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If you sell or transfer, or have sold or transferred, all of your Ordinary Shares, please send this document (but not the accompanying personalised Form of Proxy) at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, this document should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you sell or transfer, or have sold or transferred, only part of your holding of Ordinary Shares, you should retain this document and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

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## **EDISTON PROPERTY INVESTMENT COMPANY PLC**

*(Incorporated and registered in England and Wales with registered number 09090446)  
(Registered as an investment company under section 833 of the Companies Act 2006)*

### **Proposed disposal of the Property Portfolio, Class 1 Transaction and Notice of General Meeting**

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**Shareholders should read the whole of this document. Your attention is drawn, in particular, to the risk factors set out in Part 2 (*Risk Factors*) of this document and the letter from the Chairman of the Company that is set out in Part 1 (*Letter from the Chairman of Ediston Property Investment Company plc*) of this document which contains the unanimous recommendation from the Directors that you vote in favour of the Resolution to be proposed at the General Meeting.**

Notice of the General Meeting of the Company to be held at the offices of Dickson Minto W.S., Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS at 11.00 a.m. on 26 September 2023 is set out in Part 9 (*Notice of General Meeting*) of this document.

All Shareholders are encouraged to vote in favour of the Resolution to be proposed at the General Meeting, and if their Ordinary Shares are not held directly to arrange for their nominee to vote on their behalf. A Form of Proxy for use in connection with the General Meeting is enclosed. To be valid for use at the General Meeting, the Form of Proxy must be completed and returned in accordance with the instructions printed thereon to the Registrar, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible, and, in any event, so as to be received no later than 48 hours (excluding non-working days) before the time of the General Meeting. Alternatively, Shareholders may appoint a proxy or proxies electronically by visiting [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and following the instructions. Proxies submitted *via* [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) must be transmitted so as to be received by the Registrar by no later than 48 hours (excluding non-working days) before the time of the General Meeting. Shareholders who hold their Ordinary Shares in uncertificated form (i.e. in CREST) may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of General Meeting set out in Part 9 (*Notice of General Meeting*) of this document). Proxies submitted *via* CREST for the General Meeting must be transmitted so as to be received by the Registrar as soon as possible and, in any event, by no later than 48 hours (excluding non-working days) before the time of the General Meeting.

Investec, which is authorised and regulated by the Prudential Regulation Authority and the Financial Conduct Authority in the United Kingdom, is acting as lead financial adviser to the Company and for no one else in connection with the matters set out in this document and is not, and will not be, responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in connection with the matters set out in this document.

Dickson Minto Advisers, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting as sponsor and joint financial adviser to the Company and for no one else in connection with the matters set out in this document and is not, and will not be, responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in connection with the matters set out in this document.

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To the extent that any document or information incorporated by reference or enclosed with this document itself incorporates any information by reference, either expressly or impliedly, such information will not form part of this document, except where such information is stated within this document as specifically being incorporated by reference or where this document is specifically defined as including such information. Without prejudice to the documents and information incorporated by reference into this document, the contents of the Company's website and any website directly or indirectly linked to that website do not form part of this document and should not be relied upon.

Capitalised terms have the meanings ascribed to them in Part 8 (*Definitions*) of this document.

This document is dated 8 September 2023.

## IMPORTANT NOTICES

### Market and industry information

Certain information in this document has been sourced from third parties. Where information in this document has been sourced from third parties, the source of such information has been clearly stated adjacent to the reproduced information.

All information contained in this document that has been sourced from third parties has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

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 the relevant markets.

Market data and statistics are not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgements by both the researchers and the respondents, including judgements about what types of products and transactions should be included in the relevant market. In addition, the value of comparisons of statistics for different markets is limited by many factors, including that: (i) the markets may be defined differently; (ii) the underlying information may be gathered by different methods; and (iii) different assumptions may be applied in compiling the data. Accordingly, any market statistics included in this document should be viewed with caution.

### Information regarding forward-looking statements

This document and the information incorporated by reference into this document contains statements which are, or may be deemed to be, "forward-looking statements" which are prospective in nature. All statements other than statements of historical fact are forward-looking statements. They are based on intentions, beliefs and/or current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of a date in the future or forward-looking words such as "plans", "expects", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", "targets", "aims", "projects" or words or terms of similar substance or the negative of those terms, as well as variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations or events that are beyond the Company's control.

Forward-looking statements include statements regarding the intentions, beliefs or current expectations of the Company concerning, without limitation: (a) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (b) business and management strategies and the expansion and growth of the Company's operations and assets; and (c) the effects of global economic conditions on the Company's business.

Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors may cause the actual results, performance or achievements of the EPIC Group to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Important factors that could cause the actual results, performance or achievements of the EPIC Group to differ materially from the expectations of the EPIC Group include, amongst other things, general business and economic conditions globally, industry and market trends, competition, changes in government and changes in law, regulation and policy, including in relation to taxation, interest rates and currency fluctuations, the outcome of any litigation, the impact of any acquisitions or similar transactions, IT system and technology failures, political and economic uncertainty and other factors discussed in Part 2 (*Risk Factors*) of this document. Such forward-looking statements should therefore be construed in the light of such factors.

Neither the Company nor any of its Directors, officers or advisers provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

Forward-looking statements contained in this document apply only as at the date of this document. Other than in accordance with its legal or regulatory obligations (including under the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules and UK MAR) the Company is not under any obligation and the Company expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

#### **No profit forecast or estimate**

No statement in this document is intended as a profit forecast or profit estimate for any period and no statement in this document should be interpreted to mean that earnings, earnings per Ordinary Share or income, cash flow from operations or free cash flow for the EPIC Group, the Company or the Targets, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings, earnings per Ordinary Share or income, cash flow from operations or free cash flow for the EPIC Group, the Company or the Targets, as appropriate.

#### **No offer or solicitation**

This document is not a prospectus and it does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire or subscribe for, any security.

#### **Presentation of financial information**

References to “£”, “GBP”, “pounds”, “pounds sterling”, “sterling”, “p” and “pence” are to the lawful currency of the United Kingdom.

References to “US\$” are to the lawful currency of the United States.

Certain financial data has been rounded, and, as a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data. Percentages in tables may have been rounded and accordingly may not add up to 100 per cent. or to the precise sum of the totals expressed in such tables.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<i>Event</i>	<i>2023</i>
Announcement of the Disposal	8 September
Publication of this document and the Notice of General Meeting	8 September
Latest time and date for receipt of proxy appointments (whether online, <i>via</i> a CREST Proxy Instruction or by a hard copy Form of Proxy) in respect of the General Meeting	11.00 a.m. on 22 September
Record time and date for entitlement to vote at the General Meeting	6.00 p.m. on 22 September
General Meeting	11.00 a.m. on 26 September
Anticipated Completion Date (subject to the Resolution being passed at the General Meeting)	28 September
Longstop Date	29 September

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### Notes:

- 1) All references to time in this document are to London (UK) time, unless otherwise stated.
- 2) The timetable set out above and referred to throughout this document and any accompanying document may be subject to change. If any of the above times and/or dates should change, the new times and/or dates will be announced to Shareholders through a Regulatory Information Service.
- 3) The timing of Completion is dependent upon, amongst other things, the passing of the Resolution at the General Meeting, and if there is any delay in the passing of the Resolution the Anticipated Completion Date may change. If Completion does not occur by the Longstop Date, the Disposal shall not take place.

## CORPORATE DETAILS AND ADVISERS

<b>Directors</b>	William Hill ( <i>Independent Non-Executive Director and Chairman</i> ) Karyn Lamont ( <i>Independent Non-Executive Director</i> ) Imogen Moss ( <i>Independent Non-Executive Director</i> ) Jamie Skinner ( <i>Independent Non-Executive Director</i> )
<b>Registered office</b>	The Scalpel 52 Lime Street London EC3M 7AF
<b>Administrator and Company Secretary</b>	JTC (UK) Limited The Scalpel 52 Lime Street London EC3M 7AF
<b>Lead financial adviser and corporate broker</b>	Investec Bank plc 30 Gresham Street London EC2V 7QP
<b>Joint financial adviser, sponsor and legal advisers to the Company</b>	Dickson Minto W.S. Level 4, Dashwood House 69 Old Broad Street London EC2M 1QS
<b>Alternative Investment Fund Manager</b>	Ediston Investment Services Limited Level 4, Dashwood House 69 Old Broad Street London EC2M 1QS
<b>Investment Manager</b>	Ediston Properties Limited Level 4, Dashwood House 69 Old Broad Street London EC2M 1QS
<b>Registrar</b>	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE
<b>Tax adviser</b>	BDO LLP 55 Baker Street London W1U 7EU
<b>Property Valuer</b>	Knight Frank LLP 55 Baker Street London W1U 8AN
<b>Independent Auditor</b>	Grant Thornton UK LLP 30 Finsbury Square London EC2A 1AG

## PART 1

# LETTER FROM THE CHAIRMAN OF EDISTON PROPERTY INVESTMENT COMPANY PLC

*(Incorporated and registered in England and Wales with registered number 09090446)  
(An investment company within the meaning of section 833 of the Companies Act 2006)*

*Directors:*  
William Hill (*Chairman*)  
Karyn Lamont  
Imogen Moss  
Jamie Skinner

*Registered office:*  
The Scalpel  
52 Lime Street  
London EC3M 7AF

8 September 2023

Dear Shareholder

### **Proposed disposal of the Property Portfolio, Class 1 Transaction and Notice of General Meeting**

#### **1. INTRODUCTION**

The Board of Ediston Property Investment Company plc (the “**Company**”) announced a Strategic Review on 16 March 2023 in response to several challenges that had been facing the Company for some time. These included low levels of liquidity in the Ordinary Shares, a small market capitalisation that limited the ability of larger investors to achieve their desired quantum of investment commitment, constraints on the Company’s ability to diversify across larger schemes in the retail warehouse market due to the relatively small size of the Company and cost inefficiencies from operating a subscale company. All of these challenges stem from the inability of the Company to grow through new equity issuance as the Company’s Ordinary Shares, like those of its peers in the REIT sector, have traded at a material discount to net asset value. The Board believes it is unlikely that this situation will change in the short to medium term and will continue to frustrate the Board’s long stated objective to grow the Company. The Board therefore undertook the Strategic Review with a stated preference for structuring a merger with one or more REITs, whilst acknowledging that all options for maximising value for Shareholders should be considered, including selling the entire Share capital of the Company, or selling the Company’s portfolio or subsidiaries and returning monies to Shareholders.

The Board was very pleased with the interest shown in the Company, with merger proposals being received from a number of potential counterparties. These were reviewed alongside other options which included, amongst other things, share and cash offers for the Company and the entirety of the EPIC Group’s property portfolio (the “**Property Portfolio**”).

As announced on 8 September 2023, after detailed negotiations the Company has entered into an agreement for the sale (the “**Disposal**”) of the entire Property Portfolio to a subsidiary of Realty Income for cash consideration of £200.8 million, prior to agreed deductions of approximately £4.0 million (in aggregate, the “**Consideration**”). Realty Income is a US real estate investment trust, and S&P 500 constituent, that holds over 12,400 real estate properties which are, primarily, let to commercial clients under long-term net lease agreements. The sale will be effected through the disposal by the Company of the entire issued share capital of both EPIC (No. 1) Limited and EPIC (No. 2) Limited (together the “**Targets**”), being the entities that between them hold, directly, the entirety of the Property Portfolio, to RI UK 1 Limited (the “**Purchaser**”), a wholly owned subsidiary of Realty Income. The valuation of the Property Portfolio as at 15 August 2023 was £207.25 million. The valuation of the Property Portfolio as at 30 June 2023, being the last quarterly valuation, was £208.4 million. The Valuation Report as at 15 August 2023 accounts for capital expenditure of approximately £1.3 million having been incurred since 30 June 2023.

The Consideration is payable in full and in cash by the Purchaser on Completion, subject to certain standard adjustments in relation to the period prior to Completion. The principal terms and conditions of the sale and purchase agreement entered into between the Company and the



Purchaser on 8 September 2023 in relation to the Disposal (the “**Sale Agreement**”), including the timing of Completion, are described in Part 5 (*Summary of the Principal Terms and Conditions of the Disposal*) of this document.

After adjustment for estimated transaction costs, the Company expects, immediately following Completion, to have net assets of approximately £152.2 million (the “**Estimated Net Assets**”), equivalent to 72.0 pence per Ordinary Share (the “**Estimated Net Assets per Share**”). If Shareholders subsequently approve a liquidation of the Company on or around 31 December 2023, the estimated amount per Share available for distribution to Shareholders in the liquidation (taking into account the estimated costs of liquidation, service provider termination costs and estimated net income in the period following Completion) is expected to be materially the same as the Estimated Net Assets per Share of 72.0 pence, unless and to the extent that any dividends are paid in the period between Completion and liquidation.

This document describes the background to, and reasons for, the Disposal; and explains why the Board unanimously considers the Disposal to be in the best interests of the Company and its Shareholders as a whole, and recommends that Shareholders vote in favour of the Resolution.

**In accordance with the Listing Rules, the Disposal constitutes a class 1 transaction (as defined in the Listing Rules) and is therefore subject to Shareholder approval. Completion is therefore conditional upon the approval of the Resolution at the General Meeting. The Notice convening the General Meeting, at which the Resolution will be proposed, is set out in Part 9 (*Notice of General Meeting*) of this document.**

The General Meeting is to be held at the offices of Dickson Minto W.S., Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS at 11.00 a.m. on 26 September 2023 for the purpose of seeking Shareholder approval of the Resolution.

Shareholders should read the whole of this document and not just rely on the summarised information set out in this letter. Shareholders will find definitions for capitalised terms used in this letter and the rest of the document in Part 8 (*Definitions*) of this document.

## **2. BACKGROUND TO THE STRATEGIC REVIEW**

Since its launch in 2014, the Company has been successful in its objective of providing Shareholders with an attractive level of income, paying monthly dividends to investors on an uninterrupted basis over its nine-year life.

However, the Board recognised from the outset that the Company needed to grow its equity base if it was to achieve its long-term investment goals. Its founding Shareholders invested with the expectation that this would happen and many supported the Company when it increased its net assets through equity fundraisings and further property acquisitions in 2015 and 2017. Unfortunately, the Company was not able to maintain that momentum as the problems afflicting the in-town retail market and shopping centres left their mark on the retail warehouse sector, a sector where the Company had a high exposure. Signs of a recovery at the end of the decade were then dashed by the onset of the COVID-19 pandemic, which also hit the retail sector hard, albeit the retail warehouse sector proved to be more resilient than high street and shopping centre markets.

As the Company emerged from the pandemic the Board returned to its growth agenda, determined to look for opportunities to achieve this goal and secure the long-term viability of the Company. The Board therefore carried out an internal strategic review in the summer of 2021. The conclusion of that review, announced in the Company’s July 2021 NAV statement, was that the Company should dispose of its office and leisure assets and, for the foreseeable future, become entirely focussed on retail warehousing. In the Chairman’s statement in the 2021 Annual Report and Audited Financial Statements, it was reported:

*“The Board remains committed to growing the equity base of the Company in order to improve liquidity, lower the cost base per share and enlarge the investment opportunity set. The progress made in the second half of the year and the revised investment strategy are significant steps towards this goal. However, the Board recognises that growth will require support from both existing and new investors, as well as some closing of the share price discount.”*

Although the switch in the investment strategy was well received by Shareholders and the market, with the discount narrowing, the ability to execute the growth part of the strategy continued to be

frustrated by the discount to NAV at which the Ordinary Shares traded. This, of course, was not unique to the Company.

