawn its consent to the inclusion in this Prospectus of its name in the form and context in which it appears.

21. General

21.1 The total commissions, fees and expenses related to the Rights Issue payable by the Company are estimated to be approximately £14 million (exclusive of VAT), which the Company intends to pay with existing resources.

21.2 The financial information contained in this document which relates to the Company does not constitute full statutory accounts as referred to in Section 434 of the Companies Act.

21.3 The Company has taken out 'directors' and officers' insurance' in respect of the Directors on the terms which the Directors consider to be appropriate in the context of the business of the Group. Each of the Directors will have the benefit of a qualifying third-party indemnity (the terms of which are in accordance with the Companies Act).

21.4 One or more of the Underwriters and their affiliates have engaged in transactions with the Company

(including, in some cases, credit agreements and credit lines) in the ordinary course of its banking business and one or more of the Underwriters have performed various investment banking, financial advisory and other services for the Company, for which it received customer fees, and the Underwriters and their affiliates may provide such services in the future. Each of the Underwriters and their respective affiliates may, from time to time, engage in further transactions with, and perform services for, the Company and the Group or in the ordinary course of their businesses.

22. Documents Available for Inspection

Copies of the following documents are available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for a period of 12 months from the date of Admission at the offices of Allen Overy Shearman Sterling LLP, One Bishops Square, London E1 6AD, United Kingdom and at the Company's office at 33 Cavendish Square, London, W1G 0PW and on the Company's website, www.gpe.co.uk:

(a) the Articles;

(b) the consent letters referred to in paragraph 20 of this Part XX;

(c) the consolidated financial information relating to the Group as at and for the year ended 31 March 2024 and the relevant auditor's report thereon by PwC incorporated by reference in this document;

(d) the consolidated financial information relating to the Group as at and for each of the years ended 31 March 2023 and 31 March 2022, and the relevant auditor's report thereon by Deloitte incorporated by reference in this document;

(e) the unaudited pro forma financial information and the report thereon by PwC set out in Part XVII: "*Unaudited Pro Forma Financial Information of the Group*" of this document;

(f) the Valuation Report; and

(g) this document.

Dated 24 May 2024

Part XXI. Definitions

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

Admission	admission of the New Ordinary Shares, nil paid or fully paid as the case may be, to the Official List and to trading on the main market for listed securities of the London Stock Exchange becoming effective in accordance with paragraph 3.2.7G of the Listing Rules and paragraph 2.1 of the Admission and Disclosure Standards published by the London Stock Exchange
Annual Exemption	the level of the annual allowance of tax-free gains in that UK tax year
APM	alternative performance measure
applicant	person lodging the Provisional Allotment Letter with payment
Articles	the articles of association of the Company
Board	the board of directors of the Company from time to time
Bonds	the Company's debenture stock due January 2029
Bond Conditions	terms and conditions of the Bonds
BofA Securities	Merrill Lynch International
Business Day	a day (other than Saturday, Sunday or a public holiday) on which banks are generally open for business in the City of London for the transaction of normal banking business
Canadian Investor Representation Letter	the letter to be signed and returned by Qualifying Shareholders located or resident in Canada who wish to receive Nil Paid Rights from the Company in the Rights Issue, the form of which is included in the Canadian Wrapper
Canadian Offering Memorandum	this document and the Canadian Wrapper
Canadian Wrapper	a Canadian-specific supplement attached at the front of this document when distributed to persons located or resident in Canada
CCSS	the CREST Courier and Sorting Service
Certificated or Certificated Form	a share or other security which is not in uncertificated form (that is, not in CREST)
Chairman	Richard Mully
Chief Executive	Toby Courtauld
City Code	the City Code on Takeovers and Mergers
Cashless Take up	the sale of such number of Nil Paid Rights as will generate sufficient sale proceeds to enable the direct or indirect holder thereof to take up all of the remaining Nil Paid Rights (or entitlement thereto)
Closing Price	the closing middle-market price of a relevant share as derived from the London Stock Exchange's Daily Official List on any particular day
Companies Act	the Companies Act 2006, as amended
Company	Great Portland Estates plc
Consolidated	the 2024 Financial Statements, the 2023 Financial Statements and the 2022 Financial

