

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take or the contents of this Prospectus, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank, solicitor, accountant, or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 (the FSMA) if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

A copy of this document, which comprises a prospectus relating to Independent Living REIT plc (the Company) in connection with the issue of Issue Shares in the Company and their admission to trading on the Main Market and to listing on the premium listing segment of the Official List, has been prepared in accordance with the UK version of the EU Prospectus Regulation (2017/1129) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (as amended and supplemented from time to time (including, but not limited to, by the UK Prospectus Amendment Regulations 2019 and The Financial Services and Markets Act 2000 (Prospectus) Regulations 2019)) (the UK Prospectus Regulation) and the prospectus regulation rules of the Financial Conduct Authority (the FCA) (the Prospectus Regulation Rules). This Prospectus has been approved by the FCA, as the competent authority under the UK Prospectus Regulation and the FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Accordingly, such approval should not be considered as an endorsement of the issuer, or of the quality of the securities, that are the subject of this Prospectus; investors should make their own assessment as to the suitability of investing in the Issue Shares.

The Issue Shares are only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in the Issue Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment programme. It should be remembered that the price of the Ordinary Shares and the income from them can go down as well as up.

The attention of potential investors is drawn to the section entitled Risk Factors in this Prospectus.

The results of the Initial Issue are expected to be announced on 30 September 2022. The earliest date for applications under the Offer is the date of this Prospectus and the latest time and date for applications under the Offer for Subscription is 11.00 a.m. and under the Intermediaries Offer is 2.00 p.m. on 29 September 2022. Further details of the Initial Issue and the Placing Programme are set out in Part 5 and Part 6 (*The Initial Issue and The Placing Programme*) of this Prospectus.

Independent Living REIT PLC

(Incorporated in England and Wales with company number 14235035 and registered as an investment company under section 833 of the Companies Act 2006)

Initial Placing, Offer for Subscription and Intermediaries Offer for a target issue of 150 million Ordinary Shares at 100 pence per Ordinary Share

and

Placing Programme of up to 350 million new Ordinary Shares (less the number of Ordinary Shares issued pursuant to the Initial Issue)

Investment Adviser

Atrato Partners Limited

Sole Sponsor, Broker and Bookrunner

RBC Capital Markets

Intermediaries Offer Adviser

Solid Solutions Associates (UK) Limited

AIFM

JTC Global AIFM Solutions Limited

Applications will be made for the new Ordinary Shares to be issued in connection with the Initial Issue and the Placing Programme (the “**Issue Shares**”) to be admitted to trading on the premium segment of the main market for listed securities of the London Stock Exchange (“**Main Market**”) and to listing on the premium listing segment of the Official List of the FCA (the “**Official List**”) at the relevant Admission, with applications to be made in connection with the Ordinary Shares issued pursuant to the Initial Issue at Initial Admission. It is expected that Initial Admission will become effective and that dealings in the Ordinary Shares which are the subject of the Initial Issue will commence on 4 October 2022.

The Placing Programme will remain open until 11 September 2023 or such earlier time at which the maximum number of Issue Shares to be issued pursuant to the Placing Programme has been issued (or such other date as may be agreed between RBC Europe Limited (trading as RBC Capital Markets) (“**RBC**”) and the Company (such agreed date to be announced by way of an RIS announcement)).

The Company and the Directors, whose names appear on page 46 of this Prospectus, accept full responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import.

Capitalised terms contained in this Prospectus shall have the meanings set out in the section entitled “**Definitions**” in this Prospectus, save where the context requires otherwise.

This Prospectus does not constitute an offer to sell or issue, or the solicitation of an offer to purchase, subscribe for or otherwise acquire, Issue Shares in any jurisdiction where such an offer or solicitation would be unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the AIFM or the Investment Adviser. The distribution of this Prospectus and the offer of the Issue Shares in certain jurisdictions may be restricted by law. Other than in the United Kingdom, no action has been or will be taken to permit the possession, issue or distribution of this Prospectus (or any other offering materials or publicity relating to the Issue Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this Prospectus, nor any other offering materials or publicity relating to the Issue Shares may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus (or any other offering materials or publicity relating to the Issue Shares) comes should inform themselves about and observe any such restrictions.

The Issue Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “US Securities Act”). Outside the United States, the Issue Shares may be sold to persons who are not “US Persons”, as defined in and pursuant to Regulation S under the US Securities Act (“US Persons”). Any sale of Ordinary Shares in the United States or to US Persons may only be made to persons reasonably believed to be “qualified institutional buyers”, as defined in Rule 144A under the US Securities Act, that are also “qualified purchasers”, as defined in the US Investment Company Act of 1940, as amended (the “US Investment Company Act”). The Company will not be registered under the US Investment Company Act, and investors in the Ordinary Shares will not be entitled to the benefits of regulation under the US Investment Company Act.

Unless otherwise expressly agreed with the Company, the Issue Shares may not be acquired by: (i) investors using assets of: (A) an “employee benefit plan” as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (B) a “plan” as defined in Section 4975 of the US Tax Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Tax Code; or (C) an entity whose underlying assets are considered to include “plan assets” by reason of investment by an “employee benefit plan” or “plan” described in preceding clause (A) or (B) in such entity pursuant to the US Plan Assets Regulations; or (ii) a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Tax Code, unless its purchase, holding, and disposition of the Issue Shares will not constitute or result in a non-exempt violation of any such substantially similar law.

Neither the United States Securities and Exchange Commission (the “SEC”) nor any securities regulatory authority of any state or other jurisdiction of the United States has approved or disapproved of the Issue Shares or passed upon the adequacy or accuracy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

In addition, until 40 days after the commencement of the Initial Issue or any Subsequent Placing, an offer, sale or transfer of the Issue Shares within the United States by a dealer (whether or not participating in the Initial Issue or any Subsequent Placing) may violate the registration requirements of the US Securities Act.

The offer and sale of the Issue Shares have not been and will not be registered under the applicable securities laws of Australia, Canada, Japan or the Republic of South Africa. The Issue Shares may not be offered or sold within Australia, Canada, Japan or the Republic of South Africa or to any national, resident or citizen of Australia, Canada, Japan or the Republic of South Africa unless an exemption from any registration or prospectus requirement is available.

The Issue Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations and under the Articles. Any failure to comply with such restrictions may constitute a violation of applicable securities laws and may subject the holder to the forced transfer provisions set out in the Articles. For further information on restrictions on transfers of the Issue Shares, prospective investors should refer to the sections entitled “Representations, Warranties and Undertakings” in Part 5 and Part 6 (*The Initial Issue and The Placing Programme*) and “The Articles” in Part 8 (*Additional Information*) of this Prospectus.

RBC is authorised and regulated in the United Kingdom by the FCA. RBC is acting exclusively for the Company and for no one else in connection with Initial Admission, any Subsequent Admission, the Initial Issue, the Placing Programme and any other arrangements referred to in this Prospectus. RBC will not be responsible to anyone other than the Company for providing the

protections afforded to its clients, nor for providing advice in relation to Initial Admission, any Subsequent Admission, the Initial Issue, the Placing Programme or any matters referred to herein.

Apart from the responsibilities and liabilities, if any, which may be imposed on RBC by FSMA, or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regime would be illegal, void or unenforceable, RBC does not accept any responsibility whatsoever and makes no representation or warranty, express or implied, as to the contents of this Prospectus, including its accuracy or completeness or for any other statement made or purported to be made by any of them or on their behalf in connection with the Company, Initial Admission, any Subsequent Admission, the Initial Issue, the Placing Programme, the contents of this Prospectus, or any transaction or arrangement referred to in this Prospectus or the Issue Shares and nothing contained in this Prospectus is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. RBC does not assume any responsibility for the accuracy, completeness or verification of this Prospectus and accordingly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise be found to have in respect of this Prospectus or any such statement.

In connection with the Initial Issue and the Placing Programme, RBC and its Affiliates, acting as investor(s) for its or their own account(s), may subscribe for Issue Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or other related investments in connection with the Initial Issue or the Placing Programme or otherwise. Accordingly, references in this Prospectus to the Issue Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, RBC and any of its Affiliates acting as investor(s) for its or their own account(s). Neither RBC nor any of its Affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

This Prospectus is dated 12 September 2022.

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SUMMARY

1.	Introduction
a.	Name and ISIN of securities
	The ISIN of the Ordinary Shares to be issued under the Initial Issue and the Placing Programme is GB00BPLHRL49 and the SEDOL is BPLHRL4.
b.	Identity and contact details of the issuer
	<p>Name: Independent Living REIT plc, incorporated in England and Wales with registered number 14235035 (the "Company"). Legal Entity Identifier ("LEI"): 213800KTOJ7GZV624U24</p> <p>Address: 6th Floor, 125 London Wall, London EC2Y 5AS</p> <p>Tel: +44 (0) 20 3327 9720</p>
c.	Identity and contact details of the competent authority
	<p>Name: Financial Conduct Authority</p> <p>Address: 12 Endeavour Square, London E20 1JN</p> <p>Tel: +44 (0) 20 7066 8348</p>
d.	Date of approval of the prospectus
	12 September 2022
e.	Warnings
	<p>This summary should be read as an introduction to the prospectus of the Company dated 12 September 2022 (the "Prospectus"). Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the prospective investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Issue Shares.</p>
f.	Use of the prospectus by financial intermediaries
	<p>The Company consents to the use of the Prospectus in connection with any subsequent resale or final placement of the Ordinary Shares in the United Kingdom in relation to the Intermediaries Offer only by Intermediaries who are appointed by the Company, a list of which will appear on the Company's website.</p> <p>Such consent is given for the offer period which is from the date any Intermediaries are appointed to participate in connection with any subsequent resale or final placement of the Ordinary Shares until the closing of the period for the subsequent resale or final placement of the Ordinary Shares at 2.00 p.m. on 29 September 2022, being the date upon which the Intermediaries Offer closes, unless closed prior to that date.</p> <p>Any Intermediary that uses the Prospectus must state on its website that it uses the Prospectus in accordance with the Company's consent and the conditions attached thereto. Any application made by investors to any Intermediary is subject to the terms and conditions imposed by that Intermediary.</p> <p>Information on the terms and conditions of any subsequent resale or final placement of Ordinary Shares by any Intermediary is to be provided at the time of the offer by the Intermediary.</p> <p>The Company accepts responsibility for the information in the Prospectus with respect to any subscriber for Ordinary Shares pursuant to any subsequent resale or final placement of Ordinary Shares by Intermediaries appointed by the Company. Solid Solutions Associates (UK) Limited has been engaged as an adviser to the Company in relation to the Intermediaries Offer and will be responsible for liaising directly with potential financial intermediaries and processing applications made by Intermediaries in relation to the Intermediaries Offer. Information with respect to Intermediaries appointed after the date of the Prospectus will be available on the Company's website at www.independentlivingreit.com.</p>
2.	Key information on the issuer
a.	Who is the issuer of the securities?
i.	Domicile and legal form, LEI, applicable legislation and country of incorporation
	<p>The Company is a public limited company, registered and incorporated in England and Wales under the Companies Act 2006 (the "Companies Act") on 14 July 2022 with registered number 14235035. The Company's LEI is 213800KTOJ7GZV624U24. The Company is registered as an investment company under section 833 of the Companies Act and intends to carry on business as a REIT for the purposes of Part 12 of the Corporation Tax Act (and the regulations made thereunder), subject to meeting the necessary qualifying conditions.</p>

ii.	<p>Principal activities</p> <p>The principal activity of the Company is to invest in property assets in the United Kingdom in the Supported Housing sector in accordance with its investment policy and with a view to achieving its investment objective.</p>
iii.	<p>Investment objective and policy</p> <p>The Company's investment objective is to address the shortage of high-quality Supported Housing, delivering capital growth and inflation-linked income returns for its investors while providing a fair deal for society through savings for the British tax-payer, and improved outcomes for the residents.</p> <p>The Company's investment policy is to invest in a diversified portfolio of Fit For Purpose Supported Housing assets, which are let to Compliant Tenants.</p> <p>The Company will invest in these assets directly or through holdings in special purpose vehicles. The assets may be acquired as single assets or part of a portfolio.</p> <p>Where possible, the Company will make investments in:</p> <ul style="list-style-type: none"> • Standing Assets; • Refurbishment Assets; and • Conversion Assets. <p>The Company may also make investments into Development Assets, being a site on which a new build development can be built for the purposes of Supported Housing. The Company intends to use forward funding in relation to Refurbishment Assets, Conversion Assets and Development Assets where the Investment Adviser believes that to do so would enhance returns for Shareholders and/or secure an asset for the Company's portfolio at an attractive yield.</p> <p>The Company will target fully repairing and insuring leases with annual indexation.</p> <p>The Company will only commit to investment opportunities with the following criteria:</p> <ul style="list-style-type: none"> • local authority support; • approval from the relevant housing benefit team; • a signed lease or agreement for lease; • appropriate planning permission or permitted development right; and • where appropriate a fixed price JCT Contract for any works required. <p>The Directors currently intend, at all times, to conduct the affairs of the Company so as to enable it to qualify as a REIT for the purposes of Part 12 of the CTA 2010 (and the regulations made thereunder).</p>
iv.	<p>Major Shareholders</p> <p>As at the date of the Prospectus, there are no persons known to the Company who, directly or indirectly, will be interested in 3 per cent. or more of the Company's issued share capital or voting rights on Initial Admission.</p> <p>Pending the allotment of Ordinary Shares pursuant to the Initial Issue, the Company is controlled by Atrato Group Limited, which directly holds the Company's only issued Ordinary Share and therefore 100 per cent. of the voting rights in the Company.</p> <p>On Initial Admission, the Company is not aware of any person who will directly or indirectly, jointly or severally, exercise or could exercise control over the Company. The Company is not aware of any arrangement, the operation of which may at a subsequent date result in a change of control of the Company. All Shareholders have the same voting rights in respect of the share capital of the Company.</p>
v.	Directors: Fiona Miller Smith, Louise Bonham and Sebert Cox.
vi.	Proposed statutory auditors: BDO LLP of 55 Baker Street London W1U 7EU.
b.	What is the key financial information regarding the issuer?
	As the Company has been recently incorporated and has not commenced operations, no financial statements have been made up and no annual reports have been published. The Prospectus does not contain pro forma financial information. The Company will commence operations subject to and following Initial Admission.
c.	What are the key risks that are specific to the issuer?
	<ul style="list-style-type: none"> • The Company has not entered into any legally binding contractual arrangements to acquire any properties from any potential vendors. Although the Investment Adviser has identified a number of available properties that are consistent with the Company's investment objective and investment policy, there can be no assurance that any of these or other properties will remain available for purchase or progression after Initial Admission or, if available, at what price such investments can be made by the Company. Any delay in the deployment of the Net Initial Proceeds or the proceeds of any Subsequent Placing would reduce the Company's earnings which could have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Issue Shares. • The Company is recently established and has no operating history. An investment in the Company is therefore subject to all the risks and uncertainties associated with a new business, including the risk that the Company will