Unfortunately, the hopes of a post-pandemic recovery dissipated with the Ukraine crisis and the persistent rises in interest rates. Gains in value following the COVID-19 pandemic were wiped out by significant falls in value that were registered in Q4 2022 as the market responded to the rise in borrowing costs and concerns over the economy. Despite this correction, discounts to NAV across the market remain wide. This could suggest the market is factoring in the expectation that property values may come under pressure from further rate rises, a slowing down of the economy and growing de-carbonisation costs. Another negative factor that could be weighing on investors is the sustainability of earnings as the unwinding of historically low interest costs takes place. All these factors have a negative impact on investor sentiment and do not create a conducive environment for capital raising, even if discounts were to narrow.

With no prospect of the Company growing organically over the short to medium term, the Board is acutely aware that the size of the Company is a major concern to its larger Shareholders. The Board is also conscious that an inability to grow is not cost-free for all Shareholders and it has a duty to protect Shareholder value: low levels of liquidity in the Ordinary Shares impact on share price; a small market capitalisation limits the ability of larger investors to achieve their desired quantum of investment commitment, creating the risk of stock overhangs; constraints on the ability to diversify across larger schemes in the retail warehouse market due to the relatively small size of the Company impact on risk and return; and cost inefficiencies from operating a subscale company detract from performance.

The Board carefully evaluated whether the benefits of the *status quo* as a specialist REIT with a very capable investment manager, a clear investment proposition and a share rating better than many of its peers within the REIT sector outweighed the costs of the continued operation of the Company in its current form and size. The Board concluded the weight of the Company's size-related issues would have a material ongoing adverse effect on Shareholder value if the Company is unable to grow. It was against this backdrop that the Board, after consultation with the Company's largest Shareholder, announced the Strategic Review on 16 March 2023.

The Board undertook the Strategic Review with a stated preference for structuring a merger with one or more REITs, but acknowledged that all options for maximising value for Shareholders should be considered, including selling the entire Share capital of the Company, or selling the Company's portfolio or subsidiaries and returning monies to Shareholders.

### **3. OUTCOME OF THE STRATEGIC REVIEW**

The Board has undertaken a thorough and extensive Strategic Review, considering in the process a range of options available to the Company in order to maximise value and create a positive outcome for Shareholders.

#### ***Merger proposals***

The Board was encouraged by its Shareholder consultations to look in the first instance at merger options as a means of achieving its objectives. This was stated very clearly as the Board's preferred outcome in the Strategic Review Announcement. The Board received proposals from several potential merger counterparties.

In considering these proposals, the Board focussed on, *inter alia*: the size of the proposed combined vehicle, and how that might enhance liquidity; the ability of the combined vehicle to produce a compelling investment proposition over the medium to long term; the cost savings per ordinary share that could be secured; the levels of gearing, interest costs and debt maturity; the ongoing level of sustainable dividend payments; and the share rating that could realistically be achieved in the short term by the combined vehicle.

Each of the merger proposals was explored in detail. Although there were proposals that achieved several of the target goals, the Board was not satisfied that a merger could be struck on terms that secured the desired overall outcome. Factors such as scale, increased exposure to weaker property market sub-sectors, reduction in dividend yield and persistent material discounts or discount volatility weighed against a merger in one form or another.

### **Portfolio sale**

In the Strategic Review Announcement, the Board also held open the possibility of a sale of the Company's assets rather than a merger. The Board considered that realising the Company's assets and putting the Company in a position to return cash to Shareholders represented another means of maximising Shareholder value. In considering offers made for the Property Portfolio, the Board took independent advice on the realisation value of the assets within the Property Portfolio.

The Board also considered a gradual sale of assets in an organised wind down of activities against a disposal of the entire Property Portfolio. It is important to note that the independent valuation of the Property Portfolio is based on the aggregate of individual property valuations and is not a value for the realisation of the entire Property Portfolio at any moment in time. Although the valuation in respect of the parts is higher than the Consideration offered by the Purchaser for the whole, the Board accepted the recommendation from its advisers that a gradual sale could leave Shareholders facing a shrinking market capitalisation and increasingly illiquid Ordinary Shares. In addition, any gain from selling the parts over the whole could be eroded very quickly by the higher costs per Ordinary Share of continuing to run the Company for an unknown period, potentially culminating in a forced sale of the final assets.

The principal benefits of a portfolio disposal and return of cash to Shareholders were assessed as:

- the implied exit value per Ordinary Share (after wind up costs) may be materially higher than the share price of a merged vehicle, and is, in any event, more readily ascertainable than the latter;
- investors that believe the UK commercial real estate sub-sector is close to the bottom have the option to reinvest their cash proceeds into other REITs of their choice at a discount greater than the exit discount from the Company;
- Shareholders who are concerned about further falls in property values and the sustainability of dividends have a full exit from the sector; and
- Shareholders who wish to exit the Company because it no longer meets their liquidity or investment screens can do so without destabilising the Share price.

### **Conclusion**

Having regard to all of the above factors, and after detailed negotiations, the Board has determined that the sale of the entirety of the Property Portfolio to the Purchaser for £200.8 million, prior to agreed deductions of approximately £4.0 million, represents the best course of action. The Disposal will result in Estimated Net Assets per Share on Completion of approximately 72.0 pence, representing a 17.7 per cent. premium to the Share price of 61.2 pence as at 15 March 2023 (the closing price immediately prior to the Strategic Review Announcement) and a 10.8 per cent. discount to the Company's last reported net asset value per Share as at 30 June 2023. When considered in the light of the current market backdrop, the fact that the Company's Ordinary Shares traded at an average discount to their net asset value per Share of 24.6 per cent. over the 12 month period to 15 March 2023 (being the date immediately prior to the Strategic Review Announcement) and the inability of the Company to raise additional capital in order to achieve scale, the Board considers that the Disposal is the best means of maximising Shareholder value and is therefore in the best interests of the Company and its Shareholders as a whole.

## **4. INFORMATION ON THE PROPERTY PORTFOLIO**

As at 6 September 2023, the Property Portfolio comprised 11 well-let and operational, convenience-led retail warehouse assets located across the UK which are let off affordable rents. The Property Portfolio has been assembled by the Investment Manager since the Company's launch on 28 October 2014. The key individuals at the Investment Manager responsible for the Property Portfolio are Danny O'Neill and Calum Bruce. As at 6 September 2023, the 1.18 million sq. ft. portfolio was let to a diversified base of 64 tenants over 108 units, with an aggregate contracted market rent of approximately £16.4 million per annum, delivering an average rent per sq. ft. of £13.97. The valuation of the Property Portfolio as at 15 August 2023 was £207.25 million.

During the financial year ended 30 September 2022, the Property Portfolio generated profits of £22.1 million and £16.4 million of revenue from rental income, delivered a net asset value total return of 11.5 per cent., enabled the Company to pay out an annualised dividend per Ordinary

Share of 5.00 pence and had an EPRA NAV per Share of 94.9 pence. During the six months ended 31 March 2023, the Property Portfolio incurred losses of £24.95 million, generated £7.6 million of revenue from rental income, delivered a net asset value total return of -12.6 per cent., enabled the Company to pay out an annualised dividend per Ordinary Share of 5.00 pence and had an EPRA NAV per Share of 80.4 pence.

During the period from 30 September 2022 to 6 September 2023, the EPRA Vacancy Rate fell from 6.5 per cent. to 5.8 per cent., the weighted average unexpired lease term was 5.3 years, up from 4.5 years at the last financial year end, and rent collection was consistently at 99.9 per cent. each quarter.

Further information on the Property Portfolio can be found in the Valuation Report in Part 4 of this document.

## **5. INFORMATION ON REALTY INCOME**

Realty Income is a US real estate investment trust listed on the New York Stock Exchange, and is a constituent of the S&P 500. Realty Income currently holds over 12,400 real estate properties which are, primarily, let to commercial clients under long-term net lease agreements.

As at 30 June 2023, Realty Income held, through RI UK 1 Limited and its subsidiaries, 241 properties in the UK, with a total leasable space of approximately 23 million sq. ft. As at 6 September 2023, Realty Income had a market capitalisation of approximately US\$39.1 billion.

## **6. SUMMARY OF THE TERMS OF THE DISPOSAL**

The Disposal is being made pursuant to the terms of the Sale Agreement. Under the Sale Agreement, the Company has agreed to sell the entire issued share capital of each of the Targets to the Purchaser. The Sale Agreement contains certain warranties and indemnities given by each of the Company and the Purchaser which are customary for a transaction of this nature.

The Consideration of £200.8 million, prior to agreed deductions of approximately £4.0 million, is payable in full and in cash by the Purchaser on Completion, subject to certain customary adjustments.

Further details of the terms of the Disposal, including the principal terms of the Sale Agreement, are set out in Part 5 (*Summary of the Principal Terms and Conditions of the Disposal*) of this document.

Completion of the Disposal is conditional only upon the approval of the Resolution by Shareholders at the General Meeting. The Board expects that, subject to the approval of the Resolution at the General Meeting, Completion will occur on, or around, 28 September 2023.

## **7. FINANCIAL EFFECTS OF THE DISPOSAL ON THE COMPANY AND USE OF NET CASH RESERVES**

### ***Financial effects of the Disposal on the Company***

The Property Portfolio comprises the entire business of the EPIC Group. After adjustment for estimated transaction costs, the Company expects, immediately following Completion, to have Estimated Net Assets of approximately £152.2 million, equivalent to 72.0 pence per Ordinary Share<sup>1</sup>.

The Estimated Net Assets per Share equates to a 17.7 per cent. premium to the Share price of 61.2 pence as at 15 March 2023 (the closing price immediately prior to the Strategic Review Announcement), a 14.0 per cent. premium to the Share price of 63.2 pence as at 2 August 2023 (the closing price immediately prior to the Strategic Review Update Announcement) and a 10.8 per cent. premium to the average Share price over the twelve months to 2 August 2023. The Estimated Net Assets per Share equates to a 10.8 per cent. discount to the latest published net asset value per Share of 80.77 pence, as at 30 June 2023.

If Shareholders subsequently approve the voluntary liquidation of the Company on or around 31 December 2023, the estimated amount per Share available for distribution to Shareholders in the liquidation (taking into account the estimated costs of liquidation, service provider termination costs

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<sup>1</sup> For the avoidance of doubt, the Estimated Net Assets per Share is inclusive of the monthly dividend of 0.4167 pence per Share due to be paid subsequent to Completion on 29 September 2023.

and estimated net income in the period following Completion) is expected to be materially the same as the Estimated Net Assets per Share of 72.0 pence, unless and to the extent that any dividends are paid in the period between Completion and liquidation.

No transitional services arrangements in respect of the Property Portfolio will be required following the Disposal as Realty Income will take over the management of all the assets within the Property Portfolio immediately upon Completion. The Company will not, therefore, incur costs in implementing transitional services arrangements in respect of the Property Portfolio going forward.

The Company has served notice of termination on certain of its service providers, including its AIFM and Company Secretary.

#### ***Use of net cash reserves and Debt Facilities***

If the Disposal becomes unconditional, it is the intention of the Board to seek Shareholder approval for the voluntary liquidation of the Company with a view to distributing substantially all of the Company's net assets (which will comprise of cash) to Shareholders as soon as reasonably practicable (with the target being by the end of this calendar year), unless an appropriate corporate opportunity is identified in the meantime which, in the view of the Board (having consulted with key Shareholders), merits further consideration. The Board would only recommend an alternative corporate opportunity if it reasonably believed that such opportunity would offer Shareholders greater benefit than a simple return of capital.

It is expected that, as part of and on the day of Completion, the existing Debt Facilities will be novated or transferred to the Company on the same terms that are currently in place. This novation or transfer will be achieved by the novation of the No.2 Facility Agreement and the provision of a new facility to the Company by Aviva Commercial Finance under such novated No.2 Facility Agreement to repay amounts outstanding under the No.1 Facility Agreement. This will result in the Company owing amounts to Aviva Commercial Finance in the same amounts and on the same terms as the Facility Agreements. The Debt Facilities will be repaid on the date of liquidation if Shareholders approve the voluntary liquidation of the Company, as described above.

The Board intends to hold the cash proceeds of the Disposal together with existing cash reserves (which will be secured in favour of Aviva Commercial Finance) in interest bearing current accounts. The Board intends to maintain the current level of dividend, with monthly dividend payments, until the return of capital to Shareholders.

Should Shareholder approval to put the Company into voluntary liquidation not be obtained, the Board would reassess the options available to the Company at that time.

#### **8. REIT STATUS**

Upon Completion, the Company will dispose of the entirety of the Property Portfolio. As a result, the Company will no longer satisfy the conditions of the UK REIT Regime, will be deemed to have ceased to be a REIT from the date of Completion and will thereafter not benefit from the tax treatment afforded by REIT status.

#### **9. RISK FACTORS**

For a discussion of the risks and uncertainties associated with the Disposal which you should take into account when considering whether to vote in favour of the Resolution, please refer to Part 2 (*Risk Factors*) of this document.

#### **10. IRREVOCABLE UNDERTAKINGS**

The Company has received an irrevocable undertaking to vote in favour of the Resolution from TR Property Investment Trust plc in respect of, in aggregate, 34,686,226 Ordinary Shares, representing approximately 16.41 per cent. of the Company's issued Ordinary Share capital as at 6 September 2023.

#### **11. GENERAL MEETING**

The Disposal is conditional on the passing of the Resolution at the General Meeting. Notice of the General Meeting, which will be held at the offices of Dickson Minto W.S., Level 4, Dashwood

House, 69 Old Broad Street, London EC2M 1QS at 11.00 a.m. on 26 September 2023, is set out in Part 9 (*Notice of General Meeting*) of this document.

The General Meeting is being held for the purposes of considering and, if thought fit, passing the Resolution. The Resolution proposes that the Disposal be approved and that the Directors be authorised to implement the Disposal. The Resolution will be proposed as an ordinary resolution, requiring a majority of votes cast to be in favour for the Resolution to be passed. The full text of the Resolution is included in the Notice of the General Meeting.

Shareholders are encouraged to take the recommended action before the General Meeting (as set out in paragraph 12 of this letter), which includes voting, whether online, *via* a CREST Proxy Instruction or by a hard copy Form of Proxy in accordance with the instructions contained therein.

The Board strongly urges Shareholders to vote by proxy on the Resolution as early as possible and the Board recommends that Shareholders appoint the chairman of the General Meeting as their proxy and no-one else.

The Resolution will be voted on by way of a poll. The Board believes a poll is more representative of Shareholders' voting intentions because Shareholders' votes are counted according to the number of Shares held and all votes validly tendered are taken into account. The results of the poll will be published on the Company's website and will be released *via* a Regulatory Information Service as soon as practicable following the close of the General Meeting.

In the event that the Resolution is not passed and, as a result, the Disposal does not proceed, the Company will be liable to pay the Purchaser's costs up to approximately £1.46 million, in accordance with the Cost Cover Agreement, and its own abort costs which are expected to be approximately £1.3 million.

## **12. ACTION TO BE TAKEN**

All Shareholders are encouraged to vote in favour of the Resolution to be proposed at the General Meeting and, if their Ordinary Shares are not held directly, to arrange for their nominee to vote on their behalf.