Financial Statements	Statements
CREST	the electronic transfer and settlement system for the paperless settlement of trades in listed securities operated by Euroclear
CREST Deposit Form	the CREST deposit form set out in the Provisional Allotment Letter
CREST Manual	the CREST manual consisting of: the CREST reference manual; CREST international manual; CREST central counterparty service manual; the CREST rules; CCSS operations manual and CREST glossary of terms, available at https://www.euroclear.com
CREST Member	a person who has been admitted to 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 Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 01/378)
CREST Sponsor	a CREST Participant admitted to CREST as a CREST sponsor
CRREM	the Carbon Risk Real Estate Monitor tool
Member	a CREST Member admitted to CREST as a sponsored member
Dealing Day	a day on which dealings in domestic equity market securities may take place on London Stock Exchange's main market for listed securities
Deloitte	Deloitte LLP
Deutsche Numis	Numis Securities Limited (trading as Deutsche Numis)
Directors	the Executive Directors, Independent Non-Executive Directors and Chairman of Great Portland Estates plc
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules made by the FCA under Part VI of the FSMA
EPC	Energy Performance Certificate
EPRA	European Public Real Estate Association
Equiniti	Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom
Equiniti Financial Services Limited	Equiniti Financial Services Limited, a private company registered in England and Wales with registered number 06208699 whose registered office is Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom, being the FCA authorised and regulated entity that provides and manages the Special Dealing Service
ERISA	the United States Employee Retirement Income Security Act of 1974, as amended
ERV	Estimated Rental Value
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of the European Union of 14 June 2017
Euroclear	Euroclear UK and International Limited, the operator (as defined in the CREST Regulations) of CREST

European Economic Area or EEA	the European Union, Iceland, Norway and Liechtenstein
European Union or EU	an economic and political union of 27 member states which are located primarily in Europe
EUWA	European Union (Withdrawal) Act 2018
Exchange Act	the U.S. Securities Exchange Act of 1934, as amended
Excluded Territories	The United States, Canada, South Africa, Japan and any other jurisdiction where the extension and/or availability of the Rights Issue (and any other transactions contemplated in relation to it) would breach any applicable laws or regulations if not conducted in accordance with the legal restrictions and requirements of that jurisdiction, and Excluded Territory shall mean any of them
Executive Directors	Toby Courtauld, Nick Sanderson and Dan Nicholson
Existing Ordinary Shares	the ordinary shares of 15 5/19 pence each in the capital of the Company at the Record Date
Ex-Rights Date	the date that the Existing Ordinary Shares will be marked "ex-rights" by the London Stock Exchange, expected to be 8.00 a.m. on 28 May 2024
FCA	the UK Financial Conduct Authority
FSMA	the UK Financial Services and Markets Act 2000, as amended
Fully Paid Rights	rights to subscribe for New Ordinary Shares, fully paid
GDPR	the General Data Protection Regulation (Regulation (EU) 2016/679)
GHS	GHS Limited Partnership
Group	Great Portland Estates plc together with its subsidiaries
GRP	Great Ropemaker Partnership
GVP	Great Victoria Partnership
HMRC	HM Revenue and Customs
IASB	the International Accounting Standards Board
ICT	information and communications technology
IFRS	United Kingdom adopted international accounting standards
Internal Revenue Code	the United States Internal Revenue Code of 1986, as amended
Independent Non-Executive Directors	Mark Anderson, Karen Green, Nick Hampton, Vicky Jarman, Champa Magesh and Emma Woods
IRS	the Internal Revenue Service
Joint Global Coordinators	BofA Securities, Deutsche Numis and JP Morgan
JP Morgan	J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove)

KPI	key performance indicator
Latest Practicable Date	22 May 2024 (being the latest practicable date prior to publication of this document)
LTIP	Long Term Incentive Plan
Listing Rules	the listing rules of the FCA made under section 74(4) of the FSMA
London Stock Exchange	London Stock Exchange plc
Market Abuse Regulation	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse
Member State	member state of the EU
Money Laundering Regulations	Money Laundering Regulations 2007
MTM Instruction	a Many-To-Many instruction
NPS	Net Promoter Score
NTA	Net Tangible Assets
New Ordinary Shares	the 152,320,747 new Ordinary Shares to be issued pursuant to the Rights Issue
Nil Paid Rights	rights to subscribe for New Ordinary Shares, nil paid
Nil Rate Band	A nil rate of income tax that applies for the first £1,000 of dividend income received by an individual Shareholder in the tax year running 6 April 2023 to 5 April 2024, reducing to the first £500 of dividend income received in the tax year running 6 April 2024 to 5 April 2025
Official List	the Official List maintained by the FCA
Online Application	the personalised website where an application can be made by Qualifying Non-CREST Shareholders using login details provided in the Provisional Allotment Letter or Share Service Form of Instruction
Onshored CRR	Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (as amended from time to time)
Onshored MAR	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and any implementing legislation as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (as amended from time to time)
Onshored MiFID	the Markets in Financial Instruments Directive II (Directive 2014/65/EU) and the Markets in Financial Instruments Regulation (Regulation 600/2014), as amended, and any implementing legislation as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (as amended from time to time)
Ordinary Shares	ordinary shares of 15 5⁄19 pence each in the capital of the Company
Original Issue	the £100,000,000 5.625% first mortgage debenture stock due 31 January 2029 issued by the Company on 26 January 1999
Overseas Shareholders	Shareholders with registered addresses outside the United Kingdom or who are citizens or residents of countries outside the United Kingdom