	<p>not achieve its investment objective and that the value of an investment in the Company could decline substantially as a consequence.</p> <ul style="list-style-type: none"> Meeting the investment objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met. The Company's returns to Shareholders will depend on many factors, including the value and performance of its investments and the Company's ability to successfully execute its investment strategy. The value and performance of the Company's investments will be affected by a broad range of factors and there can be no assurance that the Company's investment strategy will be successful or that the Company will be able to generate investment returns or avoid investment losses. The Company's target dividend and NAV Total Return target set out in the Prospectus are targets only (and, for the avoidance of doubt, are not a profit forecast). There can be no assurance that the Company will meet these targets, or any other level of return, or that the Company will achieve or successfully implement its investment objective. The Company may not be able to implement its investment objective and investment policy in a manner that generates returns in line with its targets. The existence of the target dividend and NAV Total Return target should not be considered as an assurance or guarantee that they can or will be met by the Company. The deployment of the Net Initial Proceeds depends upon the ability of the Company, via the Investment Adviser, to identify, select, acquire and manage investments that offer the potential for satisfactory returns. The availability of such investment opportunities will depend, in part, upon conditions in the sector, prevailing entry yields and the level of competition for assets in the market. In the event the Company is unable to acquire sufficient investments that offer the potential for satisfactory returns, there is a material risk that the Company may be unable to achieve its anticipated total Shareholder returns. The long term ability of the Company to deliver the Investment Objective is primarily dependent on tenants renewing their leases at expiry. In the event that a lease is not renewed the Company will first look to let the property to another Compliant Tenant. If unsuccessful the Company may look to rent the property on the open market or dispose of the property. If a material number of leases are not renewed the Company's ability to maintain its dividend policy, NAV and/or the market price of the Shares may be hampered and the investment returns of the Company may be materially affected. All investments owned (directly or indirectly) by the Company will be valued on a semi-annual basis in accordance with the Company's accounting policies and procedures. These valuations are presented to the Board for their approval and adoption. Property valuation is inherently subjective and can be uncertain. Acquisitions may expose the Company to unforeseen risks and liabilities associated with properties the Company acquires. Valuations of the assets of the Company as a whole may also reflect accruals for expected or contingent liabilities, the amount or incidence of which is inevitably uncertain. A valuation is an estimate of value and is not a precise measure of realisable value. Dividends payable by the Company will be dependent on the income from the properties it owns. As with any real estate transaction there can be no guarantee that tenants will comply with their rental obligations. Failure by tenants to comply with their rental obligations could affect the ability of the Company to pay dividends to Shareholders. The ability of the Company to achieve its investment objective depends heavily on the experience of the Investment Adviser's team, and more generally on the ability of the Investment Adviser to attract and retain suitable staff. The Board will have broad discretion to monitor the performance of the Investment Adviser or to appoint a replacement but the performance of the Investment Adviser or that of any replacement cannot be guaranteed. The Company and its investments may be materially affected by conditions in the global financial markets and economic conditions, including, but not limited to, rising interest rates, inflation and deflation, business and consumer confidence, availability of credit, currency exchange rates and controls, trade barriers, commodity prices and tax rates. There is also a risk that corporation or other tax rates may increase further as governments seek to finance deficits arising from, amongst other things, the consequences of the COVID-19 pandemic. These matters are all outside the Company's control and may affect the valuation of its investments. There is a risk that the current government or future governments may change the regulations and policies relating to Supported Housing. This may affect tenants and their ability to claim rents and indexation uplifts as outlined in lease agreements entered into by the Company. There is also a risk that subsequent governments favour a type or design of property for Supported Housing which is different to that which the Company has purchased. Any such changes, including any change in local government or Compliant Tenant policy that ends or reduces the funding of rents for the Company's assets, may have an adverse effect on the ability of the Company to pursue its investment objective and investment policy, and may adversely affect the Company's business, financial condition, results of operations, ability to maintain its dividend policy, Net Asset Value and/or the market price of the Ordinary Shares. In such event, the investment returns of the Company may be materially adversely affected. The Company cannot guarantee that it will qualify, or remain qualified, as a REIT. If the Company fails to qualify or remain qualified as a REIT, the Company will be subject to UK corporation tax on some or all of its property rental income and chargeable gains on the sale of properties and/or certain property holding companies, which could reduce the amounts available to distribute to Shareholders and change the tax status of distributions received by investors.
3.	Key information on the securities
a.	What are the main features of the securities?
i.	<p>Type, class and ISIN of the securities being admitted to trading on a regulated market</p> <p>The securities that may be issued under the Initial Issue are Ordinary Shares of £0.01 each in the capital of the Company ("Ordinary Shares"), whose ISIN is GB00BPLHRL49.</p> <p>The securities that may be issued under the Placing Programme are Ordinary Shares, whose ISIN is GB00BPLHRL49.</p>

ii.	<p>Currency, denomination, par value, number of securities issued and term of the securities</p> <p>The Ordinary Shares are denominated in pounds Sterling and have a nominal value of £0.01 each.</p> <p>The Company is targeting an issue of up to 150 million Ordinary Shares pursuant to the Initial Issue. The Ordinary Shares issued pursuant to the Initial Issue will be issued at an issue price of 100 pence per Ordinary Share.</p> <p>Up to a maximum of 350 million Ordinary Shares (less the number of Ordinary Shares issued pursuant to the Initial Issue) may be issued pursuant to the Placing Programme. Ordinary Shares issued under any Subsequent Placing under the Placing Programme will be issued at the prevailing Net Asset Value per Ordinary Share plus a premium at least sufficient to cover the costs and expenses of such issue.</p> <p>The Ordinary Shares have an infinite term.</p>
iii.	<p>Rights attached to the securities</p> <p>The Ordinary Shares will, when issued and fully paid, have the following rights attaching to them:</p> <ul style="list-style-type: none"> • on a show of hands at a general meeting every member present in person has one vote and every proxy or representative present who has been duly appointed by a member entitled to vote has one vote; and on a poll every member (whether present in person or by proxy or representative) has one vote per Ordinary Share; • the right to receive dividends declared by the Directors on a <i>pari passu</i> basis; and • if the Company is wound up, the Company's assets remaining after payment of all creditors are to be divided among the Ordinary Shareholders.
iv	<p>Restrictions on free transferability of the securities</p> <p>The Board may, in its absolute discretion, and without giving a reason, refuse to register a transfer of any Ordinary Share which is not fully paid up or on which the Company has a lien, provided that this would not prevent dealings in the Ordinary Shares from taking place on an open and proper basis. In addition, the Directors may also refuse to register a transfer of Ordinary Shares: (i) if it is in respect of more than one class of shares; (ii) if it is in favour of more than four joint transferees; (iii) if applicable, it is delivered for registration to the Company's registered office or such other place as the Board may decide, not accompanied by the certificate for the Ordinary Shares to which it relates and such evidence as the Board may reasonably require; (iv) if the transfer is in favour of any Non-Qualified Holder; or (v) if the transfer would make the Company a close company.</p> <p>The Ordinary Shares have not been, and will not be, registered in the United States under the US Securities Act or US state securities laws, and are subject to restrictions on transfer contained in such laws. There are restrictions on the purchase of Ordinary Shares by persons who are located in the United States or who are US Persons and on the resale of Ordinary Shares to any person who is located in the United States or is a US Person.</p>
v	<p>Dividend policy</p> <p>Once the Net Initial Proceeds have been fully invested, the Company is targeting:</p> <ul style="list-style-type: none"> • a dividend of 5 pence per Ordinary Share for the first and second financial years following Admission. The Company will seek to grow the dividend progressively thereafter, setting a dividend target for each financial year at the time of publication of the Company's annual report and accounts for the preceding year; and • an annual NAV Total Return target of 7 to 10 per cent. <p>The dividend and NAV Total Return targets stated above are targets only and not a profit forecast. There can be no assurance that these targets will be met and they should not be taken as an indication of the Company's expected future results. Accordingly, potential investors should not place any reliance on these targets in deciding whether or not to invest in the Company and should decide for themselves whether or not the target dividend and target NAV Total Return are reasonable or achievable.</p> <p>The Company intends to pay dividends on a quarterly basis in cash, with the first interim dividend expected to be paid in March 2023. In order to obtain and comply with REIT status the Company will be required to meet a minimum distribution test for each year that it is a REIT. This minimum distribution test requires the Company to distribute 90 per cent. of the income profits of the Property Rental Business for each accounting period, as adjusted for tax purposes.</p>
b.	<p>Where will the securities be traded?</p> <p>Applications will be made (i) to the FCA for the Ordinary Shares issued pursuant to the Initial Issue to be admitted to listing on the premium listing segment of the Official List and (ii) to the London Stock Exchange for the Ordinary Shares issued pursuant to the Initial Issue to be admitted to trading on the premium segment of the Main Market. It is expected that Initial Admission will become effective and that dealings for normal settlement in the Ordinary Shares will commence at 8.00 a.m. on 4 October 2022.</p> <p>Applications will be made (i) to the FCA for any Ordinary Shares issued under the Placing Programme to be admitted to listing on the premium listing segment of the Official List and (ii) to the London Stock Exchange for such Ordinary Shares to be admitted to trading on the premium segment of the Main Market. It is expected that any Subsequent Admission will become effective and that dealings for normal settlement in any Ordinary Shares issued under a Subsequent Placing under the Placing Programme will commence between 12 September 2022 and 11 September 2023 (or any earlier date on which the Placing Programme is fully subscribed, or as otherwise determined by the Directors). All Ordinary Shares issued under the Placing Programme will be allotted conditionally upon the relevant Subsequent Admission occurring.</p>
c.	<p>What are the key risks that are specific to the securities?</p>

	<p>Key risks relating to the Company's Shares</p> <ul style="list-style-type: none"> Market liquidity in the shares of investment companies is frequently less than that of shares issued by larger commercial companies traded on the London Stock Exchange. There can be no guarantee that a liquid market in the Ordinary Shares will exist. Accordingly, Shareholders may be unable to realise their Ordinary Shares at the quoted market price (or at the prevailing Net Asset Value per Ordinary Share) or at all. The Ordinary Shares may trade at a discount to their Net Asset Value and Shareholders may be unable to realise their investments through the secondary market at Net Asset Value. The Ordinary Shares may trade at a discount to their Net Asset Value for a variety of reasons, including market conditions or to the extent investors undervalue the management activities of the Investment Adviser or discount its valuation methodology and judgments of value. The issue price of the Ordinary Shares issued on a non-pre-emptive basis under any Subsequent Placing under the Placing Programme will not be lower than the Net Asset Value per Ordinary Share at the time of their issue. The issue price of the Ordinary Shares issued under a Subsequent Placing will be calculated by reference to the latest published unaudited Net Asset Value per Ordinary Share. Such Net Asset Value per Ordinary Share will be determined on the basis of the information available to the Company at the time and may be subject to subsequent revisions. Accordingly, there is a risk that, had such issue price been calculated by reference to information that emerged after the calculation date, it could have been greater or lesser than the issue price actually paid by the investors. 																						
4.	Key information on the offer of securities to the public and admission to trading on a regulated market																						
a.	Under which conditions and timetable can I invest in this security?																						
i.	<p>General terms and conditions</p> <p>The Initial Issue comprises an initial placing, an offer for subscription and an intermediaries offer.</p> <p>The Initial Issue is conditional on, among other things: (A) Initial Admission occurring and becoming effective by 8.00 a.m. (London time) on 4 October 2022 (or such later time and date, not being later than 30 November 2022, as the Company, the Investment Adviser and RBC may agree); (B) the Placing Agreement becoming unconditional in respect of the Initial Issue and not having been terminated in accordance with its terms on or before the Initial Admission; and (C) the Minimum Gross Initial Proceeds being raised. If the Minimum Gross Initial Proceeds are not raised the Initial Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure) has been prepared in relation to the Company and approved by the FCA. If the Initial Issue does not proceed, monies received will be returned without interest at the risk of the applicant.</p> <p>Each Subsequent Placing under the Placing Programme will be conditional on, among other things: (A) the relevant Subsequent Admission occurring and becoming effective by 8.00 a.m. (London time) on such date as the Company specifies, not being later than the Final Closing Date; (B) the applicable Placing Programme Price being determined by the Directors; (C) a valid supplementary prospectus being published by the Company if such is required by the UK Prospectus Regulation; and (D) the Placing Agreement not having been terminated in accordance with its terms before the relevant Subsequent Admission.</p>																						
ii.	<p>Expected timetable</p> <table> <tr> <th>Event</th><th>Time and Date</th></tr> <tr> <td>Publication of the Prospectus</td><td>12 September 2022</td></tr> <tr> <td>Placing Programme opens</td><td>12 September 2022</td></tr> <tr> <td>Latest time and date for applications under the Offer for Subscription</td><td>11.00 a.m. on 29 September 2022</td></tr> <tr> <td>Latest time and date for applications from the Intermediaries under the Intermediaries Offer</td><td>2.00 p.m. on 29 September 2022</td></tr> <tr> <td>Latest time and date for applications under the Initial Placing</td><td>2.00 p.m. on 29 September 2022</td></tr> <tr> <td>Announcement of results of the Initial Issue</td><td>30 September 2022</td></tr> <tr> <td>Expected date of Admission of the Ordinary Shares issued pursuant to the Initial Issue</td><td>8.00 a.m. on 4 October 2022</td></tr> <tr> <td>Ordinary Shares issued pursuant to the Initial Issue issued and credited to CREST accounts</td><td>as soon as reasonably practicable on 4 October 2022</td></tr> <tr> <td>Dispatch of definitive share certificates for Ordinary Shares in certificated form issued pursuant to the Initial Issue</td><td>within 10 Business Days of Initial Admission</td></tr> <tr> <td>Placing Programme closes</td><td>11 September 2023</td></tr> </table> <p>The times and dates set out in the expected timetable and mentioned throughout this Summary may, in certain circumstances, be adjusted by the Company (with the prior approval of RBC). In the event that such dates and/or times are changed, the Company will notify investors who have applied for Ordinary Shares pursuant to the Initial Issue of changes to the timetable either by post, by electronic mail or by the publication of a notice through a Regulatory Information Service to the London Stock Exchange.</p> <p>The Placing Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares over a period of time. The Placing Programme is expected to open on 12 September</p>	Event	Time and Date	Publication of the Prospectus	12 September 2022	Placing Programme opens	12 September 2022	Latest time and date for applications under the Offer for Subscription	11.00 a.m. on 29 September 2022	Latest time and date for applications from the Intermediaries under the Intermediaries Offer	2.00 p.m. on 29 September 2022	Latest time and date for applications under the Initial Placing	2.00 p.m. on 29 September 2022	Announcement of results of the Initial Issue	30 September 2022	Expected date of Admission of the Ordinary Shares issued pursuant to the Initial Issue	8.00 a.m. on 4 October 2022	Ordinary Shares issued pursuant to the Initial Issue issued and credited to CREST accounts	as soon as reasonably practicable on 4 October 2022	Dispatch of definitive share certificates for Ordinary Shares in certificated form issued pursuant to the Initial Issue	within 10 Business Days of Initial Admission	Placing Programme closes	11 September 2023
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Placing Programme closes	11 September 2023																						