Shareholders are requested to complete and return proxy appointments to the Registrar by one of the following means:

- a) by logging on to [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and following the instructions; or
- b) by completing and signing a Form of Proxy for use in connection with the General Meeting in accordance with the instructions printed thereon and returning it to the Registrar by post, by courier or by hand; or
- c) in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the Notice of General Meeting.

In each case, the proxy appointments must be received by the Registrar as soon as possible and, in any event, so as to arrive by no later than 48 hours (excluding non-working days) before the time of the General Meeting.

Completion and return of a proxy appointment (whether online, *via* a CREST Proxy Instruction or by a hard copy Form of Proxy) will not prevent you from attending and voting in person at the General Meeting should you wish to do so.

Further details regarding the appointment of proxies are set out in the Notice of General Meeting in Part 9 (*Notice of General Meeting*) of this document.

## **13. FURTHER INFORMATION**

The expected timetable of principal events for the Disposal is set out on page 6 of this document. Further information regarding the terms of the Disposal is set out in Part 5 (*Summary of the Principal Terms and Conditions of the Disposal*) of this document. The Valuation Report is set out in Part 4 (*Valuation Report*) of this document. Additional information in relation to the EPIC Group is set out in Part 6 (*Additional Information*) of this document. **Shareholders are advised to read the whole of this document and not merely rely on the summarised information set out in this letter.**

#### **14. RECOMMENDATION TO SHAREHOLDERS**

The Board has received financial advice from each of Investec and Dickson Minto Advisers, the Company's joint financial advisers, in connection with the Disposal and, in giving such financial advice to the Board, each of Investec and Dickson Minto Advisers has relied on the Board's commercial assessment of the Disposal.

**The Board considers that the Disposal and the passing of the Resolution are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolution to be proposed at the General Meeting, as the Directors intend to do in respect of their own beneficial holdings, which, in aggregate, amount to 370,775 Ordinary Shares, representing approximately 0.175 per cent. of the Company's issued Ordinary Share capital as at 6 September 2023.**

Yours faithfully

***William Hill***  
*Chairman*

## PART 2

### RISK FACTORS

*Prior to voting on the Resolution at the General Meeting, Shareholders should consider carefully, together with all other information contained in this document, the risks associated with the Disposal that are described below. The risks disclosed are those that the Company and the Directors consider: (a) are material risks relating to the Disposal; (b) will be material new risks to the Company as a consequence of the Disposal; or (c) are existing material risks to the Company that will be impacted by the Disposal.*

*The risk factors set out in this document are those that are required to be disclosed under the Listing Rules, and do not seek to cover all of the material risks which generally affect the Company or the EPIC Group.*

*The following is not an exhaustive list or explanation of all the risks that may affect the Ordinary Shares or the EPIC Group. Additional risks and uncertainties relating to the Ordinary Shares and the EPIC Group that are not currently known to the Directors, or that the Directors currently deem immaterial, may, individually or cumulatively, also have a material adverse effect on the business, financial results or financial condition and prospects of the EPIC Group, and, if any such risks should materialise, the price of the Ordinary Shares may decline and investors could lose all or part of their investment.*

*The information given is at the date of this document and, except as requested by the FCA or required by the Listing Rules or any other applicable law, will not be updated. Any forward-looking statements are made subject to the reservations specified under "Information regarding forward-looking statements" at the beginning of this document.*

#### **1. RISKS RELATING TO THE DISPOSAL**

##### ***Conditions in the Sale Agreement***

Completion of the Sale Agreement is conditional upon the passing of the Resolution at the General Meeting. There can be no assurance that this condition will be satisfied, in which case Completion will not occur and the Company will not receive the Consideration.

In addition, the Purchaser is entitled to terminate the Sale Agreement and withdraw from the Disposal if the condition that the Resolution be passed is not satisfied on or before close of business on the Business Day prior to the Longstop Date. If the Resolution is not passed on or before close of business on the Business Day prior to the Longstop Date and Completion does not, therefore, occur, the Disposal will not take place, and the Company will not receive the Consideration.

##### ***Warranties and indemnities in the Sale Agreement and the Tax Covenants***

The Sale Agreement contains customary warranties and indemnities given by the Company, as seller, in favour of the Purchaser. The Company has disclosed matters against the warranties and has taken steps to minimise the risk of liability under these provisions, including warranty and indemnity insurance being put in place. However, any liability to make a payment arising from a successful claim by the Purchaser under the warranties could have a material adverse effect on the Company's financial condition and impact on the amount and timing of any distributions of the sale proceeds.

Pursuant to the terms of the Tax Covenants, the Company has undertaken, with effect from Completion, to pay the Purchaser an amount equal to any tax liabilities of the Property Portfolio that arise in respect of pre-Completion matters. Any liability to make a payment arising from a successful claim by the Purchaser under the Tax Covenants could have a material adverse effect on the Company's financial condition.

##### ***Third party interference with the Disposal***

As a listed company, the Company is exposed to potential approaches from third parties seeking to instigate a public takeover of the Company which might delay or prevent Completion. Although the Sale Agreement is binding on the Company, if the Company were to receive an attractive takeover offer prior to the approval of the Resolution which was predicated on the Company terminating the



Sale Agreement, the Directors would be obliged to consider that offer in accordance with their fiduciary duties.

The Company might also be approached by a third party seeking to make a more favourable offer than that of the Purchaser for the Property Portfolio and the Directors might consequently be required (in accordance with their fiduciary duties) to withdraw their recommendation of the Resolution and the Disposal.

If the Company were to terminate the Sale Agreement other than in accordance with its terms, or were to otherwise breach the terms of the Sale Agreement (for example, by not convening the General Meeting to approve the Resolution), the Company may be found liable to pay damages to the Purchaser in respect of the loss it has suffered as a result of such termination or breach. Alternatively, at a court's discretion, the Company may be ordered to perform its obligations under the Sale Agreement if such performance remained possible. There can be no certainty as to the amount of any damages that the Company may be required to pay, although such damages typically seek to provide redress to a party as if the breached contract had been properly performed.

#### ***Costs and expenses related to the Disposal could exceed amounts currently estimated***

Whilst the Board believes it has appropriate arrangements in place to manage the expected costs and expenses in relation to the Disposal, including post-Completion costs, there can be no assurance that the costs and expenses will not exceed the amounts currently estimated. There may also be further additional and unforeseen expenses incurred in connection with the Disposal either due to delays or otherwise. Such costs and expenses may adversely affect the Estimated Net Assets that the Company expects to have at or following Completion, or (if approved in due course by Shareholders) at the date of liquidation of the Company.

## **2. MATERIAL RISKS RELATING TO THE COMPANY ARISING IN CONNECTION WITH THE DISPOSAL**

### ***Loss of Consideration***

If the Disposal does not complete, the Company will not receive the Consideration from the Disposal and, consequently, the transaction costs incurred by the Company in connection with the Disposal that are not contingent on Completion occurring would not be offset by such Consideration. In the event that Completion does not occur because the Resolution is not passed at the General Meeting the Company will be liable to pay the Purchaser's costs up to approximately £1.46 million pursuant to the Cost Cover Agreement, and, in any event, the Company will have to pay its own abort costs which are expected to be approximately £1.3 million. In addition, the market's perception of a failed transaction could result in a negative impact on the market price of the Ordinary Shares and the Company's financial condition, results of operations and prospects.

### ***Loss of Shareholder value***

The Board believes that the Disposal is in the best interests of Shareholders taken as a whole and that the Disposal currently provides the best opportunity to realise an attractive and certain value for the Property Portfolio. If the Disposal does not complete, the subsequent value of the Property Portfolio may be lower than can be realised by way of the Disposal. This could result in the financial position of the Company being materially different to the position it would have been in if the Disposal had completed.

### ***No assurance of a future sale***

If the Disposal does not complete, there can be no assurance that the Company would be able to realise the assets comprising the Property Portfolio (either individually, in parcels or as a whole) at a later date, at an improved, or equivalent, or favourable valuation or at all. If the Company was unable to identify another suitable purchaser for the Property Portfolio this could lead to a loss of confidence amongst the tenants of the Properties and a reduced value of the Property Portfolio as a whole. It could also have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

### ***Potentially disruptive effect on the EPIC Group***

To maintain Shareholder value in the event the Disposal does not complete, the Board and Investment Manager may be required to allocate additional time and cost to the ongoing assessment of how best to maximise Shareholder value in the medium term. This may limit the management and financial resources available to manage the Property Portfolio. If the Disposal does not proceed, tenant sentiment and behaviour may also be negatively impacted. These matters may adversely affect the Company's financial condition and results of operations.

### ***The announcement of the Disposal may have a disruptive effect on the operation and/or management of the Properties***

The Sale Agreement requires the Company to continue to procure the management of the Property Portfolio in the ordinary course of business prior to Completion. The Company is reliant on the skills and expertise of certain individuals at the Company's third-party service providers, in particular the Investment Manager, in order to maintain its effective management. The announcement of the Disposal may negatively impact the performance of such individuals at the Company's key service providers as well as the sentiment and behaviour of tenants of the Properties. Such outcomes may impact the Company's financial position and prospects in the event that Completion does not occur.

### ***Pre-Completion changes in the Property Portfolio***

During the period from the signing of the Sale Agreement to Completion, events or developments may occur, including changes in the investment performance and outlook of the Property Portfolio, or external market factors, that could make the terms of the Sale Agreement less attractive for the Company. The gap between the signing of the Sale Agreement and Completion is only expected to be three to four weeks, but the Company would be obliged to complete the Disposal notwithstanding such events or developments. This may have an adverse impact on the value the Company is able to realise for Shareholders.

## **3. EXISTING MATERIAL RISKS TO THE COMPANY THAT WILL BE IMPACTED BY THE DISPOSAL**

### ***The Company's operations will be materially less diversified and, therefore, materially more susceptible to specific risks***

The Property Portfolio comprises the entire business of the EPIC Group. After Completion, the Company expects to have Estimated Net Assets of £152.2 million in cash, and will have no other assets.

Following the Disposal, the Company's operations will be materially less diverse and will be materially more susceptible to adverse developments relating to the holding, and value, of cash. Weak performance of cash as an asset class, whether as a result of interest rate movements and/or inflation, or otherwise, will have a proportionately greater adverse impact on the financial condition and valuation of the Company and a greater risk of Share price volatility following the Disposal than would have been the case prior to the Disposal.

### ***Inability to realise Shareholder value***

If the Disposal becomes unconditional, it is the intention of the Board to seek Shareholder approval for the voluntary liquidation of the Company with a view to distributing substantially all of the Company's net assets (which will comprise of cash) to Shareholders as soon as reasonably practicable (with the target being by the end of this calendar year), unless an appropriate corporate opportunity is identified in the meantime which, in the view of the Board (having consulted with key Shareholders), merits further consideration. Although the Company is targeting a members' voluntary liquidation by the end of this calendar year, the timing and quantum of such distribution cannot be guaranteed and may be adversely impacted by the level of the Company's liabilities and any claims made against the Company by the Purchaser pursuant to the Sale Agreement. In the event that Shareholders do not vote in favour of the Company entering into members' voluntary liquidation, the Board would reassess the options available to the Company to realise Shareholder value at that time, and there can be no certainty that such options would result in the Company realising Shareholder value in the near term.

In addition, in the event that the value of the Property Portfolio increases following Completion, there is no guarantee that the anticipated return of value to Shareholders will provide a better return to Shareholders than if the Property Portfolio had been retained by the Company.

***The market price of the Ordinary Shares may go down as well as up***

Shareholders should be aware that the value of an investment in the Company may go down as well as up and can be highly volatile. The price at which the Ordinary Shares may be quoted and the price which Shareholders may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Company and its operations and some which may affect its industry, other comparable companies or publicly traded companies as a whole. Certain investors wanting exposure to the Property Portfolio may sell their Ordinary Shares as a result of the Disposal. However, similarly, certain investors wanting to capitalise on the Estimated Net Assets may seek to acquire Ordinary Shares and this may impact liquidity in the Ordinary Shares and the market price of the Ordinary Shares. The sentiments of the market regarding the Disposal will be one such factor and this, together with other factors including the actual or anticipated fluctuations in the financial performance of the Company's competitors, market fluctuations, and legislative or regulatory changes in the industry or those affecting real estate investment trusts generally, could lead to the market price of the Ordinary Shares going up or down. Changes in the market price of the Ordinary Shares will not alter the Consideration payable by the Purchaser.

## PART 3

### FINANCIAL INFORMATION RELATING TO THE TARGETS

#### 1. BASIS OF PREPARATION

The following historical financial information relating to the Targets has been extracted without material adjustment from the consolidation schedules and supporting accounting records that underlie the audited consolidated financial statements for the Company for the three years ended 30 September 2020, 2021 and 2022 and the Company's unaudited consolidated interim financial statements for the six months ended 31 March 2023.

The financial information in this Part 3 (*Financial Information relating to the Targets*) has been prepared applying the IFRS accounting policies used to prepare the audited consolidated financial statements for the Company for the financial year ended 30 September 2022.

The financial information in this Part 3 (*Financial Information relating to the Targets*) does not constitute statutory accounts for the Targets within the meaning of section 434 of the Companies Act. The statutory accounts of the EPIC Group for the three years ended 30 September 2020, 2021 and 2022 have been delivered to the Registrar of Companies. The auditor's reports in respect of those statutory accounts were unqualified and did not contain statements under section 498(2) or (3) of the Companies Act.

Shareholders should read the whole of this document and not rely solely on the summarised financial information in this Part 3 (*Financial Information relating to the Targets*).

The income statements of the Targets for the financial years ended 30 September 2020, 2021 and 2022 and for the six month period ended 31 March 2023 and the statements of financial position of the Targets as at 30 September 2022 and as at 31 March 2023 are unaudited financial information and are not reported on by an accountant.