PCAOB Standards	the standards of the Public Company Accounting Oversight Board
PDMR	person discharging managerial responsibilities within the meaning of Section 96B(1) of the FSMA
Permitted U.S. Shareholder	those Qualifying Shareholders whom the Company determines, in its sole discretion, are able, based on such procedures and certifications as it deems appropriate, to participate in the Rights Issue pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act
PFIC	passive foreign investment company
PID	property income distribution
pounds sterling or £	the lawful currency of the United Kingdom of Great Britain and Northern Ireland
PRA	UK Prudential Regulation Authority
PR Regulation	Commission Delegated Regulation (EU) 2019/980 supplementing the Prospectus Regulation as regards the format, content, scrutiny, and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 as it forms part of retained EU law as defined by the European Union (Withdrawal) Act 2018
Prospectus Regulation Rules	the prospectus regulation rules of the FCA made under Section 73A of the FSMA
Provisional Allotment Letter	the provisional allotment letter to be issued to Qualifying Non-CREST Shareholders (other than certain Overseas Shareholders)
PwC	PricewaterhouseCoopers LLP
QIB	"qualified institutional buyer" as defined under Rule 144A
Qualifying CREST Shareholders	Qualifying Shareholders holding Ordinary Shares in uncertificated form on the Record Date
Qualifying Non-CREST Shareholders	Qualifying Shareholders holding Ordinary Shares in certificated form on the Record Date
Qualifying Shareholders	holders of Ordinary Shares on the register of members of the Company at the Record Date
RCF	the Group's £450,000,000 syndicated revolving credit facility
Record Date	6.00 p.m. on 22 May 2024
Register	the Company's register of members
Registrar or Receiving Agent	Equiniti Limited
Regulation S	Regulation S under the U.S. Securities Act
Regulations	regulation, legislation and other mandatory requirements issued by authorities within the United Kingdom, the European Union and other relevant jurisdictions to which the Group's operations are subject
Regulatory Information Service	one of the regulatory information services authorised by the Financial Conduct Authority to receive, process and disseminate regulatory information from listed companies

REIT	real estate investment trust
Remuneration Policy	the revised Directors' remuneration policy approved at the 2023 Annual General Meeting
Relevant Member State	each Member State of the European Economic Area that has implemented the Prospectus Regulation
Relevant Situation	a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company but which does not arise in relation to a transaction or arrangement with the Company
Resolutions	Resolutions 16 and 18 as passed at the 2023 Annual General Meeting
RICS	Royal Institution of Chartered Surveyors
Rights Issue	the offer by way of a rights issue to Qualifying Shareholders to subscribe for New Ordinary Shares on the terms and conditions set out in this document and, in the case of Qualifying Non-CREST Shareholders, the Provisional Allotment Letter
Rights Issue Price	230 pence per New Ordinary Share
Rule 144A	Rule 144A under the U.S. Securities Act
Santander	Banco Santander, S.A.
SDRT	stamp duty reserve tax
SEC	the U.S. Securities and Exchange Commission
Section 903 notice	a notice requiring any of the information mentioned in Section 793 of the Companies Act
Securities	the New Ordinary Shares, the Nil Paid Rights, the Fully Paid Rights and the Provisional Allotment Letters
Shareholders	holders of Ordinary Shares
Share Plans	the GPE Long Term Incentive Plan, the GPE Deferred Share Bonus Plan, the GPE 2010 Share Incentive Plan and the GPE Restricted Share Plan.
Special Dealing Service	the dealing service being made available by Equiniti Financial Services Limited to Qualifying Non-CREST Shareholders who are private individuals with a registered address in the United Kingdom, Jersey, Guernsey or Isle of Man who wish to sell all of their Nil Paid Rights or to effect a Cashless Take-up
Special Dealing Service Terms and Conditions	the terms and conditions of the Special Dealing Service
Treaty	the income tax treaty between the United States and the United Kingdom as currently in force
Trust Deed	the trust deed entered into between the Company as issuer, Royal Exchange Trust Company Limited as trustee and the original charging companies named therein and dated 26 January 1999 securing the Bonds
2020 Private Placement Notes	the Group's private placement notes issued pursuant to a Note Purchase Agreement dated 11 September 2020
2018 Private Placement Notes	the Group's private placement notes issued pursuant to a Note Purchase Agreement dated 13 March 2018