	2022 and will close on 11 September 2023 (or an earlier date on which it is fully subscribed, or otherwise at the discretion of the Directors).
iii	<p>Details of admission to trading on a regulated market</p> <p>Applications will be made: (A) to the FCA for the Issue Shares to be admitted to listing on the premium listing category of the Official List and; (B) to the London Stock Exchange for the Issue Shares to be admitted to trading on the premium segment of the London Stock Exchange's Main Market. It is expected that Initial Admission will become effective and that dealings on the London Stock Exchange in the Ordinary Shares issued pursuant to the Initial Issue will commence at 8.00 a.m. on 4 October 2022. It is expected that Admission of further Ordinary Shares issued under the Placing Programme will become effective, and that dealings in such Ordinary Shares will commence, during the period from 12 September 2022 to 11 September 2023.</p>
iv	<p>Plan for distribution</p> <p>The Company is targeting an issue of 150 million Ordinary Shares at the Issue Price pursuant to the Initial Issue. The Ordinary Shares will be made available for subscription pursuant to the Initial Issue by way of the Initial Placing, the Offer for Subscription and the Intermediaries Offer.</p> <p>The Directors are authorised to issue up to 350 million Ordinary Shares pursuant to the Placing Programme (less the number of Ordinary Shares issued pursuant to the Initial Issue). The Placing Programme is intended to be flexible and may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares over a period of time. The number of Ordinary Shares available under the Placing Programme should not be taken as an indication of the number of Ordinary Shares that will be issued.</p> <p>Any issues of Ordinary Shares under the Placing Programme will be notified by the Company through a Regulatory Information Service prior to each Subsequent Admission.</p>
v.	<p>Amount and percentage of immediate dilution resulting from the Issue</p> <p>The Initial Issue will not result in dilution. If 200 million Issue Shares were to be issued pursuant to Subsequent Placings (being the maximum number of Ordinary Shares that the Directors will be authorised to issue under the Placing Programme if 150 million Ordinary Shares are issued on Initial Admission)) and assuming that: (A) 150 million Ordinary Shares had been issued on Initial Admission; (B) no other Ordinary Shares had been issued; and (C) the relevant investor did not participate in any Subsequent Placings, an investor holding 1 per cent. of the Company's issued share capital after the Initial Issue would then hold 0.43 per cent. of the Company's issued share capital following completion of all the Subsequent Placings.</p>
vi	<p>Estimate of the total expenses of the Initial Issue and Subsequent Placings</p> <p>The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue are expected to be approximately £3 million, equivalent to approximately 2 per cent. of the Gross Initial Proceeds, assuming Gross Initial Proceeds of £150 million. The costs will be deducted from the Gross Initial Proceeds. It is expected that the starting Net Asset Value per Ordinary Share will be approximately 98 pence. All expenses incurred by any Intermediary are for its own account. Investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offer.</p> <p>The costs and expenses relating to the Placing Programme are those that arise from, or are incidental to, the issue of Ordinary Shares pursuant to Subsequent Placings. It is estimated that the costs and expenses of each Subsequent Placing will be approximately 2 per cent. of the gross proceeds of the relevant Subsequent Placing. The costs and expenses of issuing Ordinary Shares pursuant to any Subsequent Placing will be covered by issuing such Ordinary Shares at a premium to the prevailing published Net Asset Value per Ordinary Shares at the time of issue. No fees or expenses in relation to any Subsequent Placing under the Placing Programme will be charged directly to investors.</p>
vii	<p>Estimated expenses charged to the investor</p> <p>The Company will not charge investors any separate costs or expenses in connection with the Initial Issue or any Subsequent Placing.</p>
b.	Why is this prospectus being produced?
i.	<p>Reasons for the offer</p> <p>The Initial Issue and the Placing Programme are being made to raise money for investment in accordance with the Company's investment objective and investment policy. The Directors intend to use the Net Initial Proceeds, after providing for the Company's operational expenses, to purchase investments in line with the Company's investment objective and investment policy</p>
ii	<p>The use and estimated net amount of the proceeds Initial Issue</p> <p>The actual number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Gross Initial Proceeds, is not known as at the date of the Prospectus but will be notified by the Company via a Regulatory Information Service prior to Initial Admission. Assuming 150 million Ordinary Shares are issued pursuant to the Initial Issue, the Gross Initial Proceeds are expected to be £150 million and the Net Initial Proceeds are expected to be approximately £147 million. The Directors intend to use the Net Initial Proceeds for investment in accordance with the Company's investment objective and investment policy and for working capital purposes.</p> <p>The Placing Programme</p>

	The net proceeds of the Placing Programme are dependent, amongst other things, on the Directors determining to proceed with a Subsequent Placing under the Placing Programme, the level of subscriptions received, the price at which such relevant Issue Shares are issued and the costs of the Subsequent Placing. The Directors intend to use the net proceeds of any Subsequent Placing for investment in accordance with the Company's investment objective and investment policy and for working capital purposes.
iii	<p><i>Underwriting</i></p> <p>Neither the Initial Issue nor any Subsequent Placing is being underwritten.</p>
iv	<p><i>Material conflicts of interest</i></p> <p>There are no material conflicts of interest in relation to the Initial Issue or the Placing Programme.</p>

RISK FACTORS

An investment in the Ordinary Shares carries a number of risks, including the risk that the entire investment may be lost. In addition to all other information set out in this Prospectus, the following factors should be considered when deciding whether to make an investment in the Ordinary Shares. The risks set out below are those which are considered to be the material risks relating to the Company and an investment in the Ordinary Shares but are not the only risks relating to the Ordinary Shares or the Company. No guarantee can be given that Shareholders will realise a profit on, or recover the value of, their investment in the Ordinary Shares. It should be remembered that the price of securities and the income from them can go down as well as up.

Prospective investors should note that the risks relating to the Company, its investment strategy and operations and the Ordinary Shares summarised in the section of this Prospectus headed “Summary” are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Prospectus headed “Summary” but also, among other things, the risks and uncertainties described in this “Risk Factors” section of this Prospectus. Additional risks and uncertainties not currently known to the Company or the Directors or that the Company or the Directors consider to be immaterial as at the date of this Prospectus may also have a material adverse effect on the Company’s financial position, results of operations, business prospects and returns to investors and, consequently, the Company’s Net Asset Value and/or the market price of the Ordinary Shares. Further, as required by the UK Prospectus Regulation, the risk that the Company and the Directors consider to be the most material risk in each category, taking into account the negative impact on the Company and the probability of its occurrence, has been set out first. Given the forward-looking nature of the risks, there can be no guarantee that such risk is, in fact, the most material or the most likely to occur. Prospective investors should, therefore, review and consider each risk.

The Ordinary Shares are only suitable for investors who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, for whom an investment in Ordinary Shares is part of a diversified investment programme and who fully understand and are willing to assume the risks involved in such an investment.

Potential investors in the Ordinary Shares should review this Prospectus carefully and in its entirety and consult with their professional advisers prior to making an application to subscribe for Ordinary Shares.

A. RISKS RELATING TO THE COMPANY

Any delays in deployment of the Net Initial Proceeds, the proceeds of any Subsequent Placing and/or the deployment of proceeds from borrowings may have an impact on the Company’s results of operations, cash flows and the ability of the Company to pay dividends to Shareholders and to achieve the stated target dividend and NAV Total Return target referred to in this Prospectus and therefore to achieve its return objective

The Company has not entered into legally binding acquisition arrangements in relation to the acquisition of properties from any potential vendors. Although the Company, acting on advice from the Investment Adviser, has identified a number of available properties that are consistent with its investment objective and investment policy there can be no certainty that the Company will be able to acquire these or other properties on acceptable terms or at all. There can therefore be no assurance as to how long it will take the Company to invest the Net Issue Proceeds or the proceeds of any Subsequent Placing.

Once substantially invested, the Company will also seek to utilise borrowings targeting a level of aggregate borrowings of 35 per cent. to 40 per cent. of the Gross Asset Value of the Company at the time of drawdown as per the Company’s borrowing policy. There can be no assurance as to whether the Company will successfully obtain such borrowings and how long it will take the Company to invest the net proceeds from borrowings.

Even where the Investment Adviser, and where appropriate, the AIFM and the Board and/or the Midco Board, has identified and approved the acquisition of a property in line with the Company's investment objective and investment policy, there could be a number of delays before the property is finally acquired. These delays may arise as a result of, inter alia, conducting full and proper due diligence on the new property and any tenant(s), negotiating acceptable purchase contracts, competition from other potential buyers, proceeding to completion of the acquisition and obtaining any necessary approvals, consents and/or permits. Necessary approvals may be refused, or granted only on onerous terms, and any such refusals, or the imposition of onerous terms, may result in an investment not proceeding as originally intended and could result in significant costs associated with aborting the transaction being incurred by the Company.

In addition, the Company will also face competition from other property investors in identifying and acquiring suitable properties. Competitors may have greater financial resources than the Company and a greater ability to borrow funds to acquire properties and may have the ability or inclination to acquire real estate assets at higher prices or on less favourable terms than those the Company may be prepared to accept. Competition in the property market may also lead either to an oversupply of properties in the target market through over development or the price of existing properties being driven up through competing bids by potential purchasers.

Any delays in deployment of the Net Initial Proceeds, the proceeds of any Subsequent Placing and/or the deployment of proceeds from borrowings may have an impact on the Company's results of operations, cash flows and the ability of the Company to pay dividends to Shareholders and to achieve the stated target dividend and NAV Total Return target referred to in this Prospectus and therefore to achieve its return objective. Pending deployment of the Net Initial Proceeds and the proceeds of any Subsequent Placing, the Company intends to invest material levels of cash in cash deposits, money market deposits, and cash equivalents, including liquidity funds, for cash management purposes. Interim cash management is likely to yield materially lower returns than the targeted returns from investments.

The Company has no operating history

The Company is recently established and has no operating history. Accordingly, there are no historical financial statements or other meaningful operating or financial data with which to evaluate the Company and its performance. An investment in the Company is therefore subject to all the risks and uncertainties associated with a new business, including the risk that the Company will not achieve its investment objective and that the value of an investment in the Company could decline substantially as a consequence.

The Company has no employees and is reliant on the performance of third-party service providers

The Company will be reliant upon the provision of services by third party service providers in order to carry on its business, and a failure by one or more service providers could materially disrupt the business of the Company or impact detrimentally on its investment performance.

The Company has no employees and the Directors have been appointed on a non-executive basis. Whilst the Company has taken all reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations, the Company is reliant upon the performance of third-party service providers for its executive functions. In particular, the Investment Adviser, the AIFM, the Company Secretary and the Registrar will be performing services that are integral to the operation of the Company (including, without limitation, fund accounting services and the preparation of financial statements). The Company is also reliant upon the performance of third-party service providers (including, without limitation, housing providers and Care Providers) to deliver a positive impact to residents. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment or the termination of these agreements could have an adverse effect on the Company's financial condition, the quality of service provided, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Ordinary Shares.

In the event that it is necessary for the Company or the Investment Adviser to replace any third party service provider, it may be that the transition process takes time, increases costs and may adversely

affect the Company's operations and/or the Company's investments, performance and returns to Shareholders.

Currency fluctuations between the investor's currency of reference (if not Sterling) and the base currency of the Company may adversely affect the value of an investment in the Company

If an investor's currency of reference is not Sterling, currency fluctuations between the investor's currency of reference and the base currency of the Company may adversely affect the value of an investment in the Company.

Under the Articles, the Board is obliged to propose an ordinary resolution that the Company continues its business as a REIT at the annual general meeting of the Company to be held following the fifth anniversary of Initial Admission and even if any such continuation vote is not passed, there is no guarantee that Shareholders would be able to realise their investment in the Company in full

Under the Articles, the Board is obliged to propose an ordinary resolution that the Company continues its business as a REIT at the annual general meeting of the Company to be held following the fifth anniversary of Initial Admission and at every fifth annual general meeting thereafter. If any such continuation vote is not passed, the Directors shall be obliged to propose a special resolution to approve the reconstruction or winding up of the Company with an option for Shareholders to realise their investment in the Company in full. Even if any such continuation vote is not passed, there is no guarantee that Shareholders would pass the subsequent special resolution or that Shareholders would be able to realise their investment in the Company in full.

B. RISKS RELATING TO THE COMPANY'S INVESTMENT STRATEGY

The Company may not achieve its investment objective and investors may not get back the full value of their investment

Meeting the investment objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met. The Company's returns to Shareholders will depend on many factors, including the value and performance of its investments and the Company's ability to successfully execute its investment strategy. The value and performance of the Company's investments will be affected by a broad range of factors which are described in more detail below and there can be no assurance that the Company's investment strategy will be successful or that the Company will be able to generate investment returns or avoid investment losses. Any failure by the Company to achieve its investment objective may adversely affect its operations and returns to Shareholders.

The Company may not be able to implement its investment objective and investment policy in a manner that generates returns in line with its targets. The existence of the target dividend and NAV Total Return target should not be considered as an assurance or guarantee that it can or will be met by the Company

The Company's target dividend and NAV Total Return target set out in this Prospectus are targets only (and, for the avoidance of doubt, are not a profit forecast). There can be no assurance that the Company will meet these targets, or any other level of return, or that the Company will achieve or successfully implement its investment objective and investment policy. The Company may not be able to implement its investment objective and investment policy in a manner that generates returns in line with its targets. The existence of the target dividend and NAV Total Return target should not be considered as an assurance or guarantee that they can or will be met by the Company.

Although the target dividend and NAV Total Return target figures are presented as specific figures in this Prospectus, the actual returns achieved by the Company's investment portfolio may vary from the target dividend and NAV Total Return target and these variations may be material. The target dividend and NAV Total Return target figures are based on the Investment Adviser's assessment of appropriate expectations for returns on the investments that the Company proposes to make and the ability of the Investment Adviser to enhance the return generated by those investments through project and asset management and based on assumptions including those relating to forecasts of increases in inflation, rental values and property values. There can be no assurance that these assessments, expectations

and assumptions are correct and failure to achieve any or all of them may materially adversely impact the Company's ability to achieve the target dividend and/or NAV Total Return target.

In addition, numerous factors, including, without limitation, taxation and fees payable by the Company, could prevent the Company from achieving its target dividend or NAV Total Return target, even if the individual investments made by the Company were to achieve returns in line with the Company's stated targets.

The target dividend and NAV Total Return target figures are based on estimates and assumptions about a variety of factors including, without limitation, purchase prices and SDLT payable on the acquisition of assets, yield and performance of the Company's investments. There can be no assurance that these assumptions will prove to be correct and such assumptions and estimates are inherently subject to significant business, economic and market uncertainties and contingencies, all of which are beyond the Company's control and which may adversely affect the Company's ability to achieve its target returns. Furthermore, the target dividends and NAV Total Return target figures are based on the general and local market conditions and the economic environment at the time of assessing the targets, and are therefore subject to change. In particular, the Company's stated target dividend and NAV Total Return target assume no material changes will occur in government regulations or other policies, or in law and taxation, or changes in the political approach to real estate investment or to the laws governing Supported Housing or sectors aligned with Supported Housing, and that the Company is not affected by natural disasters, pandemics, terrorism, social unrest or civil disturbances or the occurrence of risks described elsewhere in this Prospectus. There is no guarantee that actual (or any) returns can be achieved at or near the levels set out in this Prospectus. Accordingly, the actual rate of return achieved may be materially lower than that targeted, or may result in a partial or total loss, which could have a material adverse effect on the Company's profitability, the NAV and the price of the Ordinary Shares.

A failure to identify all risks and liabilities as part of due diligence on any property acquisition may have a material adverse effect on the Company's profitability, the NAV and the price of the Ordinary Shares and the Company may be affected by or exposed to risks against which it has insufficient or no protection or available remedies which may also have a material adverse effect on the Company's financial condition, business, prospects and results of operations

Prior to the Company entering into an agreement to acquire a property, the Investment Adviser, on behalf of the Company, will perform significant due diligence and analysis on the property concerned. In doing so, it will also instruct third parties to support the due diligence analysis (including legal reports on title and technical building surveys). However, there can be no assurance that any due diligence examinations carried out by third parties on behalf of the Company in connection with any assets the Company may acquire will reveal all of the risks associated with that asset, or the full extent of such risks. To the extent that such third parties underestimate or fail to identify risks and liabilities (including any environmental liabilities) associated with the property in question, the Company may be affected by defects in title, or exposed to environmental, structural or operational defects or liabilities requiring remediation, which may not be covered by indemnities or insurance, or may be unable to obtain necessary permits or permissions which may have a material adverse effect on the Company's profitability, the NAV and the price of the Ordinary Shares.

A failure to identify all risks and liabilities as part of due diligence may also result in properties that are acquired failing to perform in accordance with relevant projections, which may have a material adverse effect on the Company's profitability, the NAV and the price of the Ordinary Shares.