## 2. HISTORICAL STATEMENTS OF COMPREHENSIVE INCOME OF THE TARGETS

	Year ended 30 September 2020 (£'000) (unaudited)	Year ended 30 September 2021 (£'000) (unaudited)	Year ended 30 September 2022 (£'000) (unaudited)	Six months ended 31 March 2023 (£'000) (unaudited)
<b>Revenue</b>				
Rental income	19,857	17,371	16,427	7,638
Other income	—	—	—	143
<b>Total revenue</b>	<b>19,857</b>	<b>17,371</b>	<b>16,427</b>	<b>7,781</b>
Unrealised (loss)/gain on revaluation of investment properties	(49,991)	4,654	15,919	(28,739)
(Loss)/gain on sale of investment properties realised during the period	—	1,179	(3,012)	—
<b>Total income</b>	<b>(30,134)</b>	<b>23,204</b>	<b>29,334</b>	<b>(20,957)</b>
<b>Expenditure</b>				
Investment management fee	(1,882)	(1,687)	(1,703)	(724)
Other expenses	(958)	(1,463)	(2,576)	(1,238)
<b>Total expenditure</b>	<b>(2,840)</b>	<b>(3,150)</b>	<b>(4,279)</b>	<b>(1,962)</b>
<b>Movement in expected credit losses</b>	<b>(700)</b>	<b>615</b>	<b>51</b>	<b>(63)</b>
<b>Profit/(loss) before finance costs and taxation</b>	<b>(33,674)</b>	<b>20,669</b>	<b>25,106</b>	<b>(22,982)</b>
<b>Net finance costs</b>				
Interest receivable	34	—	21	133
Interest payable	(3,258)	(3,110)	(3,003)	(2,101)
<b>Profit/(loss) before taxation</b>	<b>(36,898)</b>	<b>17,559</b>	<b>22,124</b>	<b>(24,950)</b>
Taxation	—	—	—	—
<b>Profit/(loss) and total comprehensive income for the period</b>	<b>(36,898)</b>	<b>17,559</b>	<b>22,124</b>	<b>(24,950)</b>

### 3. STATEMENTS OF FINANCIAL POSITION OF THE TARGETS

	Year ended 30 September 2022 (£'000) (unaudited)	Six months ended 31 March 2023 (£'000) (unaudited)
<b>Non-current assets</b>		
Investment properties	227,465	199,654
	<u>227,465</u>	<u>199,654</u>
<b>Current assets</b>		
Trade and other receivables	35,917	58,122
Cash and cash equivalents	47,277	22,621
	<u>83,194</u>	<u>80,742</u>
<b>Total assets</b>	<u>310,659</u>	<u>280,397</u>
<b>Non-current liabilities</b>		
Loans	(110,442)	(110,526)
	<u>(110,442)</u>	<u>(110,526)</u>
<b>Current liabilities</b>		
Trade and other payables	(4,479)	(4,366)
<b>Total liabilities</b>	<u>(114,921)</u>	<u>(114,893)</u>
<b>Net assets</b>	<u>195,738</u>	<u>165,504</u>
<b>Equity and reserves</b>		
Called-up equity share capital	209,665	209,665
Share premium	—	—
Capital reserve – investments held	(33,821)	(62,558)
Capital reserve – investments sold	2,929	2,929
Special distributable reserve	—	—
Revenue reserve	16,965	15,469
<b>Equity shareholders' funds</b>	<u>195,738</u>	<u>165,504</u>
<b>Net asset value per ordinary share</b>	<b>186.7p</b>	<b>157.45p</b>

**PART 4**  
**VALUATION REPORT**

The Directors of  
Ediston Property Investment Company plc  
The Scalpel  
52 Lime Street  
London EC3M 7AF



The Directors of EPIC (No. 1) Limited  
The Scalpel  
52 Lime Street  
London EC3M 7AF

The Directors of EPIC (No. 2) Limited  
The Scalpel  
52 Lime Street  
London EC3M 7AF

The Directors of Investec Bank plc  
30 Gresham Street  
London EC2V 7QR

Dickson Minto Advisers  
Level 4, Dashwood House  
69 Old Broad Street  
London EC2M 1QS

8 September 2023

Dear Sir/Madam

**VALUATION REPORT ON THE PROPERTY PORTFOLIO**

**Market Valuation as at 15 August 2023**

**1. INTRODUCTION**

- 1.1. In accordance with our instructions, we have carried out a valuation of the freehold, heritable or leasehold interests in the properties referred to in the Schedule appended to this Report (together the “**Properties**” and each a “**Property**”) and now report our opinion of the market values of the Properties as at 15 August 2023.
- 1.2. This report (the “**Report**”) is required for inclusion in a circular (the “**Circular**”) which is to be published in connection with the proposed disposal by Ediston Property Investment Company plc (“**EPIC**” or the “**Company**”) of EPIC (No. 1) Limited and EPIC (No. 2) Limited, being the entities that between them hold, directly, all of the Properties. Our Report is provided expressly for this purpose and this purpose only.
- 1.3. The Properties comprise retail warehousing assets and have been categorised as investment properties.
- 1.4. Unless otherwise stated in this Report, the terms defined in the Circular shall bear the same meaning when used in this Report.
- 1.5. The valuations have been prepared in accordance with the RICS Valuation – Global Standards ('Red Book Global Standards') effective from 31 January 2022, incorporating the International Valuation Standards and the RICS UK National Supplement (the “**Red Book**”). We will report under the guidance as set out in the Red Book as well as in accordance with the requirements of the Financial Conduct Authority rules.

- 1.6. The Schedule comprises details of each of the Properties, the associated terms of tenure, the terms of main tenancies and details of net annual rent, as well as Market Values, as at 15 August 2023.
- 1.7. All Properties have been inspected within the last 12 months and the date each Property was inspected is included in the Schedule.

## **2. COMPLIANCE AND DISCLOSURES**

- 2.1. Knight Frank LLP is instructed as External Valuer, as defined by the Red Book and regulations made by the Financial Conduct Authority.
- 2.2. Knight Frank LLP is retained by the Company as external valuer for accounts purposes. We also provide Aviva Commercial Finance Limited ("**Aviva Commercial Finance**") with Market Values of the assets for secured lending purposes in relation to the Company 'gearing up' against the value of the assets. We also provided Market Values on several of the assets at the point at which EPIC's Ordinary Shares were admitted to the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's Main Market (October 2014), with our values being reported within the initial prospectus published by the Company on 16 October 2014. We also provided Market Values on several of the assets at the point at which: (i) EPIC issued a prospectus in relation to the issue of up to 150 million new shares by way of an initial placing and offer for subscription and a placing programme (published June 2015); and (ii) EPIC issued a prospectus in relation to the issue of up to 150 million new shares in connection with the acquisition of certain new properties and up to 60 million new shares pursuant to a subsequent placing programme (published November 2017).
- 2.3. The valuer, on behalf of Knight Frank LLP, with responsibility for this report is Emily Miller, MRICS, RICS Registered Valuer. Parts of the valuation have been undertaken by additional valuers. We confirm that the valuer and additional valuers collectively meet the requirements of RICS Red Book, having sufficient current knowledge of the particular market and the skills and understanding to undertake the valuation competently.
- 2.4. In relation to Knight Frank LLP's preceding financial year, the proportion of the total fees paid by the Company to the total fee income of Knight Frank LLP was less than 5 per cent. We recognise and support the RICS Rules of Conduct and have procedures for identifying conflict of interest checks.

## **3. BASIS OF VALUATION**

- 3.1. The Properties have been valued on the basis of Market Value in accordance with the RICS Red Book VPS4(4.4) This is an internationally recognised basis and is defined as:  
*"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."*
- 3.2. No allowance has been made for expenses of realisation or for any taxation which might arise, and our valuations are expressed exclusive of any value added tax that may become chargeable.
- 3.3. Our valuations reflect usual deductions in respect of purchaser's costs and, in particular, full liability for UK stamp duty as applicable at the valuation date.
- 3.4. Our valuation has been undertaken using appropriate valuation methodology and our professional judgement.
- 3.5. The Valuer's opinion of Market Value was primarily derived using recent comparable market transactions on arm's length terms, where available, and appropriate valuation techniques (The Investment Method).
- 3.6. In the case of the Properties having development potential, the Residual Method has been adopted which is the generally accepted method for valuing such properties. In these instances we form an opinion of the completed development (Gross Development Value) using



the Investment Method and deduct from it the total costs of development and an allowance for developer's profit.

- 3.7. The Properties have been valued individually and not as part of a portfolio.
- 3.8. Save as otherwise disclosed, it has been assumed for the purpose of valuation that the relevant interests in the Properties are free of mortgage, charge or other debt security and no deduction has been made for such charge or debt. Equally, under Red Book guidance, we are not permitted to value corporate entities and can only value direct real estate, therefore our valuations of the Properties make no allowance or reference to the fact that they are held by subsidiaries of EPIC.

#### **4. VALUATION ASSUMPTIONS**

##### **4.1. Sources of Information**

Our valuations are based on information provided by the Company's investment manager, Ediston Properties Limited of Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS (the "**Manager**") and its professional advisers, upon which we have relied, and which has not been verified by us. Our assumptions (as defined in the Red Book) relating to this information are set out below. If any of the information or assumptions are subsequently found to be incorrect then our valuations should be reviewed.

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

##### **4.2. Title**

We have been provided with title information and certificates or reports on title in respect of the Properties by the Manager, prepared by the professional advisers, Dickson Minto W.S. or Forsters LLP, in regard to the tenure of the Properties and have reflected the findings of the reports in our valuations.

Our valuations are prepared on the basis that the Properties have good and marketable titles and are free of any undisclosed onerous burdens, outgoing or restrictions. The tenure of each Property is identified within the Schedule.

##### **4.3. Tenancy Information**

We have been provided by the Manager with, and relied upon, copies of occupational leases that the Properties are subject to. Where copies of leases have not been provided, nor occupational tenancy information referred to within the associated property reports and certificates on title, we have relied upon a tenancy schedule as provided to us by the Manager.

##### **4.4. Land Register Inspection and Searches**

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

##### **4.5. Planning, Highway and Other Statutory Regulations**

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

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

#### **4.6. Structural Condition**

We have not been instructed to carry out structural surveys of any of the Properties, nor to test the services, but have reflected in our valuations, where necessary, the findings contained within various building inspection reports, and/or construction reports, that the Manager has provided us with, as commissioned by its advisers, as well as the general condition of the Properties as observed during the course of our internal and external inspections. Our valuations assume the buildings contain no deleterious materials and that the sites are unaffected by adverse soil conditions, except where we have been notified to the contrary.

#### **4.7. Environmental Issues**

We have not carried out any investigations into past or present uses of any of the Properties, nor any neighbouring land to establish whether there is any potential for contamination from these uses or sites to the Properties. We have, however, been provided by the Manager with, and relied upon, Environmental Surveys, as commissioned by its advisers, where available.

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

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

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

#### **4.8. Property Insurance**

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

#### **4.9 Building Areas**

Where applicable, our valuations are based on the measurements undertaken by us during our initial inspection (at the point the Company acquired each asset). We can confirm that they have been prepared in accordance with the current RICS Code of Measuring Practice. Several of the Properties have separately commissioned measured surveys, which we have relied upon, prepared by either CSQ Consult or Paragon Building & Project Consultants, and we have assumed these measurements have also been undertaken in accordance with the current RICS Code of Measuring Practice. All Retail Warehousing Properties are reported on a Gross Internal Area basis, as in keeping with general market practices.

### **5. VALUATION**

5.1. We are of the opinion that the aggregate of the Market Values of the freehold, heritable or leasehold interests in the Properties as at 15 August 2023 was as follows:

£207,250,000 (Two Hundred and Seven Million Two Hundred and Fifty Thousand Pounds).

The tenure of the Properties consists of the following:

Freehold/Heritable	£162,200,000	78.26%
Leasehold	£11,900,000	5.74%
Part Freehold/ Part Leasehold	£33,150,000	16.00%
Total	<u>£207,250,000</u>	<u>100%</u>

We confirm that as at 8 September 2023, there have been no material changes to the Property Portfolio since 15 August 2023.

### **30 September 2022 Valuations of the Property Portfolio**

We are also required to state the aggregate Market Valuations of the Properties within the Property Portfolio as at the previous year-end position, namely 30 September 2022. As we are the retained valuer to the Company, we can confirm that the Market Values as at 30 September 2022 were:

£231,435,000

(Two Hundred and Thirty One Million Four Hundred and Thirty Five Thousand Pounds)

With regard to the difference between the aggregate value of the Properties as at 15 August 2023 (being the effective valuation date of this Valuation Report) and the aggregate value of the Properties as at 30 September 2022 (being the equivalent figure included in the Company's latest published annual consolidated accounts), the Company has undertaken significant positive asset management at Coatbridge, Stirling and Wrexham. Material differences thereafter have been a wider impact on the commercial property market, which was as a result of the government's mini-budget on 23 September 2022, which saw financial turmoil across the UK, global inflationary pressures, significant currency movements and higher borrowing costs. In the three months from September 2022 to December 2022 Market Values across all sectors saw significant downwards movements. Along with other financial markets, the property market was at that time volatile, with consumer and investor behaviour changing quickly during this time, which has continued post December.

## **6. GENERAL CONDITIONS**

- 6.1. This Valuation Report has been prepared for inclusion in the Circular. Knight Frank LLP hereby gives consent to the inclusion of this Valuation Report in the Circular and to the references to this Valuation Report and Knight Frank LLP in the Circular in the form and context in which they appear.

The contents of this Valuation Report may be used only for the specific purpose to which they refer. Before this Valuation Report, or any part thereof, is reproduced or referred to, in any document, circular or statement or published in any way whatsoever whether in hard copy or electronically (including on any website), and before its contents, or any part thereof, are disclosed orally or otherwise to a third party, Knight Frank LLP's written approval as to the form and context of such publication or disclosure must first be obtained, but may not be unreasonably withheld or delayed. For the avoidance of doubt such approval is required whether or not Knight Frank LLP is referred to by name and whether or not the contents of our Valuation Report are combined with others.

Yours faithfully



**Emily Miller MRICS**  
RICS Registered Valuer  
Partner, Head of Funds, Valuation & Advisory  
For and on behalf of Knight Frank LLP

## SCHEDULE TO THE VALUATION REPORT

Address	Date inspected	Description age and tenure	Terms of main tenancies	Current net annual rent receivable	Market Value as at 15 August 2023
Clwyd Retail Park, Rhyl	15/12/2022	<p>The property comprises a purpose built retail warehouse park providing six retail units with an associated garden centre, arranged as two blocks, with a further detached restaurant unit. There is also a standalone unit of 8,000 sq. ft. This provides providing a total gross internal area of 88,819 sq. ft. The property is located to the south of Rhyl, a coastal town in North Wales, adjacent to a Sainsbury's food store, and fronting Rhyl Road (A525).</p> <p>The most recent expansion of the scheme was the construction of the 8,000 sq. ft. foodstore, let to Iceland in 2018 for a term of 10 years, situated between the two main terraces.</p> <p>The park has three electric vehicle charging points which were installed in June 2023.</p> <p><b>Built:</b> 1995 (Restaurant unit 2007, Foodstore unit 2018). <b>Tenure:</b> Freehold.</p>	<p>The property is multi-let on seven leases to seven tenants, not including the EV charging points. Expiries range from February 2025 to July 2032. The tenancy for the EV charging points expires in June 2038, subject to a break option in 2034. The leases are drawn on full repairing and insuring terms with 5 yearly rent reviews, comprising a mix of upwards only and upwards and downwards reviews, as well as fixed rental increases.</p> <p>The weighted average unexpired lease term is 4.32 years to break/ 4.33 years to expiry.</p>	£1,144,394 p.a.	£13,050,000
Tennent Street, Coatbridge	15/03/2023	<p>The property comprises a purpose built 104,661 sq. ft. DIY retail warehouse with attached builders' yard on the south side and a garden centre to the north side.</p> <p>The unit is currently being split to create a foodstore unit (19,853 sq. ft.) let to Aldi, with practical completion anticipated for August 2023. It occupies a large site with 600 customer car parking spaces to the front and a separate service yard to the rear.</p> <p>There are two A3 pod units constructed in 2020, measuring 1,810 sq. ft. let to Costa Coffee and 2,762 sq. ft. let to Burger King.</p> <p>The main unit construction is of steel portal frame construction arranged in two bays, with brick wall cladding to lower levels surmounted by profile sheet cladding under a pitched double skin profile sheet roof over each bay.</p> <p>The pods are steel portal frame clad construction, under profile sheet roofs.</p> <p><b>Built:</b> 2002, 2020 (pod units). <b>Tenure:</b> Heritable.</p>	<p>The property is multi-let on four leases to four tenants, with one of the leases comprising an AFL to Aldi as part of the downsize of the B&amp;Q unit. Two of the leases are for the occupation of both pod units on site, let to Costa and Royale Devco Ltd (Burger King). The leases are let on 10, 15 and 20 year terms, with the earliest expiry taking place in December 2032, then 2035, 2040 and July 2043 (Aldi). The leases are drawn on full repairing and insuring terms with 5 yearly rent reviews, comprising a mix of upward only and indexed reviews. B&amp;Q are currently in a 12 month rent free period, expiring in 09/12/2023 and the Aldi lease is due to start producing income in 30/01/2024.</p> <p>The scheme is subject to a capital expenditure of £194,677.28.</p> <p>The weighted average unexpired lease term is 9.74 years to break/ 14.74 years to expiry.</p> <p>Practical completion for the Aldi store is anticipated for August 2023.</p>	£160,000 p.a.	£19,100,000
Abbey Retail Park, Daventry	25/04/2023	<p>The property comprises a modern retail warehouse park providing a terrace of six retail warehouse units, a solus DIY unit with garden centre and a further six retail kiosk units to the rear of the DIY unit. The property provides a total gross internal area of 65,327 sq. ft. 198 car parking spaces are situated in front of the units, with a further 207 spaces (council operated), situated beneath the retail warehouse units in an undercroft car park.</p> <p>The units are of steel frame construction with part glazed and part steel clad elevations, beneath a pitched steel composite panel roofs.</p> <p><b>Built:</b> 2008. <b>Tenure:</b> Leasehold.</p>	<p>The property is multi-let to 10 tenants by way of 11 leases, with one of the units currently vacant (unit C3). Leases expire between July 2023 and December 2028. The leases are drawn on full repairing and insuring terms with several subject to upward only rent reviews.</p> <p>The top five income producing tenants in order are Homebase, B&amp;M, Halfords, Pets at Home and Leisure Lakes, with the remaining tenants comprising local covenants.</p> <p>Two further leases in respect of the undercroft car park and a</p>	£960,682 p.a.	£11,900,000