2017 Private Placement Notes	the Group's private placement notes issued pursuant to a Note Purchase Agreement dated 28 March 2017
2022 Annual Report	the Group's annual report and financial statements as at and for the year ended 31 March 2022
2022 Financial Statements	the Group's audited consolidated financial statements as at and for the year ended 31 March 2022 as reported in the 2022 Annual Report
2023 Annual General Meeting	the Annual General Meeting of the Company held on 6 July 2023
2023 Annual Report	the Group's annual report and financial statements as at and for the year ended 31 March 2023
2023 Financial Statements	the Group's audited consolidated financial statements as at and for the year ended 31 March 2023 as reported in the 2023 Annual Report
2023 Term Loan Facility	the £250,000,000 syndicated term loan facility entered into on 29 September 2023
2024 Annual Report	the Group's annual report and financial statements as at and for the year ended 31 March 2024
2024 Financial Statements	the Group's audited consolidated financial statements as at and for the year ended 31 March 2024 as reported in the 2024 Annual Report
2024 Short Term Facility	the £200,000,000 syndicated bridge loan facility entered into on 25 January 2024
UK Corporate Governance Code	the UK Corporate Governance Code dated July 2018 issued by the Financial Reporting Council
UK Market Abuse Regulation	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, which is part of UK law by virtue of the EUWA
UK MiFIR Product Governance Requirements	the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook
UK Prospectus Regulation	the UK version of Regulation (EU) 2017/1129, which is part of UK law by virtue of the EUWA
Unaudited Pro Forma Financial Information	The unaudited pro forma statement of net assets
uncertificated or uncertificated form	a share or other security recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
Underwriters	BofA Securities, Deutsche Numis, JP Morgan and Santander
Underwriting Agreement	the underwriting agreement entered into between the Company and the Underwriters relating to the Rights Issue and as further described in paragraph 9 of Part XX: "*Additional Information*" of this document
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland
United States or	the United States of America, its territories and possessions, any state of the United States

U.S.	of America and the District of Columbia
U.S. dollars or $	the lawful currency of the United States of America
U.S. GAAP	U.S. Generally Accepted Accounting Principles
U.S. GAAS	U.S. Generally Accepted Auditing Standards
U.S. Holder	has the meaning given in paragraph 11 of Part XX: "*Additional Information*" of this document
U.S. Investor Representation Letter	the letter to be signed and returned by Permitted U.S. Shareholders and containing the representations and warranties set out in paragraph 8.4 of Part IX: "*Terms and Conditions of the Rights Issue*" of this document
U.S. Securities Act	the U.S. Securities Act of 1933, as amended
VAT	value added tax

Part XXII. Technical Glossary

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

Development yield	total rental income of the completed development scheme (net of any head rent payable, once fully let and post expiry of any rent free incentives) as a percentage of total development costs (the value of the land at the point of development commencement and costs to construct, including finance charges, letting fees, void costs and marketing expenses).
Earnings per share (EPS)	profit after tax divided by the weighted average number of ordinary shares in issue.
EPRA LTV	the nominal value of total bank loans, private placement notes, debenture stock and any net liabilities/assets, net of cash (including our share of joint ventures balances), expressed as a percentage of the market value of the property portfolio (including our share of joint ventures).
EPRA NTA	assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax. Diluted net assets per share adjusted to remove the cumulative fair value movements on interest-rate swaps and similar instruments, the carrying value of goodwill arising as a result of deferred tax and other intangible assets.
Estimated rental value (ERV)	the market rental value of lettable space as estimated by the Company's valuers at each balance sheet date.
Fitted	the Group's Fitted spaces are designed by the Group's in-house experts and provide spaces which are ready for occupation as fully furnished, well-designed workspaces, with their own front door, furniture, meeting rooms, kitchen and branding.
Fully Managed	The Group's Fully Managed offering overlays the Group's Fitted offer with a high level of services, including community manager and concierge service, cleaning, utilities and business rates with one monthly bill.
Growth of committed Flex space	the amount of sq ft dedicated to Flex space.
IPD	the Investment Property Databank Limited (**IPD**) is a company that produces an independent benchmark of property returns.
IPD Central London Benchmark	a benchmark, compiled by IPD, of the central and inner London properties in its monthly and quarterly valued universes.
Internal Rate of Return (IRR)	the rate of return that if used as a discount rate and applied to the projected cash flows that would result in a net present value of zero.
Like-for-like basis	calculation on the basis of properties that have been held for the whole of the periods of account.
Market value	the amount as estimated by the Company's valuers for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably,