Even where the Investment Adviser has been able to identify relevant risks and liabilities associated with a potential acquisition through its due diligence process, the contractual protections in the acquisition documentation may not be sufficient to protect the Company from such risks and liabilities. As a consequence, the Company may be affected by or exposed to risks against which it has insufficient or no protection or available remedies, which may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

Investor returns will be dependent upon the performance of the Company's portfolio and the Company may experience fluctuations in its operating results as a result of risks inherent in real estate asset investment

Returns achieved are reliant primarily upon the performance of the Company's portfolio. No assurance is given, express or implied, that Shareholders will be able to realise the amount of their original investment in the Ordinary Shares. Revenues earned from, and the capital value and disposal value of, real estate assets held by the Company and the Company's business may be materially adversely affected by a number of factors inherent in investment in real estate assets. The Company may experience fluctuations in its operating results due to a number of factors, including changes in the values of properties in the Company's portfolio from time to time, changes in its rental income, operating expenses, occupancy rates, the degree to which it encounters competition and general economic and market conditions. Further, there may be increases in operating and other expenses or cash needs without a corresponding increase in turnover or tenant reimbursements, including as a result of increases in the rate of inflation in excess of rental growth, property taxes or statutory charges or insurance premiums, costs associated with tenant vacancies and unforeseen capital expenditure affecting properties which cannot be recovered from tenants.

Such variability in the Company's operating results may be reflected in dividends, may lead to volatility in the market price of the Ordinary Shares and may cause the Company's results for a particular period not to be indicative of its performance in a future period. In addition, if the Company's revenues earned from tenants or the value of its real estate assets are adversely impacted by the above or other factors, the Company's financial condition, business, prospects and results of operations may be materially adversely affected.

Availability of borrowings and the gearing effect of borrowing can work against, as well as for, Shareholders

The Company intends to secure borrowing facilities in the future to pursue the Company's investment objective. It is not certain that such facilities will be available on acceptable terms or at all. Any amounts that are secured under a bank facility are likely to rank ahead of Shareholders' entitlements and accordingly, should returns derived from the Company's investments not be sufficient to cover the costs and liabilities of such borrowings, on a liquidation of the Company, Shareholders may not recover their initial investment and in certain circumstances may lose their entire investment.

Whilst the use of borrowings should enhance the NAV per Ordinary Share where the returns on the Company's investments exceed the cost of borrowing, it will have the opposite effect where the return on the Company's investments is lower than the cost of borrowing. In addition, in the event that rental income from the Company's investments falls (for example as a result of defaults by tenants) the use of borrowings will increase the impact of such falls on the net revenue of the Company and this in turn will have an adverse effect on the Company's ability to pay dividends.

The Company will pay interest on its borrowings. As such, the Company may be exposed to interest rate risk due to fluctuations in the prevailing market rates.

The majority of the Company's assets will, once the Company is fully invested, be invested in UK property and within Supported Housing. Consequently, any downturn in the UK and its economy, or regulatory changes in the UK (in relation to Supported Housing legislation or policy or otherwise), could have a material adverse effect on the Company's results of operations or financial condition

Any downturn in the UK and its economy, regulatory changes in the UK (in relation to Supported Housing legislation or policy or otherwise) or material changes to underlying demand dynamics, could have a material adverse effect on the Company's results of operations or financial condition. Investing exclusively within specific sectors of a single asset class may lead to greater volatility in the value of the Company's investments and the NAV and may materially and adversely affect the performance of the Company and returns to Shareholders.

The Company may seek to mitigate interest rate risk using derivative instruments and there is no guarantee such risks will be successfully hedged

The Company may seek to mitigate interest rate risk using derivative instruments. However, there can be no assurance or guarantee that the Company will successfully hedge against such risks or that adequate hedging arrangements will be available on an economically viable basis. Hedging

arrangements may result in additional costs being incurred or losses being greater than if hedging had not been used.

Where prospective property acquisitions do not proceed to completion, due diligence costs will still need to be paid by the Company and this could adversely affect the Company's business, financial condition, results of operations and prospects

The Investment Adviser will review potential investment opportunities via a preliminary screening process. If it is found that a potential investment satisfies initial analysis, a more comprehensive due-diligence exercise will be conducted. The Investment Adviser will appoint third party advisors to support it with its due diligence and as a result the Company is typically expected to incur costs relating to professional services during the sourcing phase in respect of potential acquisitions. This is likely to include, inter alia, property conveyancing fees, technical building survey costs and legal fees. Where prospective acquisitions do not proceed to completion, these costs will still need to be paid by the Company and this could adversely affect the Company's business, financial condition, results of operations and prospects.

None of the pipeline investment opportunities referred to in this Prospectus have been contracted to be acquired by the Company and there are no contractually binding commitments or agreements to acquire any of these pipeline assets

None of the pipeline investment opportunities referred to in this Prospectus have been contracted to be acquired by the Company and there are no contractually binding commitments or agreements to acquire any of these pipeline assets.

There can be no assurance that any of the pipeline assets referred to in this Prospectus will remain available for purchase after Initial Admission, or, if available, at what price any such investments can be acquired by the Company (if a price can be agreed at all).

The making of any investment will be conditional upon, amongst other things, receipt of all necessary consents, approvals, authorisations and permits, the Investment Adviser deciding to recommend to the AIFM and the Board or the Midco Board (as appropriate) to proceed with the acquisition, the Company being able to finance its commitment to a particular investment, satisfactory completion of due diligence and the entering into of binding agreements in a form satisfactory to all the parties thereto.

The Company may not always be able, for structural or commercial reasons, to acquire 100 per cent. of any SPVs through which it indirectly acquires assets and minority holdings in acquired assets may hamper the Company's ability to control such assets and may also reduce the future returns to the Company

The Company may not always be able, for structural or commercial reasons, to acquire 100 per cent. of any SPVs through which it indirectly acquires assets. Although it does not typically intend to acquire stakes in SPVs or joint ventures that would not give it effective control of the acquired asset it may do so in the future and minority holdings in acquired assets may hamper the Company's ability to control such assets and may also reduce the future returns to the Company.

The outbreak of Covid-19 has resulted in authorities, including those in the UK, implementing numerous measures to try to contain the virus, such as travel bans and restrictions, lockdowns, quarantines and shutdowns of business and workplaces, and has led to materially increased volatility in financial markets and significant worsening of the global macroeconomic outlook. The extent and scope of such restrictions is highly uncertain and subject to change and potential future lockdown measures, such as preventing specialised care providers from interacting effectively with the individuals that make use of the Supported Housing Sector and preventing effective and/or timely completion of refurbishment or development projects, could have a material adverse effect on the Company's business, results of operations, financial condition or prospects

A novel strain of coronavirus causing Covid-19 disease, identified in China in late 2019, has spread throughout the world. On 11 March 2020, the World Health Organization confirmed that its spread and severity had escalated to the point of pandemic. The outbreak of Covid-19 has resulted in authorities, including those in the UK, implementing numerous measures to try to contain the virus, such as travel

bans and restrictions, lockdowns, quarantines and shutdowns of business and workplaces, and led to materially increased volatility in financial markets and significant worsening of the global macroeconomic outlook. Although the situation has stabilised, the extent and scope of any future restrictions is highly uncertain and subject to change.

The degree to which Covid-19 or another future pandemic impacts the Company's business, results of operations and financial position will depend on future developments, which are uncertain and cannot be predicted. These developments may include, but are not limited to, the duration and spread of Covid-19 or another pandemic, its severity, actions taken to contain the virus or treat its impact, including the effectiveness and rate of deployment of vaccines, the extent and effectiveness of economic stimulus and the speed at which and to what extent normal economic and business activity can resume. Potential future lockdown measures, such as preventing specialised care providers from interacting effectively with the individuals that make use of the Supported Housing Sector and preventing effective and/or timely completion of refurbishment or development projects, could disrupt the Company's operations and business. If any of the foregoing were to occur, there could be a material adverse effect on the Company's business, results of operations, financial condition or prospects.

C. RISKS RELATING TO THE OPERATIONS OF THE COMPANY

Availability of investments

The deployment of the Net Initial Proceeds depends upon the ability of the Company, via the Investment Adviser under the supervision of the AIFM, to identify, select, acquire and manage investments that offer the potential for satisfactory returns. The availability of such investment opportunities will depend, in part, upon conditions in the sector, prevailing entry yields and the level of competition for assets in the market. In the event the Company is unable to acquire sufficient investments that offer the potential for satisfactory returns, there is a material risk that the Company may be unable to achieve the target dividend and/or the NAV Total Return target and therefore to achieve its returns objective.

Lease renewal

The long term ability of the Company to deliver the Investment Objective is primarily dependent on tenants renewing their leases at expiry. In the event that a lease is not renewed the Company will first look to let the property to another Compliant Tenant. If unsuccessful the Company may look to rent the property on the open market or dispose of the property. If a material number of leases are not renewed the Company's ability to maintain its dividend policy, NAV and/or the market price of the Shares may be hampered and the investment returns of the Company may be materially affected.

Risk relating to negative media attention

As an owner of Supported Housing properties, there may be circumstances in which the removal or eviction of an individual is warranted or necessary. Such circumstances could include, among other things, instances of an individual undertaking illegal activities, perpetrating domestic violence, or permanent rental arrears. There may also be circumstances in which the care provided at the property is not at the level required and the Compliant Tenant has to work with the local authority to replace the Care Provider. While these decisions will be made by the Compliant Tenant managing the property, there is the potential that, as landlord, the Company may receive negative media attention as a result. This may adversely affect the Company's image and, consequently, adversely affect the trading price of the Ordinary Shares. It could also affect the Company's image from the perspective of prospective tenants and local authorities and therefore the Company's ability to source new properties.

Health and Safety

The Supported Housing assets may pose health and safety risks to those involved during their construction and development. The Company will need to consider whether it is liable under environmental and health and safety legislation for any accidents that may occur, to the extent such loss is not covered under any of the Group's existing insurance policies or, where applicable, the contractual provisions in place with the relevant subcontractors do not adequately cover the Company's (or the relevant subsidiary's) liability. Liability for health and safety could have an adverse effect on the business, financial position, results of operations and business prospects of the Company.

Achieving Impact Objectives

When considering all pipeline assets and investment opportunities the Company must ensure that it achieves its Impact Objectives. There is a risk that the costs of achieving the Impact Objectives will require a level of rent which will not be supported by local authorities. If the Company is unable to provide Supported Housing in line with the Impact Objectives at a rate which is acceptable to local authorities this will negatively impact the Company's ability to develop the pipeline assets and investment opportunities on profitable terms.

Gathering feedback from residents

As the Company will make use of tenants and Care Providers for the provision of housing and support services, the Company will have no direct engagement with the residents living in the Supported Housing. The long term success of the Supported Housing properties is reliant on the positive experiences of the residents living in the Supported Housing and it is important that a high level of care and support is maintained at all times. Where a Care Provider is failing to provide an appropriate level of service the Compliant Tenant will be required to work with the local authority to replace the Care Provider. Although these decisions will be made by the Compliant Tenant managing the relevant property, there is the potential that the Company, as landlord, is unaware of any failings to deliver an appropriate level of service. Where an underperforming Care Provider is not replaced promptly, this may adversely affect the Company's reputation and, consequently, adversely affect the trading price of the Ordinary Shares.

D. RISKS RELATING TO REAL ESTATE INVESTMENTS

The Company may be adversely affected by significant changes in value of the investments which it owns

All investments owned (directly or indirectly) by the Company will be valued on a semi-annual basis in accordance with the Company's accounting policies and procedures. These valuations are presented to the Board for their approval and adoption. Property valuation is inherently subjective and can be uncertain. Acquisitions may expose the Company to unforeseen risks and liabilities associated with properties the Company acquires.

Valuations of the assets of the Company as a whole may also reflect accruals for expected or contingent liabilities, the amount or incidence of which is inevitably uncertain. A valuation is an estimate of value and is not a precise measure of realisable value. Ultimate realisation of the market value of an asset depends to a great extent on economic and other conditions beyond the control of the Company, and valuations do not necessarily represent the price at which an investment can be sold. Any changes in value may have an adverse effect on the ability of the Company to pursue its investment policy, and may adversely affect the Company's business, financial condition, results of operations, ability to maintain its dividend policy, net asset values and/or the market price of the Ordinary Shares. As such, the investment returns of the Company may be materially affected.

The Company may rely on large and detailed financial models to support valuations for asset acquisitions. There is a risk that errors may be made in the assumptions or methodology used in a financial model to complete these valuations. In such circumstances, the returns generated by any asset acquired by the Company may be different to those expected.

The Company may be adversely affected by a rise in tenant default rates

Dividends payable by the Company will be dependent on the income from the properties it owns. As with any real estate transaction there can be no guarantee that tenants will comply with their rental obligations. Failure by tenants to comply with their rental obligations could affect the ability of the Company to pay dividends to Shareholders.

Forward funded projects and Direct Development projects undertaken by the Company possess potential risks (including counterparty risk) associated with the construction and development of real estate, any of which could result in increased costs and/or damage to persons or property and/or disputes with third parties, which could have a material adverse effect on the Company's financial position, results of operation and business prospects

The investment policy provides that the Company may (or the Investment Adviser may, on behalf of the Company) engage in renovating or customising existing homes, forward fund the development of new Supported Housing assets and undertake Direct Development activity and assume Direct Development risk. This will include engaging impartial third party surveyors to oversee projects which are forward funded and may involve engaging third party contractors to conduct conversions, developments and refurbishments.

While cost overruns are the contractual responsibility of the developer/contractor, forward funded projects are nonetheless subject to various hazards and risks associated with the construction and development of real estate, including personal injury and property damage, delays in the timely completion of projects and properties being available for occupancy, failure of impartial third party surveyors to accurately monitor and oversee forward funded projects, fraud or misconduct by an officer, employee or agent of a third party contractor, liability of the Company for the actions of the third party contractors or insolvency of third party contractors.

To the extent that such risks are not assumed by the developer and/or contractor (e.g. where the Company undertakes Direct Development activity or in the event of insolvency of the developer or contractor), the occurrence of any of these events could result in increased operating costs, fines and legal fees and potentially in reputational damage or criminal prosecution of the Company and its Directors and the Investment Adviser, all of which could have an adverse effect on the Company's business, financial condition, results of operations, future prospects or the market price of the Ordinary Shares.

In addition, there is a risk of disputes with developers and/or contractors should they fail to perform against contractual obligations. Whilst the Company intends to mitigate this risk by holding a retention of funds until the project is signed-off by the Investment Adviser or an appropriate, impartial third party surveyor, any litigation or arbitration resulting from any such disputes may increase the Company's expenses and distract the Board and the Investment Adviser from focusing their time on pursuing the investment objective of the Company. This could have a material adverse effect on the Company's financial position, results of operation and business prospects.

In the event that a developer and/or contractor needs to be replaced, whether due to expiry of an existing contract, insolvency, poor performance or any other reason, the Company will be required to appoint a replacement developer and/or contractor. There can be no assurance that the Company would be able to retain a new developer and/or contractor on acceptable terms or at all. Any such replacement developer and/or contractor may be more costly to the Company. If it takes a long time to find a suitable developer and/or contractor, it could potentially lead to delays, lower technical and operating performance or downtime for the relevant asset or cancellation of key contracts. This could have a material adverse effect on the Company's financial position, results of operation and business prospects.

The Company's performance may be adversely impacted by a downturn in conditions of the UK real estate market

As all of the Company's assets will be invested in UK property, the Company's performance will be subject to, among other things, the conditions of the property markets in the UK, which will affect both the value of any assets that the Company acquires and the income these assets produce.

The value of assets and the income produced will be impacted by the general macroeconomic climate and the conditions of the real estate property market in the UK. Declines in the performance of the economy or the property market could have a negative impact on the Company's financial condition, business, prospects and results of operations.

In addition to the impact from the general economic climate, the property markets and prevailing rental rates in the UK may also be affected by factors such as an excess supply of properties, a fall in the general demand for rental property, reductions in tenants' and potential tenants' space requirements, the availability of credit and changes in laws and governmental regulations and policy, including those governing Supported Housing and aligned sectors, real estate usage, zoning and taxes, all of which are outside of the Company's control. Any of the foregoing could have a material adverse effect on the ability of the Company to achieve its investment objective, on the NAV and on the market price of the Ordinary Shares.