Address	Date inspected	Description age and tenure	Terms of main tenancies	Current net annual rent receivable	Market Value as at 15 August 2023
			<p>biomass boiler expire in December 2158.</p> <p>The scheme is subject to a total of £510,000 capital expenditure.</p> <p>The weighted average unexpired lease term is 3.39 years (no breaks).</p>		
Plas Coch Retail Park, Wrexham	30/01/2023	<p>The property comprises a purpose built retail park of four buildings, providing six retail units as well as a drive-thru pod let to Costa. One building is currently being developed to accommodate M&amp;S (21,213 sq. ft.) and to provide a new 3,655 sq. ft. unit. The property provides a total gross internal area of 91,691 sq. ft. with c.550 car parking spaces situated to the front and rear of the units.</p> <p>The units are of steel frame construction with brick elevations and pitched roofs, incorporating false mansard detailing.</p> <p><b>Built:</b> 1996, 2003 (M&amp;S). <b>Tenure:</b> Freehold.</p>	<p>The property is multi-let on six leases to six tenants (including AFL to M&amp;S), with two of the units currently vacant (units D and H1). The occupiers include DSG Retail Limited (Currys), Pets at Home, TK Maxx, Boots, Costa and M&amp;S. Expiries range from September 2023 to June 2034, with the TK Maxx lease subject to a break option in December 2025. The leases are drawn on full repairing and insuring terms, subject to upward only rent reviews. M&amp;S has a new lease commencing on completion of construction. The rent commencement date will be 3 months after completion of construction. Both M&amp;S and Costa leases are subject to fixed rental uplifts.</p> <p>The scheme is subject to a capital expenditure amount of £1,335,161.</p> <p>The weighted average unexpired lease term is 3.96 years to break/ 4.98 years to expiry.</p> <p>The M&amp;S unit is currently under construction with practical completion expected in September 2023.</p>	£871,312 p.a.	£15,400,000
Pallion Retail, Park Woodbine Terrace, Sunderland	12/05/2023	<p>The property comprises a retail warehouse park extending to a total current gross internal area of c.133,147 sq. ft. arranged across eight units (including one double unit) ranging in size from c.4,000 sq. ft. to c.30,700 sq. ft. A food pod unit was also constructed in 2018, let to Costa, extending to 1,800 sq. ft.</p> <p>The property is arranged on a split level site with the upper section (units A-C) having been reconfigured and extended. The Costa drive-thru unit is on this upper section. The lower section contains a further six units, including a double unit.</p> <p>The units are of steel portal frame construction with a combination of cavity brick and profile metal sheet elevations beneath a pitched profile metal sheet roof incorporating translucent roof panels.</p> <p><b>Built:</b> 1980s. <b>Tenure:</b> Freehold.</p>	<p>The property is multi-let on eight leases to eight tenants, with one of the units currently vacant. The occupiers include B&amp;M, Matalan, Iceland Foods, The Wallpaper Warehouse, Cancer Research, Costa, Poundstretcher and Go Outdoors. Expiries range from September 2023 (Go Outdoors and Poundstretcher) to February 2033 with The Wallpaper Warehouse subject to a break in December 2023, which has been actioned, and Costa in February 2028. The leases are drawn on full repairing and insuring terms, subject to upward only rent reviews. Both Poundstretcher and Go Outdoors are currently passing nil rent on a three month rolling license.</p> <p>The scheme is subject to a capital expenditure amount of £517,611.</p> <p>The weighted average unexpired lease term is 6.65 years to break/ 7.28 years to expiry.</p>	£1,139,448 p.a.	£14,900,000

Address	Date inspected	Description age and tenure	Terms of main tenancies	Current net annual rent receivable	Market Value as at 15 August 2023
Widnes Shopping Park, Widnes	27/03/2023	<p>The property comprises a retail warehouse shopping park of 12 units, a Gala Bingo Hall, a standalone retail warehouse unit and a drive-thru restaurant arranged in an 'L' formation around a central car park on two levels. The total current gross internal area is 181,332 sq. ft. (incl. mezzanine accommodation) with units ranging in size from 1,406 sq. ft. to 41,119 sq. ft.</p> <p>The property itself is arranged on a split level site sloping downward in the southwest corner. Here consists the lower deck car park undercroft and lower ground floor accommodation occupied by M&amp;S (units 1 and 8) and JD Sports (units 9 and 10), and has been separated from unit 3 located above, occupied by Outfit.</p> <p>The units comprise generally of steel portal frame construction with a mixture of cavity brick walls and various cladding styles to the elevations, beneath a flat roof with parapet walls to the perimeter. The units generally have a glazed, powder coated aluminum framed entrance with advertising fascia above.</p> <p><b>Tenure:</b> Part Leasehold and Part Freehold. <b>Built:</b> 1970s – 2010.</p>	<p>The property is multi let to 15 tenants by way of 15 leases. Lease expiries range between June 2024 and March 2035. The top five income producing tenants in order are M&amp;S, Poundland, Wilko, Buzz Leisure and Next. The leases are drawn on full repairing and insuring terms with several subject to five yearly upwards only rent reviews.</p> <p>Superdrug and River Island both have leases with a turnover rent payable. Superdrug are subject to a 8.00 per cent. turnover top-up capping the rent at £115,000 p.a. River Island pay a turnover of 7.00 per cent.</p> <p>There is a service charge shortfall incurred by the landlord for the inclusive rent for units 9/10, equating to £47,350.</p> <p>The weighted average unexpired lease term is 2.60 years to break/ 5.87 years to expiry.</p>	£2,397,790 p.a.	£33,150,000
Wombwell Lane Retail Park, Barnsley	04/05/2023	<p>The property comprises a retail warehouse park extending to a gross internal area of 82,225 sq. ft. (99,129 sq. ft., including mezzanine areas) arranged over five units. The units range in size from 5,046 sq. ft. to 34,970 sq. ft., originally constructed in two phases, comprising a terrace of units fronting the main car park. There is also a 1,800 sq. ft. drive-thru constructed in 2020, currently leased to Costa.</p> <p>The units are of steel portal frame and block construction with brick elevations at lower level surmounted by profile sheet plastisol coated cladding beneath pitched profile sheet roof coverings incorporating light levels. Floors are concrete.</p> <p>Typically, the individual units incorporate a glazed customer entrance to the front elevation overlooking the car park with a warehouse area/loading access and service yard beyond to the rear.</p> <p>Internally, the units provide a combination of block built amenity blocks and mezzanine structures providing additional storage and retail space. The units have been configured to suit the individual occupier's requirements, typically incorporating retail fixtures and fittings throughout.</p> <p>The park has three electric vehicle charging points which were installed in June 2023.</p> <p>The car park provides approximately 400 car parking spaces in total.</p> <p><b>Tenure:</b> Freehold. <b>Built:</b> 1990s.</p>	<p>The property is multi-let to six tenants on six leases, not including the EV charging points and a recycling point. The occupiers include Dunelm, B&amp;M, JYSK, Bensons for Beds and Costa. Expiries range from August 2028 to April 2038, with break options ranging from November 2026 to April 2034. The leases are drawn on full repairing and insuring terms, subject to upward only rent reviews. B&amp;M is currently in a nil rent period, with the rent converting to £350,000 p.a. in February 2024.</p> <p>The scheme is subject to a capital reimbursement of £37,770.</p> <p>The weighted average unexpired lease term is 5.52 years to break/ 8.01 years to expiry.</p>	£573,140 p.a.	£12,250,000

Address	Date inspected	Description age and tenure	Terms of main tenancies	Current net annual rent receivable	Market Value as at 15 August 2023
Kingston Retail Park, Kingston Road, Hull	17/11/2022	<p>The property comprises a retail warehouse park extending to a total gross internal area of 142,921 sq. ft. across 12 units, plus a kiosk occupied by We Buy Any Car. The unit sizes range from 2,033 sq. ft. to 24,263 sq. ft. The park is arranged as two linear terraces, with five of the units in the western terrace and six units in the eastern terrace. In addition, there is one standalone kiosk style unit to the north of the eastern terrace. Several of the terraced units have been extended to the rear to provide additional storage space.</p> <p>The units are of steel frame construction. Externally, the elevations are predominantly clad with composite metal panels, with brick at low level and to the feature corners. The units are surmounted by pitched / hipped metal clad roofs, which incorporate translucent light panels to a number of the units.</p> <p>There is a feature entrance to each unit of metal construction which provides signage and a covered entrance. Each unit has a double glazed entrance with a manual or electric door, set in metal frames. There are display areas to either side of the entrance to the majority of the units.</p> <p><b>Tenure:</b> Freehold. <b>Built:</b> 1989.</p>	<p>The property is let to 11 tenants by way of 11 leases, not including the kiosk let to We Buy Any Car. Only unit 3B is currently vacant. Expiries range between April 2024 to October 2036, with break options ranging from March 2024 to January 2029. The top five income producing occupiers are B&amp;M, Tesco, Hobbycraft, Iceland and Home Bargains. The leases are drawn on full repairing and insuring terms, subject to upwards only rent reviews. Mamas and Papas are currently in a nil rent period, expiring in December 2023 where the rent reverts to £90,000 p.a.</p> <p>The scheme is subject to a to capital reimbursement of £140,000.</p> <p>The weighted average unexpired lease term is 4.23 years to break/ 5.81 years to expiry.</p>	£1,419,094 p.a.	£20,800,000
Prestatyn Shopping Park, Prestatyn	15/12/2022	<p>Prestatyn Shopping Park comprises 13 retail warehouse units arranged over three terraces, a Grade II listed former railway station and goods shed, now used as a retail unit. Total accommodation extents to 90,871 sq. ft. (excluding mezzanines).</p> <p>The main terrace of retail warehousing, comprising units 1 to 6 is located to the north boundary, with a standalone Tesco Supermarket to the east, which was sold in Q1 2021 and no longer forms part of the valuation. A small terrace of units 7 to 9 are located to the west of the car park and a terrace comprising four units from 13 to 16 are located to the south. The former station building is located in the north west corner of the site. There are no units known as 10 or 11 forming the property.</p> <p>Units are of steel portal frame construction with composite panel elevations, beneath a composite panel roof and have a mix of partial and full height single glazed metal frame frontages.</p> <p><b>Tenure:</b> Freehold. <b>Built:</b> 2012-2015.</p>	<p>The property is let to 14 tenants by way of 14 leases, which expire between August 2023 and December 2047. The top five income producing occupiers are M&amp;S, TK Maxx, Boots, Poundland and Sports Direct. The leases are drawn on full repairing and insuring terms, subject to upward only rent reviews. Both Sportsworld and Superdrug are in a rent free period, expiring in March 2024 and January 2024, respectively.</p> <p>The scheme is subject to a capital reimbursement of £55,286.</p> <p>The weighted average unexpired lease term is 2.23 years to break/ 7.74 years to expiry.</p>	£1,868,105 p.a.	£23,950,000

Address	Date inspected	Description age and tenure	Terms of main tenancies	Current net annual rent receivable	Market Value as at 15 August 2023
Haddington Retail Park, Haddington	20/01/2023	<p>Haddington Retail Park comprises a modern terrace of three retail warehouse units, a 1,500 sq. ft. unit, drive-thru pod let to Costa and a petrol filling station. Total accommodation extends to 47,896 sq. ft.</p> <p>The main terrace of retail warehousing is located on the north eastern boundary of the site, with the Costa drive-thru positioned in the centre of the south west corner and the petrol filling station located on the western boundary. The topography of the land is flat, with a block paved car park, with tarmacked access roads located in the centre of the site, providing c.293 spaces.</p> <p>Units are of steel portal frame construction with composite panel elevations, beneath a composite panel roof and have partial glazed frontages.</p> <p>The park has an electric vehicle charging point which was installed in January 2021.</p> <p><b>Tenure:</b> Freehold. <b>Built:</b> 2021.</p>	<p>The property is let to five tenants by way of five leases, which expire between June 2031 and June 2046. This does not include the EV charging points which expire in December 2041. The only tenancy subject to a break option is Costa in June 2031. The occupiers include Aldi, Home Bargains, Iceland, Euro Garages (PFS) and Costa. The leases are drawn on full repairing and insuring terms, subject to upward only and indexed rent reviews.</p> <p>The scheme is subject to a capital expense of £5,625.</p> <p>The weighted average unexpired lease term is 12.69 years to break/13.09 years to expiry.</p>	£831,414 p.a.	£14,500,000
Springkerse Retail Park, Stirling	20/01/2023	<p>Springkerse Retail Park comprises 12 retail warehouse units arranged in a linear terrace formation. Total accommodation extends to 162,593 sq. ft.</p> <p>The main terrace of retail warehousing is located on the western boundary of the site, running in a north to south direction, fronting the main car park area which offers up to c.600 parking spaces.</p> <p>The units are of steel frame construction with brick elevations and pitched roofs, incorporating false mansard detailing and a pitched entrance canopy.</p> <p>Frontages to units 1A – 2 and units 9 – 11 have been upgraded with the frontages to units 3,4 and 5 currently being upgraded.</p> <p><b>Tenure:</b> Freehold. <b>Built:</b> 1994.</p>	<p>The property is let to 10 tenants by way of 10 leases, which expire between June 2025 and October 2032. Units 1A and 6 are currently vacant. The top five income producing tenants are B&amp;Q, Wren Kitchens, Carpetright, Tapi Carpets and Pets at Home. Break options range from December 2025 to March 2029. Both unit 8 and unit 1C are subject to rent free periods, expiring in December 2023 and October 2023 respectively. Tapi Carpets have exchanged on an agreement for lease for a five year reversionary lease at a rent of £200,000 p.a. with 4.50 months' rent free. Completion of this lease is subject to undertaking works to the frontages on units 3,4 and 5. The leases are drawn of full repairing and insuring terms, subject to upward only rent reviews.</p> <p>The scheme is subject to capital expenditure of £1,044,226.17.</p> <p>The weighted average unexpired lease term is 4.49 years to break/ 4.87 years to expiry.</p>	£1,781,621 p.a.	£28,250,000



## PART 5

### SUMMARY OF THE PRINCIPAL TERMS AND CONDITIONS OF THE DISPOSAL

The following is a summary of the principal terms and conditions of the Sale Agreement. As set out in paragraph 13 of Part 6 (*Additional Information*) of this document, the Sale Agreement is available for inspection by Shareholders.