	prudently and without compulsion. In line with market practice, values are stated net of purchasers' costs.
Net assets per share or **net asset value (NAV)**	equity shareholders' funds divided by the number of ordinary shares at the balance sheet date.
Net Effective Rent	the gross rent under a given customer contract, minus the value of any rent free or other customer incentives.
Net gearing	total Group borrowings at nominal value plus obligations under occupational leases less short-term deposits and cash as a percentage of equity shareholders' funds adjusted for the value of the Group's pension scheme, calculated in accordance with bank covenants.
Net operating income	rental income less rent fees, or lease incentives and flex related operating expenses.
Net rental income	gross rental income adjusted for the spreading of lease incentives less expected credit losses for rental income and ground rents.
Net Zero Carbon Roadmap	comprises energy consumption in kWh consumed by the Group's portfolio and the percentage of new developments on track to generate net zero carbon emissions once completed.
Optimising financial performance	comprises (1) Rent achieved on market lettings during the year v. ERV; (2) Vacancy rate at period end and (3) Maintaining appropriate liquidity.
Personal and business culture	comprises employee engagement index and diversity targets.
Portfolio internal rate of return (IRR)	the rate of return that if used as a discount rate and applied to the projected cash flows from the portfolio would result in a net present value of zero.
Practical completion	generally, practical completion is the point at which a building project is complete, except for minor defects that can be put right without undue interference or disturbance to an occupier.
Profit on cost	the value of a development at completion, less the value of the land at the point development is commenced, and less costs to construct (including for example, finance charges, letting fees, void costs and marketing expenses).
Profit on cost %	the profit on cost divided by the sum of the land value at the point development is commenced together with the costs to construct (including finance charges, letting fees, void costs and marketing expenses).
Property Income Distributions (PIDs)	dividends from profits of the Group's tax-exempt property rental business.
Ready to Fit	the Group's Ready to Fit offering seeks to provide customers with the flexibility to design and fit out space specifically for their needs, purpose and people. These spaces are typically within HQ repositioning assets, which are larger buildings, and let to larger customers who have the ability to manage their real estate in-house.

Rent roll	the annual contracted rental income.
Reversionary potential	the percentage by which ERV exceeds the sum of (a) the rent roll, and (b) the estimated rental value of vacant space.
RICS	Royal Institution of Chartered Surveyors.
Sq. ft.	square foot or square feet.
Total accounting return (TAR)	the growth in EPRA NTA per share plus ordinary dividends paid, expressed as a percentage of EPRA NTA per share at the beginning of the period.
Total property return (TPR)	capital growth in the portfolio plus net rental income derived from holding these properties plus profit on sale of disposals expressed as a percentage return on the period's opening value.
Total shareholder return (TSR)	the growth in the ordinary share price as quoted on the London Stock Exchange plus dividends per share received for the period expressed as a percentage of the share price at the beginning of the period.
Transforming the business and putting customers first	comprises (1) planning milestones; (2) Flex space; (3) Customer NPS and (4) Customer retention rate.
True equivalent yield	the constant capitalisation rate which, if applied to all cash flows from an investment property, including current rent, reversions to current market rent and such items as voids and expenditures, equates to the market value having taken into account notional purchaser's costs. Assumes rent is received quarterly in advance.
Ungeared IRR	the interest rate at which the net present value of all the cash flows (both positive and negative) from a project or investment equal zero, without the benefit of financing. The internal rate of return is used to evaluate the attractiveness of a project or investment.
Vacancy rate	vacancy rate of the investment portfolio (excluding space under development or refurbishment) at period end (including recently completed development or refurbished space during the year and the Group's share of joint ventures.
Voids	the element of a property which is unoccupied but available for letting, usually expressed as the ERV of the void space divided by the existing rent roll plus the ERV of the void space.
Weighted average cost of capital (WACC)	the weighted average pre-tax cost of the Group's debt and the notional cost of the Group's equity used as a benchmark to assess investment returns.
Weighted average unexpired lease term (WAULT)	the weighted average unexpired lease term expressed in years.
£psf	pound per square foot.