These factors, including any property market recession or future deterioration in the property market could, inter alia: (i) make it harder for the Company to locate new tenants for its properties, (ii) lead to a lack of finance available to the Company; (iii) cause the Company to realise its investments at lower valuations than commercially desirable; and (iv) delay the timings of the Company's realisations. A decline in value of the Company's properties may also weaken the Company's ability to obtain financing for new investments. Any of the foregoing could have a material adverse effect on the ability of the Company to achieve its investment objective, on the NAV and on the market price of the Ordinary Shares.

Property valuation is inherently subjective and uncertain and to the extent valuations of the Company's properties do not fully reflect the value of the underlying properties, this may have a material adverse effect on the Company's financial condition, business, prospects and results of operations

Property is inherently difficult to value due to the individual nature of each property. Furthermore, property valuation is inherently subjective. As a result, valuations are subject to uncertainty and there can be no assurance that the estimates resulting from the valuation process will reflect actual sales prices that could be realised by the Company in the future. The Investment Adviser will rely on the independent valuation of the Company's properties in calculating the Company's NAV.

In determining the value of properties, valuers are required to make assumptions in respect of matters including, but not limited to, the existence of willing buyers in uncertain market conditions, title, condition of structure and services, environmental matters, statutory requirements, expected future rental revenues from the property and other information. Such assumptions may prove to be inaccurate. Incorrect assumptions underlying the valuation reports could negatively affect the value of any property assets the Company acquires and thereby have a material adverse effect on the Company's financial condition. This is particularly so in periods of volatility or when there is limited real estate transactional data against which property valuations can be benchmarked. There can also be no assurance that these valuations will be reflected in the actual transaction prices, even where any such transactions occur shortly after the relevant valuation date, or that the estimated yield and annual rental income will prove to be attainable.

Property investments can perform in a cyclical nature and values can increase or decrease. Economic, political, fiscal and legal issues can affect values as they can with any other investment. The Company's portfolio will be valued on each valuation date by a professional independent valuer as may be appointed by the Company from time to time.

To the extent valuations of the Company's properties do not fully reflect the value of the underlying properties, whether due to the above factors or otherwise, this may have a material adverse effect on the Company's financial condition, business, prospects and results of operations. It may also adversely affect the ability of the Company to secure financing on acceptable terms.

The Company may be adversely affected by changes to UK legislation relating to fire safety

Whilst the Investment Adviser will endeavour to ensure that appropriate due diligence is undertaken on potential investment opportunities to identify all material issues and ensure that the Company will comply with all applicable fire regulations, the Investment Adviser may rely on reports from third-party surveyors and other advisors. Consequently, there can be no assurance that such third party advice will address all applicable fire safety concerns or risks.

Further, there can be no certainty that current guidance and/or legislation with respect to fire safety will remain unchanged in the future. As a result, there can be no guarantee that the Company's investments will continue to be fully compliant with all applicable regulation with respect to fire safety for the foreseeable future, in which case the Company may be required to incur remedial costs. Incurring additional costs and obligations could have an adverse impact on the Company's results of operations, cash flows and the ability of the Company to pay dividends to Shareholders and to achieve its stated target dividend and NAV Total Return target and therefore to achieve its returns objective.

The Company is expected to invest predominantly in residential property and may be subject to environmental related risks and the Company may also be adversely affected by changes to UK regulation relating to environmental standards

As the owner of real property, the Company will be subject to environmental regulations that can impose liability for cleaning up contaminated land, watercourses or groundwater on the person causing or knowingly permitting the contamination. If the Company acquires contaminated land, it could also be liable to third parties for harm caused to them or their property as a result of the contamination. If the Company is found to be in violation of environmental regulations, it could face reputational damage, regulatory compliance penalties, reduced letting income and reduced asset values, which could have a material adverse effect on the Company's business, financial condition, results of operations, future prospects and/or the price of the Ordinary Shares.

In addition, changes to any regulatory policies in relation to the environment could negatively affect the Company's assets. As the Company will operate in the Supported Housing sector and will rent out properties, the Company will be required to have a valid Energy Performance Certificate (EPC) registered to each property prior to letting the property to a tenant. Each property is assigned an EPC rating which must reflect a minimum standard to be rented. It is likely that minimum energy efficiency standards in the domestic sector will harden in the short to medium term which may result in the Company incurring additional costs. Increasing EPC ratings could result in additional costs above and beyond what the Company expects which may impact the Company's ability to pay dividends to Shareholders and may impact the Company achieving its investment objective.

The Company's investments will be illiquid and may be difficult or impossible to realise at a particular time

The Company will invest predominantly in residential property. Such investments are relatively illiquid (in comparison to other types of investments, such as bonds and securities, which have daily liquidity). Such illiquidity may affect the Company's ability to adjust, dispose of or liquidate any or all of its portfolio in a timely fashion and at satisfactory prices in response to changes in economic, property market or other conditions.

There can be no assurance that, at the time the Company seeks to dispose of assets (whether voluntarily or otherwise), relevant market conditions will be favourable or that the Company will be able to maximise the returns on such disposed assets. To the extent that the property market conditions are not favourable, the Company may not be able to dispose of property assets at a gain and may even have to dispose of them at a loss. The Company may be forced to realise the disposal of an asset at a discount to the prevailing valuation of the relevant property, which may have a material adverse effect on the Company's profitability, the NAV and the price of the Ordinary Shares.

The Company's properties may suffer damage or loss which is not fully compensated by insurance

The Company's property assets may suffer physical damage resulting in losses (including loss of rent) which may not be compensated for by insurance, either fully or at all. In addition, there are certain types of losses, generally or of a catastrophic nature, that may be uninsurable or are not economically insurable. Inflation, changes in building codes and ordinances, environmental considerations and other factors might also result in insurance proceeds being insufficient to repair or replace a property. Should an uninsured loss or a loss in excess of insured limits occur, the Company may lose capital invested in the affected property as well as anticipated future revenue from that property. In addition, the Company could be liable to repair damage caused by uninsured risks or pay for uninsured environmental clean-up costs. The Company might also remain liable for any debt or other financial obligations related to that property. Any material uninsured losses may have a material adverse effect on the Company's business prospects, results of operations and financial condition.

The Company may be adversely affected by liability relating to property disposals

The Company may be exposed to future liabilities and/or obligations with respect to the disposal of investments. The Company may be required to set aside money for warranty claims or contingent liabilities in respect of property disposals. The Company may be required to pay damages (including but not limited to litigation costs) to the extent that any representations or warranties that it has given to a purchaser prove to be inaccurate or to the extent that it has breached any of its covenants contained in the disposal documentation. In certain circumstances, it is possible that any incorrect representations and warranties could give rise to a right by the purchaser to unwind the contract in addition to the

payment of damages. Further, the Company may become involved in disputes or litigation in connection with such disposed investments.

Certain obligations and liabilities associated with the ownership of investments can also continue to exist notwithstanding any disposal, such as environmental liabilities. Any such claims, litigation or obligations, and any steps which the Company is required to take to meet the cost, such as sales of assets or increased borrowings, could have an adverse effect on the Company's performance, financial condition and business prospects.

E. RISKS RELATING TO THE INVESTMENT ADVISER AND THE AIFM

The success of the Company is dependent on the Investment Adviser and its expertise, key personnel, and ability to source and advise appropriately on investments

The ability of the Company to achieve its investment objective depends heavily on the experience of the Investment Adviser's team, and more generally on the ability of the Investment Adviser to attract and retain suitable staff. The Board will have broad discretion to monitor the performance of the Investment Adviser or to appoint a replacement but the performance of the Investment Adviser or that of any replacement cannot be guaranteed.

The Investment Adviser may allocate some of its resources to activities in which the Company is not engaged or key personnel could become unavailable due, for example, to death or incapacity, as well as due to resignation. There may be regulatory changes in the areas of tax and employment that affect pay and bonus structures and may have an impact on the ability of the Investment Adviser to recruit and retain staff. In the event of any departure for any reason, it may take time to transition to alternative personnel, which ultimately might not be successful. The departure of key personnel and any failure to appoint suitable replacement(s) may have an adverse impact on the ability of the Investment Adviser to achieve the investment objective of the Company and this could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

There can be no assurance that the Board would be able to find a replacement investment adviser if the Investment Adviser were to resign or the Investment Advisory Agreement were to be terminated

Under the terms of the Investment Advisory Agreement, the Investment Adviser may resign as the Company's and the AIFM's investment adviser by giving the Company not less than 12 months' written notice, such notice not to be served earlier than the end of the minimum term of 5 years. Further, the Investment Advisory Agreement may be terminated immediately upon notice by the Investment Adviser or by the Company and the AIFM in certain circumstances.

The Board would, in such circumstances, have to find a replacement investment adviser for the Company. There can be no assurance that a replacement with the necessary skills and experience would be available and could be appointed on terms acceptable to the Company and the AIFM. If the Investment Advisory Agreement is terminated and a suitable replacement is not secured in a timely manner, this could have an adverse effect on the Company's portfolio of properties and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The past performance of investments made by the Investment Adviser/Management Team is not a guarantee or an indication of the future performance of the Company

The information contained in this Prospectus relating to the prior performance of investments made by the Investment Adviser/Management Team is being provided for illustrative purposes only and is not indicative of the likely performance of the Company. In considering the prior performance information contained in this Prospectus, prospective investors should bear in mind that past performance is not necessarily indicative of future results and there can be no assurance that the Company will achieve comparable results or be able to avoid losses.

Operational risks may disrupt the business of the Company's service providers, result in losses or limit the Company's growth

The Company relies heavily on the financial, accounting and other data processing systems of the Investment Adviser, the AIFM and the Company Secretary. If any of these systems do not operate properly or are disabled, the Company could suffer financial loss or reputational damage. A disaster or a disruption in the infrastructure that supports the Company, or a disruption involving electronic communications or other services used by the Investment Adviser, the AIFM, the Company Secretary or other third parties with whom the Company conducts business, could have a material adverse impact on the ability of the Company to continue to operate its business without interruption. The disaster recovery programmes used by the Investment Adviser, the AIFM, the Company Secretary or other third parties with whom the Company conducts business may not be sufficient to mitigate the harm that may result from such disaster or disruption.

The Company's service providers' information and technology systems may be vulnerable to cyber security breaches

The information and technology systems of the Investment Adviser, the AIFM and the Company Secretary or the Company's other service providers may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorised persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Company's service providers have implemented various measures to manage risks relating to these types of events, if relevant information and technology systems are compromised, become inoperable for extended periods of time or cease to function properly, significant investment may be required to fix or replace them. The failure for any reason of these systems and/or of disaster recovery plans could cause significant interruptions in the service providers' and/or the Company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors. Such a failure could harm the service provider's and/or the Company's reputation, subject any such entity and its Affiliates to legal claims and otherwise affect its business and financial performance. This could have an adverse effect on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

Reputational risks, including those arising from litigation against the Atrato Group or the Company, may disrupt the Company's investment strategy and growth

The Company may be exposed to reputational risks, including from time to time the risk that litigation, misconduct, operational failures, negative publicity and press speculation (whether or not valid) may harm the reputation of the Atrato Group or the Company. Those risks may arise in relation to the sector generally and not be specific to the Atrato Group or the Company. If the Atrato Group or the Company is named as a party to litigation or becomes involved in regulatory inquiries, this could cause substantial reputational damage to the Atrato Group and the Company and result in potential counterparties and other third parties being unwilling to deal with the Atrato Group and/or the Company. Damage to the reputation of the Atrato Group and/or the Company may disrupt the Company's investment strategy, business or potential growth, which could have an adverse effect on the Company's portfolio of properties and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The AIFM, the Investment Adviser and their Affiliates may provide services to other clients which could compete directly or indirectly with the activities of the Company and may be subject to conflicts of interest in respect of their activities on behalf of the Company

The AIFM, the Investment Adviser and their Affiliates may be involved in other activities which on occasion may give rise to conflicts of interest with the Company. In particular: (i) the AIFM, the Investment Adviser or their respective Affiliates may invest in, manage and/or advise other funds and may provide investment management, investment advisory or other services in relation to these funds or future funds which may have similar investment policies to that of the Company; (ii) the AIFM, the Investment Adviser and their Affiliates may carry on investment activities for their own accounts and for other accounts in which the Company has no interest; and (iii) the AIFM, the Investment Adviser and their Affiliates may give advice and recommend investments to other managed accounts or investment funds which may differ from advice given to, or investments recommended or bought for, the Company, even though their investment policies may be the same or similar. If these conflicts of interest are

managed to the detriment of the Company by the AIFM or the Investment Adviser they could materially and adversely affect the performance of the Company.

F. MACRO RISKS

Risks related to economic conditions

The Company and its investments may be materially affected by conditions in the global financial markets and economic conditions, including, but not limited to, rising interest rates, inflation and deflation, business and consumer confidence, availability of credit, currency exchange rates and controls, trade barriers, commodity prices and tax rates. There is a risk that corporation or other tax rates may increase further as governments seek to finance deficits arising from, amongst other things, the consequences of the COVID-19 pandemic. These factors are outside the Company's control and may affect the valuation of its investments which may have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

Market conditions in the UK

The Company will be invested in properties located predominantly in the UK. Further, the Company will be subject to the risks associated with concentrating its investments primarily in Supported Housing. Market conditions, including fluctuations in the supply and demand for, and residual value of, the properties in which the Company invests may increase illiquidity and scarcity and have a generally negative impact on the ability of the Investment Adviser to identify and execute investments in suitable assets that might generate acceptable returns. Adverse market conditions and their consequences may have a material adverse effect on the Company's portfolio of properties.

Interest rates

Interest rates are sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond the control of the Company. Changes in market rates of interest could affect the Company and its properties in a variety of ways. Changes in the general level of interest rates can affect the spread between, amongst other things, the income on the Company's assets and the expense of its interest-bearing liabilities, the value of its interest-earning assets and its ability to realise gains from the sale of assets (should this be desirable). Changes in interest rates may also affect the valuation of the Company's portfolio of properties by impacting the valuation discount rate.

The Company may finance the Group's activities with either fixed and/or floating rate debt. With respect to any floating rate debt, the Company's performance may be affected if it does not limit the effects of changes in interest rates on its operations by employing an effective hedging strategy, including engaging in interest rate swaps, caps, floors or other interest rate contracts, or buying and selling interest rate futures or options on such futures. There can be no assurance that such arrangements will be entered into or that they will be sufficient to cover such risk. Such arrangements may even turn out to be to the Company's detriment, depending upon the direction in which the rate changes.

Inflation/deflation

The revenues and costs of the properties are partly or wholly affected by inflation.

The Company's ability to meet its dividend and total return targets and its investment objective may be affected by inflation and/or deflation, although it is also affected by a wide range of other factors. An investment in the Company may not be appropriate for investors solely seeking correlation of investment returns with inflation or deflation.

Risks associated with the effects of the Coronavirus Disease 2019 (COVID-19) pandemic or another future pandemic

The effects of the outbreak of the Coronavirus Disease 2019 ("COVID-19") in December 2019, which was declared a pandemic by the World Health Organization on 11 March 2020, on the UK property market and the global economy in general cannot be reliably assessed as at the date of this Prospectus. Market

volatility and/or a period of recession caused by the outbreak of the COVID-19 pandemic or another future pandemic may have an adverse effect on the UK property market, including the properties in which the Company intends to invest. This could have a material adverse effect on the Company's financial position, results of operations, business prospects, availability of personnel and equipment and returns to investors.