#### 1. PARTIES AND STRUCTURE

The Sale Agreement was entered into on 8 September 2023 between the Company and the Purchaser. Pursuant to the terms of the Sale Agreement, the Purchaser has agreed, subject to the approval of the Resolution at the General Meeting, to acquire the entire issued share capital of EPIC (No. 1) Limited and EPIC (No. 2) Limited for a total cash consideration of £200.8 million, prior to agreed deductions of approximately £4.0 million (subject to the adjustments as described in paragraph 3 of this Part 5 (*Summary of the Principal Terms and Conditions of the Disposal*) of this document).

#### 2. TIMING, CONDITIONS AND TERMINATION

Completion of the Disposal is conditional only upon the approval of the Resolution at the General Meeting and the Company shall use all reasonable endeavours to ensure that such condition is satisfied as soon as reasonably practicable following the date of the Sale Agreement and, in any event, before close of business on the Business Day prior to the Longstop Date. If the Resolution is approved at the General Meeting, the Company will be contractually obliged to proceed to Completion. If the Resolution is not approved at the General Meeting, or the condition is not otherwise satisfied before close of business on the Business Day prior to the Longstop Date, the Sale Agreement shall terminate in accordance with its terms. If the Disposal does not complete, the Company will not receive the Consideration, and will forego the other benefits of the Disposal, as described in Part 1 (*Letter from the Chairman of Ediston Property Investment Company plc*) of this document.

Completion shall take place on the second Business Day following the date on which the Sale Agreement becomes unconditional, which is expected to be 28 September 2023 (the “**Anticipated Completion Date**”).

#### 3. CONSIDERATION

The Consideration of £200.8 million, prior to agreed deductions of approximately £4.0 million, is payable in full and in cash by the Purchaser on Completion, subject to certain customary adjustments in relation to the period prior to Completion.

#### 4. WARRANTIES AND INDEMNITIES

The Sale Agreement contains warranties and indemnities (subject to customary limitations) granted by the Company that are customary for this type of transaction. The warranties given by the Company are in relation to, among other things:

- a) its capacity, power and authority to enter into and perform its obligations under the Sale Agreement and all agreements and documents to be entered into by, or on behalf of, the Company pursuant to the Sale Agreement;
- b) its title and ownership of the entire share capital of each of the Targets and its right to transfer, or to procure the transfer of, the full legal and beneficial interest in the share capital of each of the Targets to the Purchaser on the terms set out in the Sale Agreement; and
- c) the business, assets, liabilities and financial affairs of the Targets.

In addition, the Sale Agreement contains warranties granted by the Purchaser that are customary for this type of transaction in relation to, among other things, its existence, its authority, power and right to enter into and execute the Sale Agreement, and to consummate the transactions contemplated by the Sale Agreement.

## 5. LIMITATIONS OF LIABILITIES

Any warranty claims to be brought against the Company under the Sale Agreement are subject to customary limitations, including an overall financial liability cap and time limits for bringing a claim. The aggregate liability of the Company for all claims under the Sale Agreement shall not exceed the Consideration received. The aggregate liability of the Company for all commercial, title and capacity, and tax warranty claims and claims under the Tax Covenants shall not exceed an amount equal to £1.00.

The Purchaser has procured warranty and indemnity insurance in respect of the warranties, such that the Purchaser's main recourse for a breach of the warranties shall be to the warranty and indemnity insurance policy.

The limitations on liability shall not apply in the case of fraud, fraudulent misrepresentation or wilful non-disclosure by the Company.

## 6. PERIOD BEFORE COMPLETION

The Company shall comply with certain customary obligations beginning on the date of the Sale Agreement and ending at Completion, including to cause the Targets to operate in the ordinary and usual course of business, subject to certain agreed-upon exceptions or with the prior written consent of the Purchaser, and has given a number of specific undertakings to the Purchaser regarding the conduct of the business and affairs of the Targets during such period.

## 7. TERMINATION

Either the Company or the Purchaser may terminate the Sale Agreement if the condition that the Resolution be passed is not satisfied or becomes incapable of being satisfied on or before close of business on the Business Day prior to the Longstop Date. The Longstop Date is 29 September 2023.

Provided always that Completion cannot occur later than the Longstop Date, in the event that either party fails to satisfy its completion obligations on the Anticipated Completion Date, the non-defaulting party may elect to waive the outstanding obligations or defer completion by up to five Business Days (the "**Deferred Completion Date**"). In the event the default persists on the Deferred Completion Date then the non-defaulting party may elect to terminate the Sale Agreement.

## 8. GOVERNING LAW AND JURISDICTION

The Sale Agreement is governed by English law. The English courts have exclusive jurisdiction in relation to all disputes arising out of, or in connection with, the Sale Agreement.

## 9. SUMMARY OF THE PRINCIPAL TERMS OF THE OTHER TRANSACTION AGREEMENTS

### 9.1. Tax Covenants

As part of the Disposal, the Company has entered into tax covenants with the Purchaser (the "**Tax Covenants**"). Pursuant to the terms of the Tax Covenants, with effect from Completion, the Company undertakes to pay to the Purchaser an amount equal to any tax liabilities of the Targets that arise in respect of pre-Completion matters (subject to customary exemptions, financial thresholds and a £1.00 cap on the Company's liability (save in respect of fraud, fraudulent misrepresentation or wilful non-disclosure by the Company)).

### 9.2. Cost Cover Agreement

As part of the Disposal, the Company has entered into a cost cover agreement with the Purchaser (the "**Cost Cover Agreement**"). Pursuant to the terms of the Cost Cover Agreement, in the event that Completion does not occur because the Resolution is not passed at the General Meeting, the Company has undertaken to cover the due diligence costs of the Purchaser (up to 0.99 per cent. of the Company's market capitalisation as at close of business on the last Business Day prior to the date upon which the announcement of the Disposal (being approximately £1.46 million)).

## PART 6

### ADDITIONAL INFORMATION

#### 1. RESPONSIBILITY

The Company and the Directors, whose names are set out on page 7 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2. COMPANY INFORMATION

The Company was incorporated and registered in England and Wales on 17 June 2014 as a public limited company under the Companies Act.

The Company's registered office is at The Scalpel, 52 Lime Street, London EC3M 7AF. Contact by telephone is *via* the Company Secretary, JTC (UK) Limited, on +44 (0)20 7409 0181.

The principal laws and legislation under which the Company operates are the Companies Act and the regulations made thereunder.

Grant Thornton were the auditors of the Company for the financial years ended 30 September 2020, 2021 and 2022.

#### 3. DIRECTORS

The Directors of the Company and their respective functions are set out on page 7 of this document.

#### 4. DIRECTORS' INTERESTS IN THE COMPANY

As at the close of business on 6 September 2023, the interests of the Directors and their connected persons (within the meaning of sections 252 to 255 of the Companies Act) in Ordinary Shares were as follows:

<b>Director</b>	<b>Number of Ordinary Shares (beneficial interest)</b>	<b>Percentage of the Ordinary Shares in issue (%)</b>
William Hill	171,580	0.081
Karyn Lamont	10,000	0.005
Imogen Moss	89,195	0.042
Jamie Skinner	100,000	0.047

#### 5. DIRECTORS' LETTERS OF APPOINTMENT

- 5.1. Save as set out in this paragraph 5, there are no existing or proposed service contracts or letters of appointment between the Directors and any member of the EPIC Group.
- 5.2. There are no service contracts between the Company and any of the Directors. Each of the Directors has entered into a letter of appointment with the Company (together, the "**Letters of Appointment**").

Details of the appointment of each of the Directors are shown in the table below.

<b>Director</b>	<b>Date of appointment</b>	<b>Notice period (months)</b>	<b>Current fees (per annum)</b>
William Hill	17 June 2014	4	£56,000
Karyn Lamont	1 September 2022	4	£47,000
Imogen Moss	1 April 2020	4	£40,000
Jamie Skinner	1 July 2017	4	£40,000

- 5.3. Each of the Directors has agreed to reduce their current fees by 50 per cent. from the completion of the Disposal to the liquidation of the Company, if approved by Shareholders.
- 5.4. Pursuant to their Letters of Appointment, the Directors are required to devote such time to the affairs of the Company as is required for the proper performance of their duties. The Directors are not entitled to participate in any share option scheme or receive any pension from the Company. In line with the UK Corporate Governance Code, all Directors are subject to annual re-election by Shareholders at the Company's annual general meeting. The Directors' appointments can be terminated in accordance with the Articles of Association and without compensation, and the Directors are entitled to be reimbursed for travel and other business related expenses.
- 5.5. In consideration of the additional services provided by the Directors in relation to the Strategic Review and the subsequent Disposal, additional fees of £50,000 (in aggregate) will be paid to the Directors.

## 6. SIGNIFICANT SHAREHOLDERS

The following table sets out the name of each person who, directly or indirectly, was interested in voting rights representing three per cent. or more of the total voting rights in respect of the Company's issued Share capital as at the close of business on 6 September 2023 insofar as it is known to the Company (in accordance with Chapter 5 of the Disclosure Guidance and Transparency Rules).

<b>Name</b>	<b>Number of Ordinary Shares</b>	<b>Percentage of total voting rights (%)</b>
Columbia Threadneedle Investments	37,122,816	17.57
Hargreaves Lansdown, stockbrokers	18,531,097	8.77
Investec Wealth & Investment	14,731,464	6.97
Momentum Global Investment Management	14,715,228	6.96
Quilter Investors	11,897,500	5.63
Interactive Investor	11,735,372	5.55
Mattioli Woods	7,098,920	3.36

## 7. MATERIAL CONTRACTS

### 7.1. The Company

Save as disclosed in this paragraph 7.1, no contracts have been entered into (other than contracts entered into in the ordinary course of business) by the Company, either: (a) within the two years immediately preceding the date of this document which are or may be material to the Company; or (b) at any time, which contain any provision under which the Company has any obligation or entitlement which is or may be material to the Company as at the date of this document.

#### (a) Sale Agreement

Details of the Sale Agreement are set out in Part 5 (*Summary of the Principal Terms and Conditions of the Disposal*) of this document.

*(b) AIFM Agreement*

The Company and the AIFM entered into a management agreement on 24 February 2016 pursuant to which the AIFM is appointed to act as the Company's manager and alternative investment fund manager (the "**AIFM Agreement**"). Pursuant to the AIFM Agreement the AIFM has sole responsibility for the portfolio management and risk management of the Company's portfolio, which includes, amongst other things, managing the EPIC Group's assets on a day-to-day basis and advising the Company in relation to the investments of the EPIC Group on a day-to-day basis.

The AIFM's duties under the AIFM Agreement with regard to portfolio management include, *inter alia*, complying with the Company's investment policy, keeping the EPIC Group's assets under review and generally providing investment advice to the EPIC Group in connection with treasury management and money market funds.

Under the terms of the AIFM Agreement, the AIFM is also responsible for obtaining and maintaining from the FCA all approvals necessary for the AIFM to be appointed and continue to act as AIFM of the Company in accordance with the UK AIFMD; and is required to provide all such risk management services to the Company as are required by the UK AIFMD.

Under the terms of the AIFM Agreement, the AIFM must act in good faith and with the reasonable skill and diligence expected of a competent and prudent alternative investment fund manager, and must act in the best interests of the Company.

In anticipation of Completion and the proposed liquidation of the Company, the Company has served notice of termination on the AIFM pursuant to the terms of the AIFM Agreement.

*(c) Investment Management Agreement*

The Company, the AIFM and the Investment Manager entered into an investment management agreement on 24 February 2016 pursuant to which the AIFM has delegated portfolio management services relating to the Company to the Investment Manager on the same terms as the AIFM Agreement (the "**Investment Management Agreement**").

Pursuant to the Investment Management Agreement, the Investment Manager is responsible for the property management of the assets of the Company, including the sourcing of new real estate assets in the UK, the collection of rent and implementing the agreed property management strategy which involves maximising rental income at rent reviews, negotiating longer leases and the removal of tenant break options, instructing agents to re-let premises at lease expiries and, where appropriate, arranging for refurbishment to increase rental income or capital values as well as the day-to-day monitoring of the assets of the Company.

*(d) Administration and Company Secretarial Agreement*

The Company is party to an administration and secretarial agreement with the Company Secretary originally dated 18 December 2019 (the "**Administration and Company Secretarial Agreement**") pursuant to which the Company Secretary acts as secretary and administrator to the Company and performs functions, including the maintenance of accounts, preparing the half yearly and annual accounts of the Company and calculating the net asset value of the Ordinary Shares based on information provided to the Company Secretary by the Investment Manager.

In anticipation of Completion and the proposed liquidation of the Company, the Company has served notice of termination on the Company Secretary pursuant to the terms of the Administration and Company Secretarial Agreement.

*(e) Depositary Agreement*

The Company is party to a depositary agreement with the Depositary and the AIFM dated 24 February 2016 (the "**Depositary Agreement**") pursuant to which the safekeeping of the Company's assets is entrusted to the Depositary. Under the terms of the Depositary Agreement, the Depositary is required to provide depositary services to the Company in fulfilment of the requirements of the UK AIFMD. The Depositary is also responsible for ensuring that the Company's cash flows are properly monitored and reviews the AIFM's cash monitoring procedures.

*(f) Registrar Agreement*

The Company is party to a registrar agreement with the Registrar originally dated 16 October 2014 (the “**Registrar Agreement**”) pursuant to which the Registrar is appointed to act as registrar and to provide share dealing services to the Company.

*(g) Investec financial advisory agreement*

On 15 June 2023, the Company entered into a financial advisory agreement on customary terms with Investec pursuant to which Investec agreed to provide financial advisory services to the Company in connection with the Strategic Review and the Disposal.

*(h) Dickson Minto Advisers financial advisory and legal advisory agreement*

On 5 May 2023, the Company entered into a financial advisory and legal advisory agreement on customary terms with Dickson Minto Advisers pursuant to which Dickson Minto Advisers agreed to provide financial advisory and legal advisory services in connection with the Strategic Review and the Disposal.

*(i) Savills consultancy agreement*

On 3 May 2023, the Company entered into a consultancy agreement on customary terms with Savills pursuant to which Savills agreed to act as property adviser to the Company in connection with the Strategic Review and the Disposal.

## 7.2. The Targets

Save as disclosed in this paragraph 7.2, no contracts have been entered into (other than contracts entered into in the ordinary course of business) by either of the Targets, either: (a) within the two years immediately preceding the date of this document which are or may be material to either of the Targets; or (b) at any time, which contain any provision under which either of the Targets has any obligation or entitlement which is or may be material to either of the Targets as at the date of this document.