G. RISKS RELATING TO REGULATION AND TAXATION

Changes in laws or regulations governing the Company's operations, including changes to Supported Housing legislation or legislation of aligned sectors, may adversely affect the Company's business

There is a risk that the current government or future governments may change the regulations and policies relating to Supported Housing. This may affect tenants and their ability to claim rents and indexation uplifts as outlined in lease agreements entered into by the Company. There is also a risk that subsequent governments favour a type or design of property for Supported Housing which is different to that which the Company has purchased. Any such changes, including any change in local government or Compliant Tenant policy that ends or reduces the funding of rents for the Company's assets, may have an adverse effect on the ability of the Company to pursue its investment objective and investment policy, and may adversely affect the Company's business, financial condition, results of operations, ability to maintain its dividend policy, Net Asset Value and/or the market price of the Ordinary Shares. In such event, the investment returns of the Company may be materially adversely affected.

Furthermore, the Company's properties must comply with laws and regulations which relate to, among other things, property, land use, development, zoning, health and safety requirements, environmental compliance, electrical safety certification and energy efficiency requirements. Laws and regulations are subject to change (which may be retrospective), and the Investment Adviser is unable to predict the final outcome. Changes in regulations could adversely affect existing planning consent, costs of property ownership, the capital value of the Company's assets and the income arising from the Company's portfolio. Changes in laws and governmental regulations governing leases could determine the Company's approach to tenancy management which may impact the Company's ability to meet its investment objective.

The Company is subject to laws and regulations enacted by national and local governments. In particular, the Company is subject to and will be required to comply with certain regulatory requirements that are applicable to listed closed-ended investment companies, including the Listing Rules, the UK Prospectus Regulation, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, UK MAR, the UK AIFMD Laws, the EU AIFM Directive, the EU PRIIPs Regulations, and the UK PRIIPs Laws. In addition, the Company is subject to the continuing obligations imposed by the Financial Conduct Authority on all investment companies whose shares are listed on the Official List.

Any change in the law and regulation affecting the Company may have a material adverse effect on the ability of the Company to carry on its business and successfully pursue its investment policy and on the value of the Company and/or the Ordinary Shares. In such event, the investment returns of the Company may be materially adversely affected.

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

The Company cannot guarantee that it will qualify, or remain qualified, as a REIT. If the Company fails to qualify or remain qualified as a REIT, the Company will be subject to UK corporation tax on some or all of its property rental income and chargeable gains on the sale of properties or property owning companies, which could reduce the amounts available to distribute to Shareholders and change the tax status of distributions received by investors.

The requirements for maintaining REIT status are complex. Minor breaches of certain conditions within the REIT Regime may result in additional tax being payable or, if remedied within a given period of time, may not be penalised, provided that the REIT Regime is not breached more than a certain number of times. A serious breach of the REIT Regime may lead to the Company ceasing to be a REIT. If the Company fails to meet the statutory requirements to maintain its status as a REIT, it may be subject to UK corporation tax on the profits of its Property Rental Business including any chargeable gains on the

sale of some or all of its properties. This could reduce the reserves available to make distributions to Shareholders and the yield on the Ordinary Shares. In addition, incurring a UK corporation tax liability might require the Company to borrow funds, liquidate some of its assets or take other steps that could negatively affect its operating results. Moreover, if the Company's REIT status is withdrawn altogether because of a failure to meet one or more REIT conditions, disqualification from being a REIT may take effect from the end of the accounting period preceding that in which the failure occurred.

A change in the tax status of the Company or a member of its corporate group or in taxation legislation in the UK could adversely affect the Company's profits and portfolio value and/or returns to and/or the tax treatment for Shareholders

The levels of and reliefs from taxation may change, adversely affecting the financial prospects of the Company and/or the returns payable to and/or the tax treatment for Shareholders.

Investors should consult their tax advisers with respect to their particular tax situation and the tax effects of an investment in the Company. Statements in this Prospectus concerning the taxation of investors or prospective investors in Ordinary Shares are based upon current tax law and tax authority practice, each of which is potentially subject to change. The value of particular tax reliefs, if available, will depend on each individual Shareholder's circumstances. This Prospectus does not constitute tax advice and must not therefore be treated as a substitute for independent tax advice.

The Company will have to pay corporation tax if it disposes of a property in the course of a trade

If a member of the Group disposes of a property in the course of a trade, any gain will generally be subject to corporation tax (currently at 19 per cent. and due to be 25 per cent. from April 2023). For example, acquiring a property with a view to sale followed by a disposal of the asset would indicate a trading activity, whereas disposal of a property as part of a normal variation of a property rental portfolio would not indicate a trading activity. While the Group does not intend to dispose of property in the course of a trade, there can be no assurance that HMRC will not scrutinise any disposals and successfully contend that any or some of them have been in the course of a trade, with the consequence that corporation tax may be payable in respect of any profits from the disposal of such property.

The Company may be adversely affected by change of law, regulation and/or practice guidance in relation to the UK AIFMD Laws or the EU AIFM Directive

Changes to laws, regulations and practice guidance (including any ESMA guidance or recommendations) could adversely affect the Company, the AIFM or the Investment Adviser. Regulation of, and practice guidance relating to, entities such as the Company, their AIFMs and depositaries, is evolving and subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. Changes to the legal and regulatory regime applicable to the AIFM and/or the Investment Adviser could adversely affect the Company because of the Company's reliance upon the continuing availability to it of the expertise of the AIFM and the Investment Adviser and the likelihood that such changes would increase the on-going costs borne, directly or indirectly, by the Company by virtue of the contractual arrangements agreed between the Company, the AIFM and the Investment Adviser. The effect of any future legal or regulatory change (including changes in practice guidance) on the Company or on the AIFM and/or Investment Adviser is not possible to predict, but could be substantial and adverse.

Distribution requirements may limit the Company's flexibility in executing its acquisition plans

To maintain REIT status and as a result obtain full exemption from UK corporation tax on the profits (and, where relevant, gains) of its Property Rental Business, the Company is required to distribute annually to Shareholders an amount sufficient to meet the 90 per cent. distribution test by way of Property Income Distributions. The Company would be required to pay tax at regular UK corporation tax rates on any shortfall to the extent that the Company distributes as Property Income Distributions less than the amount required to meet the 90 per cent. distribution test for each accounting period. A failure to meet the 90 per cent. distribution test could also change the tax status of distributions received by investors.

In addition, differences in timing between the receipt of cash and the recognition of income for the purposes of the REIT Regime and the effect of any potential debt amortisation payments could require the Company to borrow funds to meet the distribution requirements that are necessary to achieve the full tax benefits associated with qualifying as a REIT, even if the then-prevailing market conditions are not favourable for these borrowings.

As a result of these factors, the constraints of maintaining REIT status could limit the Company's flexibility to make investments.

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

A REIT may become subject to an additional tax charge if it makes a distribution to, or in respect of, a "Substantial Shareholder", that is broadly a company which has rights to at least 10 per cent. of the distributions or ordinary shares or controls at least 10 per cent. of the voting rights. This additional tax charge should not be incurred if the Company has taken reasonable steps to avoid paying distributions to a Substantial Shareholder. Therefore, the Articles contain provisions designed to avoid the situation where distributions may become payable to a Substantial Shareholder. These provisions provide the Directors with powers to identify Substantial Shareholders and to prohibit the payment of dividends on Ordinary Shares that form part of a Substantial Shareholding unless certain conditions are met. The Articles also allow the Directors to require the disposal of Ordinary Shares forming part of a Substantial Shareholding in certain circumstances where the Substantial Shareholder has failed to comply with the above outlined provisions.

There is uncertainty associated with the UK's exit from the European Union which could adversely affect the Company's business, financial condition and cash flows and could also negatively impact the value of the Company and make accurate valuations of the Ordinary Shares and investments more difficult

The United Kingdom left the European Union on 31 January 2020 and the subsequent transition period ended on 31 December 2020. Although the United Kingdom and the European Union agreed a trading arrangement which took effect from 1 January 2021, there remains uncertainty with respect to the United Kingdom's trading relationship with the European Union and the political, economic, legal and social impact of such relationship going forward.

As the UK and the EU become accustomed to the new arrangements, there may be significant volatility and disruption in: (i) the global financial markets generally, which could result in a reduction of the availability of capital and debt; and/or (ii) the currency markets as the value of Sterling fluctuates against other currencies.

The nature of the United Kingdom's future relationship with the European Union may also impact and potentially require changes to the Company's regulatory position. With effect from 1 January 2021, historic EU legislation has largely been implemented into UK law, but it remains unclear as to how UK law will develop over time, including whether the UK will be required to adopt new EU legislation in the future for the purposes of proving equivalence and how UK law will diverge, if at all, from historic EU legislation. Accordingly, the impact on the Company of the United Kingdom's future relationship with the European Union and any resulting changes to the UK's legislative and regulatory framework is unclear.

Consequently, there will be a period of prolonged uncertainty regarding aspects of the UK economy including the possibility of a period of recession, together with other risks which could materially and adversely affect the legal, operational, regulatory and tax regime(s) to which the Company is currently subject. The effect of these risks could also be a reduction in the number of potential tenants for the Company to let its properties to and the creditworthiness of such tenants.

Any of these effects of Brexit (and others that the Directors cannot anticipate at this stage given the political and economic uncertainty following the UK's departure from the European Union) could adversely affect the Company's business, financial condition and cash flows. They could also negatively impact the value of the Company and make accurate valuations of the Ordinary Shares and investments more difficult.

FATCA

The US Foreign Account Tax Compliance Act of 2010 (commonly known as “**FATCA**”) is a set of provisions contained in the US Hiring Incentives to Restore Employment Act 2010. FATCA is aimed at reducing tax evasion by US citizens.

FATCA imposes a withholding tax of 30 per cent. on (i) certain US source interest, dividends and certain other types of income; and (ii) the gross proceeds from the sale or disposal of assets which produce US source interest or dividends, which are received by a foreign financial institution (“**FFI**”), unless the FFI complies with certain reporting and other related obligations under FATCA. The UK has concluded an intergovernmental agreement (“**IGA**”) with the US, pursuant to which parts of FATCA have been effectively enacted into UK law.

Under the IGA, an FFI that is resident in the UK (a “**Reporting FI**”) is not subject to withholding under FATCA provided that it complies with the terms of the IGA, including requirements to register with the IRS and requirements to identify, and report certain information on, accounts held by US persons owning, directly or indirectly, an equity or debt interest in the Reporting FI (other than equity and debt interests that are regularly traded on an established securities market, for which see below), and report on accounts held by certain other persons or entities to HMRC.

The Company expects that it will be treated as a Reporting FI pursuant to the IGA and that it will comply with the requirements under the IGA. The Company also expects that its Ordinary Shares may, in accordance with current HMRC practice, comply with the conditions set out in the IGA to be “regularly traded on an established securities market” meaning that the Company should not have to report specific information on its Shareholders and their investments to HMRC for FATCA purposes (although such reporting may be required for the purposes of the Common Reporting Standard (“**CRS**”), as to which see below). However, there can be no assurance that the Company will be treated as a Reporting FI, that its Ordinary Shares will be considered to be “regularly traded on an established securities market” or that it will not in the future be subject to withholding tax under FATCA or the IGA. If the Company becomes subject to a withholding tax as a result of FATCA or the IGA, the return on investment of some or all Shareholders may be materially adversely affected.

FATCA and the IGA are complex. The above description is based in part on regulations, official guidance and the IGA, all of which are subject to change. All prospective investors and Shareholders should consult with their own tax advisors regarding the possible implications of FATCA on their investment in the Company.

Automatic exchange of information (“**AEOI**”)

To the extent that the Company may be a reporting financial institution under FATCA and/or CRS (a “**Financial Institution**”), it may require Shareholders to provide it with certain information in order to comply with its AEOI obligations which information may be provided to HMRC who may in turn exchange that information with certain other jurisdictions.

Risks relating to US taxation

The Company may be treated as a “passive foreign investment company” (“**PFIC**”) for US federal income tax purposes, which could have adverse consequences to US holders. A non-US company (such as the Company) is deemed to be a PFIC if, during any taxable year, (i) 75 per cent. or more of its gross income consists of certain types of passive income, or (ii) the average value (or basis in certain cases) of its passive assets (generally assets that generate passive income) is 50 per cent. or more of the average value (or basis in certain cases) of all of its assets. For the purposes of these tests, “passive income” includes dividends, interest, and gains from the sale or exchange of investment property and rents and royalties other than rents and royalties which are received from unrelated parties in connection with the active conduct of a trade or business.

The determination of PFIC status is a factual determination that must be made annually at the close of each taxable year. It has not been determined whether the Company will be treated as a PFIC in the current or preceding taxable years. Whether the Company is a PFIC in any taxable year will depend on whether and the extent to which it is treated as receiving rents in the conduct of an active business. If the Company were classified as a PFIC in any year with respect to which a US holder owns Ordinary

Shares, the Company would continue to be treated as a PFIC with respect to the US holder in all succeeding years during which the US holder owns such securities, regardless of whether the Company continues to meet the tests described above.

If the Company were treated as a PFIC for US tax purposes, US holders may become subject to certain US reporting obligations and to adverse US federal income tax consequences, including with respect to the distributions received and the gain, if any, derived from the sale or other disposition of Ordinary Shares. Specifically, the PFIC rules could have the effect of subjecting US holders to an interest charge on any “deferred tax amounts” and taxing gain upon the sale of shares as ordinary income. Certain of these adverse tax consequences may be mitigated if a US holder makes a mark-to-market election. However, no assurance can be provided that a mark-to-market election is or will be available for the Ordinary Shares. The Company does not expect to provide US holders with sufficient information to make a “qualified electing fund” election.

US investors are urged to consult their own tax advisors with respect to their own particular circumstances and with respect to the applicability of the PFIC rules and the availability of, and the procedures for making, any available US federal income tax elections to mitigate the impact of the PFIC rules.

Additional risks to investors in the US

Not all rights available to shareholders under United States law will be available to holders of the Ordinary Shares. Shareholders may have difficulty in effecting service of process on the Company or the Directors or officers of the Company in the US, in enforcing US judgements in the UK or in enforcing US securities laws in UK courts.

H. RISKS RELATING TO THE SHARES

Liquidity

Market liquidity in the shares of investment companies is frequently less than that of shares issued by larger commercial companies traded on the London Stock Exchange. There can be no guarantee that a liquid market in the Ordinary Shares will exist. Accordingly, Shareholders may be unable to realise their Ordinary Shares at the quoted market price (or at the prevailing Net Asset Value per Ordinary Share), or at all.

The London Stock Exchange has the right to suspend or limit trading in a company’s securities. Any suspension or limitation on trading in the Ordinary Shares may affect the ability of Shareholders to realise their investment.

Discount

The Ordinary Shares may trade at a discount to their Net Asset Value and Shareholders may be unable to realise their investments through the secondary market at Net Asset Value. The Ordinary Shares may trade at a discount to their Net Asset Value for a variety of reasons, including market conditions or to the extent investors undervalue the management activities of the Investment Adviser or discount its valuation methodology and judgments of value. While the Board may seek to mitigate any discount to Net Asset Value at which the Ordinary Shares may trade through discount management mechanisms summarised in Part 1 (*The Company*) of this Prospectus, there can be no guarantee that they will do so or that such mechanisms will be successful and the Board accepts no responsibility for any failure of any such strategy to effect a reduction in any discount.

Issue Price of Ordinary Shares under the Placing Programme

The issue price of the Ordinary Shares issued on a non-pre-emptive basis under any Subsequent Placing under the Placing Programme will not be lower than the Net Asset Value per Ordinary Share at the time of their issue. The issue price of the Ordinary Shares issued under a Subsequent Placing will be calculated by reference to the latest published unaudited Net Asset Value per Ordinary Share, along with a premium to cover the costs and expenses of such issue. Such Net Asset Value per Ordinary Share will be determined on the basis of the information available to the Company at the time and may be subject to subsequent revisions. Accordingly, there is a risk that, had such issue price been

calculated by reference to information that emerged after the calculation date, it could have been greater or lesser than the issue price actually paid by the investors.