### *Debt Facilities*

EPIC (No. 1) Limited is a party to a facility agreement originally dated 6 May 2015 (as amended and restated on 28 January 2016 and 21 June 2017) with Aviva Commercial Finance (in various capacities, including as lender) (the “**No.1 Facility Agreement**”) pursuant to which Aviva Commercial Finance has made available a term loan facility of £56.92 million to EPIC (No. 1) Limited. Interest is payable by EPIC (No. 1) Limited at a fixed rate (including the margin) of 3.09 per cent. per annum on £40 million of the loan, 2.95 per cent. per annum on £12.42 million of the loan and 2.22 per cent. per annum on £4.5 million of the loan, giving a weighted average cost of borrowings of 2.99 per cent. per annum. The interest rates increase by 0.10 per cent. per annum if the loan to value ratio is 40 per cent. or higher. The facility is repayable on 6 May 2025. However, if an Event of Default (as defined in the No.1 Facility Agreement) occurred it would be repayable on demand by Aviva Commercial Finance together with a prepayment fee calculated on the basis of the formula set out in the No.1 Facility Agreement. The No.1 Facility Agreement contains standard events of default and covenants for a facility of this nature. The facility is secured against the current assets of EPIC (No. 1) Limited.

EPIC (No. 2) Limited is a party to a facility agreement originally dated 15 November 2017 (as amended and restated on 24 June 2021) with Aviva Commercial Finance (in various capacities, including as lender) (the “**No.2 Facility Agreement**” and, together with the No.1 Facility Agreement, the “**Facility Agreements**”) pursuant to which Aviva Commercial Finance has made available a term loan facility of up to £54.156 million to EPIC (No. 2) Limited. Interest is payable by EPIC (No. 2) Limited at a fixed rate (including the margin) of 2.73 per cent. per annum. The interest rate increases by 0.10 per cent per annum if the loan to value is 40 per cent. or higher. The facility is repayable on 8 December 2027. However, if an Event of Default (as defined in the No.2 Facility Agreement) occurred it would be repayable on demand by Aviva Commercial Finance together with a prepayment fee calculated on the basis of the formula set out in the No.2 Facility Agreement. The No.2 Facility Agreement contains standard events of default and covenants for a facility of this nature and is secured against the current assets of EPIC (No. 2) Limited.

There are prepayment obligations under the Facility Agreements requiring the Targets to promptly notify Aviva Commercial Finance of a change of control of EPIC (No. 1) Limited and EPIC (No. 2) Limited (as applicable), and requiring the Targets to give Aviva Commercial Finance at least three months' prior notice of their intention to voluntarily prepay the facilities.

It is expected that, as part of and on the day of Completion, the Debt Facilities will be novated or transferred to the Company on the same terms that are currently in place. This novation or transfer will be achieved by the novation of the No.2 Facility Agreement and the provision of a new facility to the Company by Aviva Commercial Finance under such novated No.2 Facility Agreement to repay amounts outstanding under the No.1 Facility Agreement. This will result in the Company owing amounts to Aviva Commercial Finance in the same amounts and on the same terms as the Facility Agreements. The Debt Facilities will be repaid on the date of liquidation if Shareholders approve the voluntary liquidation of the Company, as described in section 7 of Part 1 (*Letter from the Chairman of Ediston Property Investment Company plc*) of this document.

## **8. LITIGATION**

### **8.1. The EPIC Group**

There are 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, during the 12 months prior to the date of this document, a significant effect on the EPIC Group's financial position or profitability.

### **8.2. The Targets**

There are 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, during the 12 months prior to the date of this document, a significant effect on the financial position or profitability of either of the Targets.

## **9. RELATED PARTY TRANSACTIONS**

Details of the related party transactions (which for these purposes are those set out in UK-adopted international accounting standards) that the Company has entered into during the periods covered by the historical financial information contained within this document and up to the date of this document are set out below:

- (a) during the financial year ended 30 September 2020, such transactions are disclosed on page 89 of the Company's 2020 Annual Report and Audited Financial Statements which are hereby incorporated by reference into this document;
- (b) during the financial year ended 30 September 2021, such transactions are disclosed on page 98 of the Company's 2021 Annual Report and Audited Financial Statements which are hereby incorporated by reference into this document;
- (c) during the financial year ended 30 September 2022, such transactions are disclosed on page 89 of the Company's 2022 Annual Report and Audited Financial Statements which are hereby incorporated by reference into this document;
- (d) during the six month period from 1 October 2022 to 31 March 2023, such transactions are disclosed on page 16 of the Company's 2023 Half-Year Results which are hereby incorporated by reference into this document; and
- (e) during the period from 1 April 2023 to the date of this document, the Company has not entered into any related party transactions.

## **10. NO SIGNIFICANT CHANGE**

### **10.1. The EPIC Group**

There has been no significant change in the financial or trading position or the financial performance of the EPIC Group since 31 March 2023, being the date to which the last published financial information relating to the EPIC Group was prepared.

## 10.2. The Targets

There has been no significant change in the financial or trading position or the financial performance of the Targets since 31 March 2023, being the last date to which the historical financial information relating to the Targets in Part 3 (*Financial Information relating to the Targets*) of this document was prepared.

## 11. CONSENTS

As set out in the Valuation Report, Knight Frank has given, and not withdrawn, its written consent to the publication of this document with the inclusion of the Valuation Report (set out in Part 4 (*Valuation Report*) of this document) and references to its name in the form and context in which they appear.

Investec has given, and not withdrawn, its written consent to the publication of this document with references to its name being included in the form and context in which they appear. Investec is regulated in the UK by the FCA and the PRA.

Dickson Minto Advisers has given, and not withdrawn, its written consent to the publication of this document with references to its name being included in the form and context in which they appear. Dickson Minto Advisers is regulated in the UK by the FCA.

## 12. INFORMATION INCORPORATED BY REFERENCE

Information from the following documents has been incorporated into this document by reference:

- (a) the Company's 2020 Annual Report and Audited Financial Statements;
- (b) the Company's 2021 Annual Report and Audited Financial Statements;
- (c) the Company's 2022 Annual Report and Audited Financial Statements; and
- (d) the Company's 2023 Half-Year Results.

Part 7 (*Information Incorporated by Reference*) of this document sets out the location of references to the above documents within this document.

A person who has received this document may request a copy of such documents incorporated by reference. A copy of any such document or information incorporated by reference will not be sent to such persons unless requested from the Company Secretary, JTC (UK) Limited, at The Scalpel, 52 Lime Street, London EC3M 7AF.

## 13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection: (a) during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of the Company at The Scalpel, 52 Lime Street, London EC3M 7AF from the date of this document up to and including the date of the General Meeting and, on the date of the General Meeting, at the place of the General Meeting for the duration of the General Meeting; and (b) on the Company's website at [www.epic-reit.com](http://www.epic-reit.com):

- (a) the Articles of Association;
- (b) the 2020 Annual Report and Audited Financial Statements, the 2021 Annual Report and Audited Financial Statements, the 2022 Annual Report and Audited Financial Statements and the 2023 Half-Year Results;
- (c) the consent letters referred to in paragraph 11 of this Part 6 (*Additional Information*);
- (d) the Valuation Report of Knight Frank set out in Part 4 (*Valuation Report*) of this document;
- (e) this document; and
- (f) the Sale Agreement.



## PART 7

### INFORMATION INCORPORATED BY REFERENCE

Sections of the 2020 Annual Report and Audited Financial Statements, the 2021 Annual Report and Audited Financial Statements, the 2022 Annual Report and Audited Financial Statements and the 2023 Half-Year Results are incorporated by reference into this document in accordance with paragraph 12 of Part 6 (*Additional Information*) of this document and contain information which is relevant to this document. These documents are available on the Company's website at [www.epic-reit.com](http://www.epic-reit.com).

The table below sets out the various sections of such documents which are incorporated by reference into this document so as to provide the information required under the Listing Rules.

No part of the 2020 Annual Report and Audited Financial Statements, the 2021 Annual Report and Audited Financial Statements, the 2022 Annual Report and Audited Financial Statements or the 2023 Half-Year Results is incorporated by reference herein except as expressly stated below.

<b>Reference document</b>	<b>Information incorporated by reference</b>	<b>Document page reference</b>	<b>Page number in this document</b>
2020 Annual Report and Audited Financial Statements	Note 17 of the Notes to the Consolidated Financial Statements	89	39
2021 Annual Report and Audited Financial Statements	Note 17 of the Notes to the Consolidated Financial Statements	98	39
2022 Annual Report and Audited Financial Statements	Note 17 of the Notes to the Consolidated Financial Statements	89	39
2023 Half-Year Results	Note 10 of the Notes to the Condensed Consolidated Financial Statements	16	39

Information that is itself incorporated by reference in the above documents is not incorporated by reference into this document. It should be noted that, except as set forth above, no other parts of the above documents are incorporated by reference into this document and those parts that are not specifically incorporated by reference into this document are either not relevant for Shareholders or the relevant information is included elsewhere in this document.

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

## PART 8

### DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise.

<b>2020 Annual Report and Audited Financial Statements</b>	the annual report and audited financial statements of the Company for the year ended 30 September 2020
<b>2021 Annual Report and Audited Financial Statements</b>	the annual report and audited financial statements of the Company for the year ended 30 September 2021
<b>2022 Annual Report and Audited Financial Statements</b>	the annual report and audited financial statements of the Company for the year ended 30 September 2022
<b>2023 Half-Year Results</b>	the interim financial statements of the Company for the six months ended 31 March 2023
<b>Administration and Company Secretarial Agreement</b>	the administration and company secretarial agreement entered into between the Company and the Company Secretary dated 18 December 2019, as amended and supplemented from time to time
<b>AIFM</b>	Ediston Investment Services Limited, a private limited company incorporated in England and Wales with registered number 09626337 and having its registered office at Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS
<b>AIFM Agreement</b>	the management agreement entered into between the Company and the AIFM on 24 February 2016, as amended and supplemented from time to time
<b>Anticipated Completion Date</b>	the second Business Day following the date on which the Sale Agreement becomes unconditional
<b>Articles of Association or Articles</b>	the articles of association of the Company
<b>Aviva Commercial Finance</b>	Aviva Commercial Finance Limited, a private limited company incorporated in England and Wales with registered number 02559391 and having its registered office at St Helen's, 1 Undershaft, London EC3P 3DQ
<b>Board</b>	the board of Directors of the Company
<b>Business Day</b>	a day (other than a Saturday or Sunday or public holiday in England and Wales) on which banks are open in London for general commercial business
<b>Companies Act</b>	the Companies Act 2006, as amended from time to time
<b>Company</b>	Ediston Property Investment Company plc, a public limited company incorporated in England and Wales with registered number 09090446 and having its registered office at The Scalpel, 52 Lime Street, London EC3M 7AF
<b>Company Secretary</b>	JTC (UK) Limited, a private limited company incorporated in England and Wales with registered number 04301763 and having its registered office at The Scalpel, 52 Lime Street, London EC3M 7AF
<b>Completion</b>	completion of the Disposal in accordance with the provisions of the Sale Agreement
<b>Consideration</b>	has the meaning given in section 1 of Part 1 ( <i>Letter from the Chairman of Ediston Property Investment Company plc</i> ) of this document

<b>Cost Cover Agreement</b>	the agreement, as more fully described in paragraph 9.2 of Part 5 ( <i>Summary of the Principal Terms and Conditions of the Disposal</i> ) of this document
<b>CREST</b>	the UK-based system for the paperless settlement of trades in listed securities and the holding of uncertificated listed securities operated by Euroclear in accordance with the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended from time to time
<b>CREST Manual</b>	the manual published by Euroclear describing the CREST system, as amended from time to time
<b>CREST Proxy Instruction</b>	a proxy appointment or instruction made using CREST, authenticated in accordance with Euroclear's specifications and containing the information set out in the CREST Manual
<b>CTA 2010</b>	the Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force
<b>Debt Facilities</b>	the debt facilities made available pursuant to the Facility Agreements
<b>Depository</b>	IQ EQ Depository Company (UK) Limited, a private limited company incorporated in England and Wales with registered number 05830789 and having its registered office at 4th Floor, 3 More London Riverside, London SE1 2AQ
<b>Depository Agreement</b>	the depository agreement entered into between the Company, the Depository and the AIFM on 24 February 2016, as amended and supplemented from time to time
<b>Dickson Minto Advisers</b>	the trading name of Dickson Minto W.S., a Scottish partnership having its business address at 16 Charlotte Square, Edinburgh EH2 4DF and a place of business at Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS
<b>Directors</b>	the directors of the Company from time to time
<b>Disclosure Guidance and Transparency Rules</b>	the Disclosure Guidance and Transparency Rules made by the FCA for the purposes of Part VI of FSMA
<b>Disposal</b>	the proposed disposal by the Company of the entire issued share capital of each of the Targets to the Purchaser in accordance with the provisions of the Sale Agreement, as more fully described in Part 5 ( <i>Summary of the Principal Terms and Conditions of the Disposal</i> ) of this document
<b>EPIC Group</b>	the Company and any subsidiaries of the Company from time to time, including the Targets (but following Completion of the Disposal shall comprise the Company only), and " <b>member of the EPIC Group</b> " shall be construed accordingly
<b>EPIC (No. 1) Limited</b>	EPIC (No. 1) Limited, a private limited company incorporated in England and Wales with registered number 09106328 and having its registered office at The Scalpel, 52 Lime Street, London EC3M 7AF
<b>EPIC (No. 2) Limited</b>	EPIC (No. 2) Limited, a private limited company incorporated in England and Wales with registered number 10978359 and having its registered office at The Scalpel, 52 Lime Street, London EC3M 7AF
<b>EPRA NAV</b>	the net asset value of the Company adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a long-term investment property business model

<b>EPRA NAV per Share</b>	the EPRA NAV divided by the number of Ordinary Shares in issue at the relevant time
<b>EPRA Vacancy Rate</b>	the percentage of investment property space that is vacant, based on estimated rental value
<b>Estimated Net Assets</b>	the net assets of approximately £152.2 million that the Company expects to have following Completion, after adjustment for estimated transaction costs and inclusive of the monthly dividend of 0.4167 pence per Share due to be paid subsequent to Completion on 29 September 2023
<b>Estimated Net Assets per Share</b>	the Estimated Net Assets divided by the number of Ordinary Shares in issue at the relevant time
<b>EU AIFM Delegated Regulation</b>	the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision
<b>EU AIFM Directive</b>	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010, and the EU AIFM Delegated Regulation
<b>EU Market Abuse Regulation</b>	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and repealing the Directive of the European Parliament and of the Council of 28 January 2003 and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC
<b>Euroclear</b>	Euroclear UK & International Limited, a private limited company incorporated in England and Wales with registered number 02878738 and having its registered office at 33 Cannon Street, London EC4M 5SB, the operator of CREST
<b>Facility Agreements</b>	the No.1 Facility Agreement and the No.2 Facility Agreement
<b>FCA or Financial Conduct Authority</b>	the Financial Conduct Authority of the UK, its predecessors or its successors from time to time, including, as applicable, in its capacity as the competent authority for the purposes of Part VI of FSMA
<b>Financial Reporting Council</b>	the Financial Reporting Council of the UK, including any replacement or substitute therefor and any regulatory body or person succeeding, in whole or in part, to the functions thereof
<b>Form of Proxy</b>	the form of proxy for use by Shareholders in connection with the General Meeting, which accompanies this document
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended from time to time
<b>General Meeting</b>	the general meeting of the Company to be held at the offices of Dickson Minto W.S., Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS at 11.00 a.m. on 26 September 2023 (or any adjournment thereof), notice of which is set out in the Notice of General Meeting
<b>Grant Thornton</b>	Grant Thornton UK LLP, a limited liability partnership incorporated in England and Wales with registered number OC307742 and having its registered office at 30 Finsbury Square, London EC2A 1AG
<b>IFRS</b>	International Financial Reporting Standards