The Company will in the future issue new equity, which may dilute Shareholders' voting rights

The Company may seek to issue new equity in the future pursuant to the Placing Programme or otherwise. While the Companies Act contains pre-emption rights for Shareholders in relation to issues of shares in consideration for cash, such rights can be disapplied in certain circumstances and have been disapplied in relation to the maximum amount of Issue Shares that may be issued pursuant to the Placing Programme. Where pre-emption rights are disapplied, any additional equity fundraising will be dilutive to the voting rights of those Shareholders who cannot, or choose not to, participate in such fundraising in their *pro rata* amount.

The Company has not registered, and will not register, its Ordinary Shares with the Securities and Exchange Commission, which may limit the Shareholders' ability to resell them

The Ordinary Shares have not been, and will not be, registered under the US Securities Act or any US state securities laws. The Company will be relying upon exemptions from registration under the US Securities Act and applicable state securities laws in offering and selling the Ordinary Shares. As a consequence, for US Securities Act purposes, Ordinary Shares can only be transferred or re-sold in the United States or to a US Person in transactions registered under the US Securities Act, or in accordance with exemptions from the registration requirements of the US Securities Act and exemptions under applicable state securities laws. Shareholders will not have registration rights and, therefore, will not be entitled to compel the Company to register their securities.

If at any time the holding or beneficial ownership of any Ordinary Shares by any person (whether on its own or taken with other Ordinary Shares), in the opinion of the Directors: (i) would cause the assets of the Company to be treated as "plan assets" under the Plan Asset Regulations for purposes of ERISA or the US Tax Code; or (ii) would or might result in the Company and/or the Ordinary Shares being required to register or qualify under the US Investment Company Act and/or the US Securities Act and/or the US Securities Exchange Act of 1934, as amended (the "**US Exchange Act**") and/or any laws of any state of the United States that regulate the offering and sale of securities; or (iii) may cause the Company not to be considered a "Foreign Private Issuer" under the US Exchange Act; or (iv) may cause the Company to be a "controlled foreign corporation" for the purpose of the US Tax Code, the Directors may require the holder of such Ordinary Shares to dispose of such Ordinary Shares and, if the Shareholder does not sell such Ordinary Shares, may dispose of such Ordinary Shares on their behalf. These restrictions may make it more difficult for a US Person to hold, and Shareholders generally to sell, the Ordinary Shares and may have an adverse effect on the market value of the Ordinary Shares.

The Company has not registered and will not register as an investment company under the US Investment Company Act

The Company is not registered and will not register in the United States as an investment company under the US Investment Company Act and related rules. The US Investment Company Act provides certain protections to investors and imposes certain restrictions on companies that are registered as investment companies. As the Company is not so registered and does not plan to register, none of these protections or restrictions are or will be applicable to the Company.

Forced transfer provisions

The Ordinary Shares offered by this Prospectus have not been and will not be registered under the US Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, in or into the United States or to or for the account or benefit of any US Person (within the meaning of Regulation S under the US Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

If any Ordinary Shares are owned directly, indirectly or beneficially by a person believed by the Board to be a Non-Qualified Holder, the Board may give notice to such person requiring him either (i) to provide the Board within 30 days of receipt of such notice with sufficient satisfactory documentary evidence to

satisfy the Board that such person is not a Non-Qualified Holder or (ii) to sell or transfer his Ordinary Shares to a person who is not a Non-Qualified Holder within 30 days and within such 30 days to provide the Board with satisfactory evidence of such sale or transfer and pending such sale or transfer, the Board may suspend the exercise of any voting or consent rights and rights to receive notice of or attend any meeting of the Company and any rights to receive dividends or other distributions with respect to such Ordinary Shares. Where condition (i) or (ii) is not satisfied within 30 days after the serving of the notice, the person will be deemed, upon the expiration of such 30 days, to have forfeited his Ordinary Shares. If the Board in its absolute discretion so determines, the Company may dispose of the relevant Ordinary Shares at the best price reasonably obtainable and pay the net proceeds of such disposal to the former holder.

For these purposes, a Non-Qualified Holder means any person whose ownership of Ordinary Shares: (i) may cause the Company's assets to be deemed "plan assets" for the purposes of ERISA or purposes of the US Tax Code; (ii) may cause the Company to be required to register as an "investment company" under the US Investment Company Act (including because the holder of the Ordinary Shares is not a "qualified purchaser" as defined in the US Investment Company Act); (iii) may cause the Company to register under the US Exchange Act, the US Securities Act or any similar legislation or the Company or the Investment Adviser to register under the US Investment Advisers Act or any similar legislation; (iv) may cause the Company not to be considered a "foreign private issuer" as such term is defined in rule 3b-4(c) under the US Exchange Act; (v) may result in a person holding Ordinary Shares in violation of the transfer restrictions put forth in any prospectus published by the Company from time to time; (vi) may cause the Company to be a "controlled foreign corporation" for the purposes of the US Tax Code, or may cause the Company to suffer any pecuniary disadvantage (which will include any excise tax, penalties or liabilities under ERISA or the US Tax Code including as a result of the Company's failure to comply with FATCA as a result of a Non-Qualified Holder failing to provide information as requested by the Company in accordance with the Articles); or (vii) may cause the Company (including for such purposes, its subsidiaries) to lose the benefit of, or suffer pecuniary disadvantage as a result of not being able to take advantage of, any applicable withholding tax treaty or similar arrangement.

If prospective investors are in any doubt as to the consequences of their acquiring, holding or disposing of Ordinary Shares, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

IMPORTANT INFORMATION

This Prospectus should be read in its entirety before making any application for any Issue Shares. In assessing an investment in the Company, investors should rely only on the information in the Prospectus and any supplementary prospectus published by the Company prior to Initial Admission or Subsequent Admission of the relevant Issue Shares. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and any such supplementary prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Board, the Investment Adviser, or RBC and any of their respective Affiliates, directors, officers, employees or agents or any other person.

Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to Article 23 of the UK Prospectus Regulation (as amended), neither the delivery of this Prospectus nor any subscription or purchase of Issue Shares made pursuant to this Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on RBC by FSMA, or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regime would be illegal, void or unenforceable, RBC does not accept any responsibility whatsoever or make any representation or warranty, express or implied, as to the contents of this Prospectus, including its accuracy or completeness or for any other statement made or purported to be made by it or on its behalf in connection with the Company, Initial Admission, any Subsequent Admission, the Initial Issue, the Placing Programme, the contents of this Prospectus, any transaction or arrangement referred to in this Prospectus or the Issue Shares and nothing contained in this Prospectus is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. RBC does not assume any responsibility for the accuracy, completeness or verification of this Prospectus and accordingly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise be found to have in respect of this Prospectus or any such statement.

RBC and its Affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services to, the Company and/or the Investment Adviser for which they would have received fees. RBC and its Affiliates may provide such services to the Company, the Investment Adviser or any of their respective Affiliates in the future.

In connection with the Initial Issue and the Placing Programme, RBC and any of its Affiliates acting as an investor for its or their own account(s), may subscribe for the Issue Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or other related investments in connection with the Initial Issue and/or the Placing Programme or otherwise. Accordingly, references in this Prospectus to the Issue Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, RBC and any of its Affiliates acting as an investor for its or their own account(s). RBC does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Regulatory information

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy Issue Shares in any jurisdiction in which such offer or solicitation is unlawful. The issue or circulation of this Prospectus may be prohibited in some countries.

Subject to certain limited exceptions, the Issue Shares offered by this Prospectus may not be offered or sold directly or indirectly in or into the United States, or to or for the account or benefit of a US Person (within the meaning of the US Securities Act).

The AIFM has given written notification to the FCA that it intends to market the Issue Shares in the United Kingdom in accordance with Regulation 59(1) of the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) (as amended).

Prospective investors should consider carefully (to the extent relevant to them) the notices to residents of various countries set out below.

Notice to prospective investors in the United Kingdom

No Issue Shares have been offered or will be offered to the public in the United Kingdom prior to the publication of a prospectus in relation to the Issue Shares which has been approved by the FCA, except that the Issue Shares may be offered to the public in the United Kingdom at any time with the prior consent of RBC pursuant to the following exemptions under the UK Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined in Article 2(e) of the UK Prospectus Regulation (as amended);
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the UK Prospectus Regulation (as amended)) in the United Kingdom;
- (c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation (as amended) with the prior consent of RBC,

provided that no such offer of Issue Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3(l) of the UK Prospectus Regulation (as amended).

For the purposes of this provision, the expression an “offer to the public” in relation to any offer of Issue Shares in the United Kingdom means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Issue Shares to be offered so as to enable an investor to decide to purchase or subscribe for Issue Shares.

Notice to prospective investors in Guernsey

Neither the Company nor this Prospectus has been submitted to or approved or authorised by the Policy Council of the States of Guernsey or the Guernsey Financial Services Commission (the “**GFSC**”). The Company will not be regulated by the GFSC. The GFSC has no ongoing responsibility to monitor the performance of the Company or to protect the interests of investors.

To the extent to which any promotion of the Ordinary Shares is made as part of the Placing, the Offer for Subscription and the Intermediaries Offer referred to in this Prospectus is deemed to take place in the Bailiwick of Guernsey, the Ordinary Shares, the Placing, the Offer for Subscription and the Intermediaries Offer are only being promoted in or from within the Bailiwick of Guernsey only:

- (a) by persons licensed to do so (or permitted by way of an exemption granted) by the GFSC under the Protection of Investors (Bailiwick of Guernsey) Law, 2020 as amended (the “**POI Law**”); or
- (b) by non-Guernsey bodies who meet the criteria specified in section 44(1)(c) of the POI Law, being that the promoting party: (i) carries on the promotion in or from within the Bailiwick of Guernsey in a manner in which they are permitted to carry it on in or from within, and under the law of, a jurisdiction designated by the GFSC which, in the opinion of the GFSC, affords adequate protection to investors; (ii) has its main place of business in that jurisdiction and does not carry on any restricted activity from a permanent place of business in the Bailiwick of Guernsey; (iii) is recognised as a national of that jurisdiction by its law; and (iv) has given written notice to the GFSC pursuant to a prescribed form of the date from which it intends to carry on that activity in or from within the Bailiwick of Guernsey and complied with the requirements applicable under section 3(1) of the POI Law to an applicant for a licence; or
- (c) by non-Guernsey bodies to persons licensed under the POI Law, the Insurance Managers and Intermediaries (Bailiwick of Guernsey) Law, 2002, (as amended), the Insurance Business (Bailiwick of Guernsey) Law, 2002 (as amended), the Banking Supervision (Bailiwick of Guernsey) Law, 1994 (as amended) or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 (as amended), provided that the promoting party meets the criteria specified in section 44(1)(d) of the POI Law, being that the promoting party: (i) carries on the promotion in or from within the Bailiwick of Guernsey in a manner in which they are permitted to carry it on in or from within, and under the

law of, a jurisdiction designated by the GFSC which, in the opinion of the GFSC, affords adequate protection to investors; (ii) has its main place of business in that jurisdiction and does not carry on any restricted activity from a permanent place of business in the Bailiwick; (iii) is recognised as a national of that jurisdiction by its law; and (iv) has given written notice to the GFSC by way of an online form of the date from which it intends to carry on that activity in or from within the Bailiwick of Guernsey; or

- (d) as otherwise permitted by the GFSC.

The Ordinary Shares, the Placing, the Offer for Subscription and the Intermediaries Offer referred to in this Prospectus and this Prospectus are not available in or from within the Bailiwick of Guernsey other than in accordance with the above paragraphs and must not be relied upon by any person, unless made or received in accordance with such paragraphs.

Notice to prospective investors in Jersey

The Placing, Offer for Subscription and Intermediaries Offer that are the subject of this Prospectus may only be made in Jersey where the offer is valid in the United Kingdom or Guernsey and is circulated in Jersey only to persons similar to those to whom, and in a manner similar to that in which, it is for the time being circulated in the United Kingdom or Guernsey as the case may be. Consent under the Control of Borrowing (Jersey) Order 1958 has not been obtained for the circulation of this offer and it must be distinctly understood that the Jersey Financial Services Commission does not accept any responsibility for the financial soundness of or any representations made in connection with the Company. By accepting this offer each prospective investor in Jersey represents and warrants that he or she is in possession of sufficient information to be able to make a reasonable evaluation of the offer.

Notice to prospective investors in the EEA

In relation to each EEA Member State, no Ordinary Shares have been offered or will be offered pursuant to the Issue to the public in that EEA Member State prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that EEA Member State, or, where appropriate, approved in another EEA Member State and notified to the competent authority in that EEA Member State, all in accordance with the EU Prospectus Regulation, except that offers of Ordinary Shares to the public may be made at any time with the prior consent of RBC, under the following exemptions under the EU Prospectus Regulation, that are effective in that EEA Member State:

- (a) to any legal entity which is a “qualified investor” as defined in Article 2(e) of the EU Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2(e) of the EU Prospectus Regulation) in such EEA Member State; or
- (c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation with the prior consent of RBC,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3(l) of the EU Prospectus Regulation in an EEA Member State.

For the purposes of this provision, the expression an “offer to the public” in relation to any offer of Ordinary Shares in any EEA Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for Ordinary Shares.

The AIFM, has made the notifications or applications and received, where relevant, approvals for the marketing of the Ordinary Shares to “professional investors” (as defined in the EU AIFM Directive) in the Republic of Ireland and The Netherlands. Notwithstanding any other statement in this Prospectus, this Prospectus should not be made available to any investor domiciled in any EEA Member State other than the Republic of Ireland and The Netherlands. Prospective investors domiciled in the EEA that have received the Prospectus in any EEA Member State other than the Republic of Ireland and The Netherlands should not subscribe for Ordinary Shares (and the Company reserves the right to reject any application so made, without explanation) unless: (i) the Company has confirmed that the AIFM has

made the relevant notification or application in that EEA Member State and is lawfully able to market Ordinary Shares into that EEA Member State; or (ii) such investors have received the Prospectus on the basis of an enquiry made at the investor's own initiative.

The Ordinary Shares may not be marketed to retail investors (as this term is defined in the EU AIFM Directive as transposed into the relevant EEA Member State's domestic legislation) in any EEA Member State unless the Ordinary Shares have been qualified for marketing to retail investors in that EEA Member State in accordance with applicable local laws. At the date of this Prospectus, the Ordinary Shares are not eligible to be marketed to retail investors in any EEA Member State. Accordingly, the Ordinary Shares may not be offered, sold or delivered and neither this Prospectus nor any other offering materials relating to such Ordinary Shares may be distributed or made available to retail investors in any EEA Member State.

Notice to prospective investors in the Republic of Ireland

Neither the Company nor any investment in the Company has been authorised by the Central Bank of Ireland. The Prospectus does not, and shall not be deemed to, constitute an invitation to the public in Ireland to purchase interests in the Company.

The Ordinary Shares have not been and will not be registered in the Republic of Ireland or passported for inward marketing to professional investors (as defined in Annex II of Directive 2014/65/EU) under the European Communities (Alternative Investment Fund Manager) Regulations 2013 (as amended) (the “**AIFM Regulations**”) or any applicable regulations or guidance issued thereunder by the Central Bank of Ireland. The Ordinary Shares may only be offered to professional investors on a private placement basis in accordance with the EU AIFM Directive. In respect of such private placement, the AIFM has provided notification to the Central Bank of Ireland and has received confirmation of its eligibility to market the Ordinary Shares under Article 42 of the EU AIFM Directive (as implemented into Irish law), which provides for the marketing in Ireland without a passport of alternative investment funds managed by a non-EU AIFM.