<b>Investec</b>	Investec Bank plc, a public limited company incorporated in England and Wales with registered number 00489604 and having its registered office at 30 Gresham Street, London EC2V 7QP
<b>Investment Manager</b>	Ediston Properties Limited, a private limited company incorporated in England and Wales with registered number 04910369 and having its registered office at Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS
<b>Investment Management Agreement</b>	the investment management agreement entered into between the Company, the AIFM and the Investment Manager on 24 February 2016, as amended and supplemented from time to time
<b>Knight Frank</b>	Knight Frank LLP, a limited liability partnership incorporated in England and Wales with registered number OC305934 and having its registered office at 55 Baker Street, London W1U 8AN
<b>Letters of Appointment</b>	the letters of appointment entered into by each of the Directors of the Company, as more fully described in paragraph 5 of Part 6 ( <i>Additional Information</i> ) of this document, as amended or supplemented from time to time
<b>Listing Rules</b>	the Listing Rules made by the FCA for the purposes of Part VI of FSMA, as amended from time to time
<b>London Stock Exchange</b>	London Stock Exchange plc, a public limited company incorporated in England and Wales with registered number 02075721 and having its registered office at 10 Paternoster Square, London EC4M 7LS
<b>Longstop Date</b>	29 September 2023
<b>NAV or net asset value</b>	the value, as at any date, of the assets of the Company after deduction of all its liabilities, before deducting dividends that have been declared but not paid as at the relevant date, determined in accordance with the accounting policies adopted by the Company from time to time
<b>No.1 Facility Agreement</b>	the facility agreement entered into between EPIC (No. 1) Limited and Aviva Commercial Finance originally dated 6 May 2015, as more fully described in paragraph 7.2 of Part 6 ( <i>Additional Information</i> ) of this document, as amended or supplemented from time to time
<b>No.2 Facility Agreement</b>	the facility agreement entered into between EPIC (No. 2) Limited and Aviva Commercial Finance originally dated 15 November 2017, as more fully described in paragraph 7.2 of Part 6 ( <i>Additional Information</i> ) of this document, as amended or supplemented from time to time
<b>Notice of General Meeting</b>	the notice of the General Meeting, as set out in Part 9 ( <i>Notice of General Meeting</i> ) of this document
<b>Ordinary Shares or Shares</b>	the ordinary shares of 1 penny each in the capital of the Company
<b>PRA or Prudential Regulation Authority</b>	the Prudential Regulation Authority of the UK, including any replacement or substitute therefor and any regulatory body or person succeeding, in whole or in part, to the functions thereof
<b>Properties</b>	the properties comprised in the Property Portfolio, as more fully described in Part 4 ( <i>Valuation Report</i> ) of this document, or any of them as the context requires (each a “ <b>Property</b> ”)
<b>Property Portfolio</b>	the whole portfolio of Properties owned by the EPIC Group that the Purchaser has agreed, subject to the passing of the Resolution, to acquire through the Disposal pursuant to the Sale Agreement, as summarised in section 4 of Part 1 ( <i>Letter from the</i>

	<i>Chairman of Ediston Property Investment Company plc)</i> of this document
<b>Prospectus Regulation Rules</b>	the Prospectus Regulation Rules made under Part VI of FSMA, as amended from time to time
<b>Purchaser or RI UK 1 Limited</b>	RI UK 1 Limited, a company incorporated in Jersey with registered number 129808 and having its registered office at 47 Esplanade, St Helier, Jersey JE1 0BD, being a wholly-owned subsidiary of Realty Income
<b>Realty Income</b>	Realty Income Corporation, a US real estate investment trust listed on the New York Stock Exchange (NYSE: O) and any subsidiary of Realty Income Corporation from time to time, including the Purchaser
<b>Red Book</b>	the RICS Valuation – Global Standards, effective from 31 January 2022
<b>Register of Members</b>	the Company's register of members
<b>Registrar</b>	Computershare Investor Services PLC, a public limited company incorporated in England and Wales with registered number 03498808 and having its registered office at The Pavilions, Bridgwater Road, Bristol BS13 8AE
<b>Registrar Agreement</b>	the registrar agreement entered into between the Company and the Registrar on 16 October 2014, as amended and supplemented from time to time
<b>Regulatory Information Service</b>	the regulatory information service provided by the London Stock Exchange
<b>REIT</b>	a company or group to which Part 12 of the CTA 2010 applies (including, where relevant, a REIT Group)
<b>REIT Group</b>	a group UK REIT within the meaning of Part 12 of the CTA 2010
<b>REIT Regime</b>	Part 12 of the CTA 2010 (and related regulations)
<b>Resolution</b>	the ordinary resolution to be proposed at the General Meeting to approve the Disposal and to grant the Directors authority to implement the Disposal, as set out in the Notice of General Meeting
<b>S&amp;P 500</b>	Standard & Poor's 500 Index, a market-capitalisation-weighted index of 500 leading publicly traded companies in the US
<b>Sale Agreement</b>	the sale and purchase agreement dated 8 September 2023 entered into between the Company and the Purchaser in connection with the Disposal, as more fully described in Part 5 ( <i>Summary of the Principal Terms and Conditions of the Disposal</i> ) of this document
<b>Savills</b>	Savills (UK) Limited, a private limited company incorporated in England and Wales with registered number 02605138 and having its registered office at 33 Margaret Street, London W1G 0JD
<b>Shareholders</b>	holders of Ordinary Shares from time to time
<b>Strategic Review</b>	the strategic review undertaken by the Board in order to assess the options for the future of the Company with a view to maximising value for Shareholders over the medium term, as described in the Strategic Review Announcement
<b>Strategic Review Announcement</b>	the announcement published by the Company <i>via</i> a Regulatory Information Service on 16 March 2023 in relation to the Strategic Review

<b>Strategic Review Update Announcement</b>	the announcement published by the Company via a Regulatory Information Service on 3 August 2023 in relation to the Strategic Review
<b>Targets</b>	EPIC (No. 1) Limited and EPIC (No. 2) Limited
<b>Tax Covenants</b>	the tax covenants described in paragraph 9.1 of Part 5 ( <i>Summary of the Principal Terms and Conditions of the Disposal</i> ) of this document
<b>TR Property Investment Trust plc</b>	TR Property Investment Trust plc, a public limited company incorporated in England and Wales with registered number 00084492 and having its registered office at 13 Woodstock Street, London W1C 2AG
<b>UK or United Kingdom</b>	the United Kingdom of Great Britain and Northern Ireland
<b>UK AIFMD</b>	<ul style="list-style-type: none"> <li>a) the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) and any other implementing measure which operated to transpose the EU AIFM Directive into UK law before 31 January 2020 (as amended from time to time including by the Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2019 (SI 2019/328)); and</li> <li>b) the UK versions of the EU AIFM Delegated Regulation and any other delegated regulations in respect of the EU AIFM Directive, each being part of UK law by virtue of the European Union (Withdrawal) Act 2018, as further amended and supplemented from time to time including by the Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2019 (SI 2019/328), the Technical Standards (Alternative Investment Funds Management Directive) (EU Exit) Instrument 2019 (FCA 2019/37) and the Exiting the European Union: Specialist Sourcebooks (Amendments)</li> </ul>
<b>UK Corporate Governance Code</b>	the UK Corporate Governance Code as published by the Financial Reporting Council from time to time
<b>UK MAR</b>	the UK version of the EU Market Abuse Regulation which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time including by the Market Abuse (Amendment) (EU Exit) Regulations 2019
<b>US, USA or United States</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
<b>Valuation Report</b>	the valuation report prepared by Knight Frank in accordance with the Red Book in respect of the Property Portfolio as at 15 August 2023, set out in Part 4 ( <i>Valuation Report</i> ) of this document

## PART 9

### NOTICE OF GENERAL MEETING

## EDISTON PROPERTY INVESTMENT COMPANY PLC

*(Incorporated and registered in England and Wales with registered number 09090446)  
(An investment company within the meaning of section 833 of the Companies Act 2006)*

### NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a general meeting of Ediston Property Investment Company plc will be held at 11.00 a.m. on 26 September 2023 at the offices of Dickson Minto W.S., Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS to consider and, if thought fit, to pass the following resolution which shall be proposed as an ordinary resolution:

### ORDINARY RESOLUTION

THAT the proposed disposal by Ediston Property Investment Company plc (the "**Company**") of the entire issued share capital of each of EPIC (No. 1) Limited and EPIC (No. 2) Limited (together the "**Targets**"), being the entities that between them hold, directly, the entirety of the Company's property portfolio, on and subject to the terms and conditions of the Sale Agreement between the Company and RI UK 1 Limited entered into on 8 September 2023 (as defined and described in the circular sent to shareholders of the Company dated 8 September 2023 (the "**Circular**")) (the "**Disposal**") and which, as described in the Circular, comprises a class 1 transaction under the Listing Rules of the Financial Conduct Authority of the United Kingdom, be and is hereby approved and the board of directors of the Company (the "**Board**") (or a duly authorised committee of the Board) be authorised:

- (a) to take all such steps as the Board considers to be necessary or desirable in connection with, and to implement, the Disposal; and
- (b) to agree such modifications, variations, revisions, waivers, extensions or amendments to any of the terms and conditions of the Disposal and the associated and ancillary agreements and documents contemplated by the Disposal and/or described in the Circular (provided such modifications, variations, revisions, waivers, extensions or amendments are not of a material nature), as they may in their absolute discretion think fit.

#### By order of the Board

JTC (UK) Limited  
Company Secretary  
8 September 2023

*Registered Office*  
The Scalpel  
52 Lime Street  
London EC3M 7AF



## **Notes to the Notice of General Meeting**

### **Right to attend and vote at the General Meeting**

1. The shorter notice period of 14 clear days, as approved at the Company's last annual general meeting, has been used for the purposes of the General Meeting as the Directors believe that the flexibility offered by the shorter notice period is in the best interests of Shareholders generally, taking into account the circumstances and business of the General Meeting, including the time sensitive nature of the Disposal.
2. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, entitlement to attend and vote at the General Meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members at 6.00 p.m. on the day which is two Business Days before the date of the General Meeting. Only a Shareholder entered in the Register of Members at 6.00 p.m. on 22 September 2023 (or, in the event that the meeting is adjourned, at 6.00 p.m. on the day that is 48 hours (excluding any day that is not a Business Day) before the date of the reconvened meeting) shall be entitled to attend, speak and vote at the General Meeting (or, in the event that the General Meeting is adjourned, the reconvened meeting). A Shareholder may vote in respect of the number of Ordinary Shares registered in the Shareholder's name at that time. Changes to the Register of Members after that time shall be disregarded in determining the rights of any person to attend, speak and vote at such meeting.

### **Appointment of proxies**

3. A Shareholder who is entitled to attend, speak and vote at the General Meeting is entitled to appoint one or more proxies to attend, speak and vote in their place. A Shareholder may appoint more than one proxy in relation to the General Meeting, provided that each proxy is appointed to exercise the rights attaching to a different Share or Shares. A proxy need not be a member of the Company but must attend the meeting to represent the relevant Shareholder(s).
4. A proxy or proxies can be appointed in any of the following ways: (a) by logging on to [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and following the instructions; or (b) by completing and returning a hard copy Form of Proxy; or (c) if you are a user of the CREST system (including CREST personal members), making an appropriate CREST Proxy Instruction. Further information on each method is set out below. The appointment of a proxy will not preclude a Shareholder from attending and voting in person at the General Meeting. If you have appointed a proxy and vote at the General Meeting in person in respect of Shares for which you have appointed a proxy, your proxy appointment in respect of those Shares will automatically be terminated.
5. To be valid, a Form of Proxy must be completed and signed in accordance with the instructions printed on it and returned to the Registrar, Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol BS99 6ZY (together with any power of attorney or other authority under which it is signed or a notarially certified copy of such power or authority) by no later than 11.00 a.m. on 22 September 2023 (or, if the General Meeting is adjourned, not later than 48 hours before the time fixed for the holding of the adjourned meeting).
6. If a member wishes to appoint more than one proxy and therefore requires additional Forms of Proxy, the member should contact the Company's Registrar, Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol BS13 6ZY (Tel: +44 (0) 370 707 1079). Please indicate the proxy holder's name and the number of Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. If possible, all Forms of Proxy should be returned together in the same envelope. If you submit more than one valid proxy appointment in respect of the same Share for the purposes of the General Meeting, the appointment last delivered or received shall prevail in conferring authority on the person named in it to attend the General Meeting and speak and vote. If the Company is unable to determine which appointment was last validly received, none of them shall be treated as valid in respect of the relevant Share(s).
7. Shareholders who are users of the CREST system (including CREST personal members) who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service

may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (Participant ID 3RA59) by no later than 11.00 a.m. on 22 September 2023 (or, if the General Meeting is adjourned, by no later than 48 hours before the time fixed for the holding of the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp by the CREST application host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
9. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as is necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this regard, CREST members and, where applicable their CREST sponsor or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
10. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Register of Members in respect of the joint holding (the first-named being the more senior).
11. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, a proxy will vote or abstain from voting at their discretion. A proxy will vote (or abstain from voting) as they think fit in relation to every other matter which is put before the General Meeting.
12. To change your proxy instruction, you must submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments also applies in relation to amended instructions: any amended proxy appointment received after the relevant cut-off time will be disregarded.
13. Where you have appointed a proxy using a hard copy Form of Proxy and would like to change the instructions using another hard copy Form of Proxy, please contact the Registrar's helpline on 0370 707 1079. If you are outside the United Kingdom, please call +44 (0) 370 707 1079. Calls are charged at the standard geographic rate and will vary by provider. Calls made from 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). The Registrar cannot provide advice on the merits of the proposed Resolution nor give any financial, legal or tax advice.
14. In order to revoke a proxy instruction, you will need to inform the Company by sending a signed notice clearly stating your intention to revoke your proxy appointment to the Registrar, Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol BS99 6ZY. In the case of a Shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or a duly appointed attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be completed and returned to

the Registrar at The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 11.00 a.m. on 22 September 2023. If you attempt to revoke a proxy appointment but the revocation is received after the time specified then your proxy appointment will remain valid.

### **Corporate representatives**

15. Any company which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a Shareholder of the Company provided that they do not do so in relation to the same Shares.

### **Issued Share capital, total voting rights and voting**

16. As at close of business on 6 September 2023 (being the latest practicable date prior to publication of this Notice of General Meeting), the Company's issued Share capital consisted of 211,333,737 Ordinary Shares, carrying one vote each. As at 6 September 2023, the Company did not hold any Ordinary Shares in treasury. Therefore, the total voting rights in the Company as at close of business on 6 September 2023 were 211,333,737.
17. Voting at the General Meeting will be conducted on a poll.

### **Nominated persons**

18. A person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the member by who he/she was nominated, have the right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.
19. The statements of the rights of members in relation to the appointment of proxies in this Notice do not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by registered members of the Company.

### **Questions at the General Meeting**

20. Under section 319A of the Companies Act any member attending the General Meeting has the right to ask questions. The Company must answer any such question relating to the business being dealt with at the General Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.

### **Disclosure Guidance and Transparency Rules**

21. Any person holding 3 per cent. or more of the total voting rights in the Company who appoints a person other than the Chairman of the General Meeting as their proxy will need to ensure that both they and such other party complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.

### **Availability of documents and other information**

22. The documents listed in paragraph 13 of Part 6 (*Additional Information*) of the Circular will be available for inspection for the periods and at the locations described in that paragraph. Information regarding the General Meeting, including the information required by section 311A of the Companies Act, can be found at [www.epic-reit.com](http://www.epic-reit.com)