The Ordinary Shares will not be offered, sold, placed or underwritten in Ireland (a) except in circumstances which do not require the publication of a prospectus pursuant to Article 3 of the Prospectus Regulation (EU) 2017/1129, and the rules issued by the Central Bank of Ireland under Section 1363 of the Irish Companies Act 2014 (the “Irish Companies Act”); (b) otherwise than in compliance with the provisions of the Irish Companies Act; (c) otherwise than in compliance with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2017 (as amended) and RBC, the Investment Adviser and any introducer appointed by the Company will conduct themselves in accordance with any codes or rules of conduct and any conditions or requirements, or any other enactment, imposed or approved by the Central Bank of Ireland with respect to anything done by them in relation to the Company; (d) otherwise than in compliance with the provisions of the Market Abuse Regulation (EU) No. 596/2014, together with all delegated and implementing regulations introduced thereunder, the European Union (Market Abuse) Regulations 2016 and the rules issued by the Central Bank of Ireland under Section 1370 of the Irish Companies Act; and (e) except to “professional investors” as defined in the EU AIFM Directive and otherwise in accordance with the EU AIFM Directive, Commission Delegated Regulation 231/2013, the AIFM Regulations and any rules issued by the Central Bank of Ireland pursuant thereto.

Notice to prospective investors in the Netherlands

The Ordinary Shares have not been and will not be offered, sold, transferred or delivered in the Netherlands, as part of their initial distribution or at any time thereafter, directly or indirectly, other than to individuals or legal entities which are considered to be “qualified investors” (*gekwalificeerde beleggers*) within the meaning of Section 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, the “**WFT**”).

The AIFM makes use of the Dutch national private placement regime referred to in Section 1:13b of the WFT. As a consequence, the offering of the Ordinary Shares does not require the AIFM or the Company to have a license pursuant to the WFT. In accordance with the Dutch national private placement regime, the AIFM is subject to certain reporting requirements vis-à-vis the Netherlands Authority for Financial Markets (*Autoriteit Financiële Markten*) and the Dutch Central Bank (*De Nederlandsche Bank*).

Notice to prospective investors in the United States

The Ordinary Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Ordinary Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. There will be no public offer of the Ordinary Shares in the United States. The Ordinary Shares are being offered or sold outside the United States in offshore transactions in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S under the US Securities Act. Any sale of Ordinary Shares in the United States may only be made to persons reasonably believed to be “qualified institutional buyers” (as the term is defined in Rule 144A under the US Securities Act) in reliance on an exemption from registration provided by section 4(a)(2) under the US Securities Act that are also “qualified purchasers” within the meaning of Section 2(a)(51) of the US Investment Company Act. The Company has not been and will not be registered under the U.S. Investment Company Act and investors will not be entitled to the benefits of the U.S. Investment Company Act.

The Ordinary Shares are subject to restrictions on transferability and resale and may not be transferred or resold, except as permitted under applicable securities laws and regulations, including the U.S. Securities Act, and under the Articles. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions and may subject the holder to the forced transfer and other provisions set out in the Articles.

Unless otherwise expressly agreed with the Company, the Ordinary Shares may not be acquired by: (i) investors using assets of: (A) an “employee benefit plan” as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (B) a “plan” as defined in Section 4975 of the US Tax Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Tax Code; or (C) an entity whose underlying assets are considered to include “plan assets” by reason of investment by an “employee benefit plan” or “plan” described in preceding clause (A) or (B) in such entity pursuant to the U.S. Plan Assets Regulations; or (ii) a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the U.S. Tax Code, unless its purchase, holding, and disposition of the Ordinary Shares will not constitute or result in a non-exempt violation of any such substantially similar law.

Notice to prospective investors in Canada, Japan, Australia or the Republic of South Africa

The offer and sale of Ordinary Shares has not been and will not be registered under the applicable securities laws of Canada, Japan, Australia or the Republic of South Africa. Subject to certain exemptions, the Ordinary Shares may not be offered to or sold within Canada, Japan, Australia or the Republic of South Africa or to any national, resident or citizen of such territories. The distribution of this Prospectus in other jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions.

Notice to investors domiciled or resident in Switzerland

The Ordinary Shares and any related services, information and opinions described or referenced in this Prospectus are not, and may not be, offered or marketed to or directed at persons in Switzerland (a) that do not meet the definition of “qualified investor” pursuant to the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (“CISA”) (“**Non-Qualified Investors**”), or (b) that are high net worth individuals (including private investment structures established for such high-net worth individuals if they do not have professional treasury operations) that have opted out of customer protection under the Swiss Federal Financial Services Act of 15 June 2018 (“FinSA”) and that have elected to be treated as “professional clients” and “qualified investors” under the FinSA and the CISA, respectively (“**Elective Qualified Investors**”), or (c) that are retail clients for whom a financial intermediary in accordance with Article 4 paragraph 3 lit. (a) FinSA or a foreign financial intermediary that is subject to equivalent

prudential supervision provides investment advice in accordance with Article 3 lit. (c) item 4 FinSA within the scope of a permanent investment advice relationship ("**Investment Advisory Clients**").

In particular, none of the information provided in this Prospectus should be construed as an offer in Switzerland for the purchase or sale of Ordinary Shares or any related services, nor as advertising in Switzerland for Ordinary Shares or any related services, to or directed at Non-Qualified Investors, Elective Qualified Investors or Investment Advisory Clients. Circulating or otherwise providing access to this Prospectus or advertising, offering or selling Ordinary Shares or any related services to Non-Qualified Investors, Elective Qualified Investors or Investment Advisory Clients may trigger, in particular, approval requirements and other regulatory requirements in Switzerland.

The Ordinary Shares qualify under Swiss law as units of a foreign collective investment scheme that will be offered to Qualified Investors only, and therefore there is no requirement to produce a prospectus under the FinSA. Neither this Prospectus nor any other offering or marketing material relating to the Ordinary Shares constitutes a prospectus pursuant to the FinSA or pursuant to Swiss trading venue rules and it may thus not fulfill the information standards established thereunder. No key information document pursuant to Swiss law has been established for the Ordinary Shares.

The Prospectus has not been and will not be approved, and may not be able to be approved, by the Swiss Financial Market Supervisory Authority FINMA ("**FINMA**") under the CISA. Therefore, investors will not benefit from protection under CISA or supervision by FINMA. These materials do in particular not constitute investment advice.

Information for Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**Directive 2014/65/EU**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing Directive 2014/65/EU; (c) local implementing measures; and/or (d) (where applicable to UK investors or UK firms) the relevant provisions of the UK MiFID Laws (including the FCA's Product Intervention and Governance Sourcebook ("**PROD**")) (together the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Issue Shares have been subject to a product approval process, which has determined that such Issue Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in PROD; and (ii) eligible for distribution through all distribution channels as are permitted by PROD for each type of investors (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the prices of the Issue Shares may decline and investors could lose all or part of their investment; the Issue Shares offer no guaranteed income and no capital protection; and an investment in the Issue Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Initial Issue and the Placing Programme. Furthermore, it is noted that, notwithstanding the Target Market Assessment, RBC will only procure investors through the Initial Placing or any Subsequent Placing who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute:

- (a) an assessment of suitability or appropriateness for the purposes of the UK MiFID Laws and/or EU MiFID II; or
- (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Issue Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Issue Shares and determining appropriate distribution channels.

Key Information Document

In accordance with the EU PRIIPs Regulations (as applicable) and the UK PRIIPs Laws, the Company is required to prepare a key information document (“**KID**”) in respect of the Ordinary Shares. The KID must be made available to retail investors prior to them making any investment decision and are available on the Company’s website at <http://www.independentlivingreit.com>. If you are distributing the Issue Shares it is your responsibility to ensure the relevant KID is provided to any clients that are “retail” clients.

The Company acknowledges that RBC is not a manufacturer for the purposes of the UK PRIIPs Laws or EU PRIIPS Regulations (as applicable). RBC does not make any representations, express or implied, or accept any responsibility whatsoever for the contents of the KID prepared by the Company nor does it accept any responsibility to update the contents of the KID prepared by the Company in accordance with the UK PRIIPs Laws or the EU PRIIPS Regulations (as applicable). RBC accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might have in respect of the KID prepared by the Company.

The KID does not form part of this Prospectus and investors should note that the procedures for calculating the risks, costs and potential returns in the KID are prescribed by law. The figures in the KID may not reflect the expected returns for the Company and anticipated performance returns cannot be guaranteed. It is a term of the Offer for Subscription and the Intermediaries Offer that investors acknowledge that they have had an opportunity to consider the KID relating to the Ordinary Shares.

Investment considerations

An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, for whom an investment in the Issue Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the whole amount invested) which might result from such investment.

The Issue Shares are designed to be held over the long term and may not be suitable as short-term investments. There is no guarantee that any appreciation in the value of the Company’s investments will occur. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company.

The investment objective of the Company is a target only and should not be treated as an assurance or guarantee of performance.

A prospective investor should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in securities.

The contents of this Prospectus or any other communications from the Company, the Investment Adviser, RBC and any of their respective Affiliates, directors, officers, employees or agents are not to be construed as advice relating to legal, financial, taxation, investment or any other matters. Prospective investors should inform themselves as to:

- (a) the legal requirements within their own jurisdictions for the purchase, holding, conversion, transfer or other disposal of Issue Shares;
- (b) any foreign exchange restrictions applicable to the purchase, holding, conversion, transfer or other disposal of Issue Shares which they might encounter; and
- (c) the income and other tax consequences which may apply in their own jurisdictions as a result of the purchase, holding, conversion, transfer or other disposal of Issue Shares.

Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Company's Articles, which investors should review. A summary of the Articles can be found in paragraph 6 of Part 8 (*Additional Information*) of this Prospectus and a copy of the Articles is available on the Company's website www.independentlivingreit.com.

Forward-looking statements

This Prospectus includes statements that are, or may be deemed to be, "forward-looking statements".

These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "forecasts", "projects", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts.

All forward-looking statements address matters that involve risks and uncertainties and are not guarantees of future performance. Accordingly, there are or will be important factors that could cause the Company's actual results of operations, performance or achievement or industry results to differ materially from those indicated in these statements. These factors include, but are not limited to, those described in the section entitled "Risk Factors" of this Prospectus, which should be read in conjunction with the other cautionary statements that are included in this Prospectus.

Any forward-looking statements in this Prospectus reflect the Company's current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Company's operations, results of operations, growth strategy and liquidity.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements.

These forward-looking statements apply only as of the date of this Prospectus. Although the Company undertakes no obligation to revise or update any forward-looking statements contained herein (save where required by the Prospectus Regulation Rules, the Listing Rules, the EU AIFM Directive, the UK AIFMD Laws, UK MAR or the Disclosure Guidance and Transparency Rules or other applicable law and regulation), whether as a result of new information, future events, conditions or circumstances, any change in the Company's expectations with regard thereto or otherwise, Shareholders are advised to read any communications made directly to them by the Company, including the publication of a supplementary prospectus and/or any additional disclosures in announcements that the Company may make via an RIS announcement.

Nothing in the preceding five paragraphs should be taken as limiting the working capital statement contained in paragraph 12 of Part 8 (*Additional Information*) of this Prospectus.

Data Protection

The information that a prospective investor in the Company provides in documents in relation to a subscription for Issue Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third-party individual ("**personal data**") will be held and processed by the Company (and any third party in the United Kingdom to whom it may delegate certain administrative functions in relation to the Company) in compliance with:

- (a) the relevant data protection legislation and regulatory requirements of the United Kingdom (the "**Data Protection Legislation**"); and
- (b) the Company's privacy notice, a copy of which is available for consultation on the Company's website at www.independentlivingreit.com ("**Privacy Notice**") (and if applicable any other third-party delegate's privacy notice).

Without limitation to the foregoing, each prospective investor acknowledges that it has been informed that such information will be held and processed by the Company (or any third party, functionary, or agent appointed by the Company, which may include, without limitation, the Registrar and/or Receiving Agent) in accordance with and for the purposes set out in the Company's Privacy Notice which include:

- (a) verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- (b) carrying out the business of the Company and the administering of interests in the Company; and
- (c) meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere or of any third party, functionary or agent appointed by the Company.

Where necessary to fulfil the purposes set out above and in the Company's Privacy Notice, the Company (or any third party, functionary, or agent appointed by the Company, which may include, without limitation, the Registrar) will:

- (a) disclose personal data to third-party service providers, Affiliates, agents or functionaries appointed by the Company or its agents to operate and administer the Company; and
- (b) transfer personal data outside of the UK and the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors provided that suitable safeguards are in place for the protection of such personal data, details of which are set out in the Privacy Notice or shall be otherwise notified from time to time.

The foregoing processing of personal data is required in order to perform the contract with the prospective investor, to comply with the legal and regulatory obligations of the Company or otherwise is necessary for the legitimate interests of the Company.

If the Company (or any third party, functionary or agent appointed by the Company, which may include, without limitation, the Registrar) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will ensure that adequate safeguards are in place for the protection of such personal data, details of which are set out in the Privacy Notice or shall be otherwise notified from time to time.

Prospective investors are responsible for informing any third-party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions. Individuals have certain rights in relation to their personal data; such rights and the manner in which they can be exercised are set out in the Company's Privacy Notice.

Intermediaries

The Company consents to the use of this Prospectus by Intermediaries in connection with any subsequent resale or final placement of the Ordinary Shares in the UK in relation to the Intermediaries Offer only by Intermediaries who are appointed by the Company, a list of which will appear on the Company's website.

Such consent is given for the offer period which is from the date any Intermediaries are appointed to participate in connection with any subsequent resale or final placement of the Ordinary Shares until the closing of the period for the subsequent resale or final placement of the Ordinary Shares at 2.00 p.m. on 29 September 2022, being the date upon which the Intermediaries Offer closes, unless closed prior to that date.

Any Intermediary that uses this Prospectus must state on its website that it uses this Prospectus in accordance with the Company's consent and the conditions attached thereto. Any application made by investors to any Intermediary is subject to the terms and conditions imposed by that Intermediary.

Information on the terms and conditions of any subsequent resale or final placement of Ordinary Shares by any Intermediary is to be provided at the time of the offer by the Intermediary.

The Company accepts responsibility for the information in this Prospectus with respect to any subscriber for Ordinary Shares pursuant to any subsequent resale or final placement of Ordinary Shares by Intermediaries appointed by the Company.

Solid Solutions Associates (UK) Limited has been engaged as an adviser to the Company in relation to the Intermediaries Offer and will be responsible for liaising directly with potential financial intermediaries and processing applications made by Intermediaries in relation to the Intermediaries Offer. As at the date of this Prospectus, the Company has consented to the following intermediaries using the prospectus: AJ Bell Securities Limited, Hargreaves Lansdown Asset Management Limited, Interactive Investor Services Limited, Jarvis Investment Management Limited, Pello Capital Limited and Redmayne-Bentley LLP.

Any new information with respect to Intermediaries unknown at the time of approval of this Prospectus will be available on the Company's website at www.independentlivingreit.com.

No incorporation of website

The contents of the Company's website at www.independentlivingreit.com do not form part of this Prospectus.

Investors should base their decision to invest on the contents of this Prospectus and any supplementary prospectus which may be published by the Company prior to Admission of the relevant Issue Shares alone and should consult their professional advisers prior to making an application to subscribe for Issue Shares to be issued under the Initial Issue or the Placing Programme.

Market, economic and industry data

Certain information in this Prospectus has been sourced from third parties. Where information in this Prospectus 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 Prospectus which has been sourced from third parties has been accurately reproduced and, as far as the Company or the Investment Adviser is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

All references to market data, industry statistics and forecasts and other information in this Prospectus consist of estimates based on data and reports compiled by industry professionals, organisations, analysts, publicly available information or the Company's or the Investment Adviser's own knowledge of their relevant markets.

Market data and statistics are inherently speculative and 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: the markets may be defined differently; the underlying information may be gathered by different methods; and different assumptions may be applied in compiling the data. Accordingly, the market statistics included in this Prospectus should be viewed with caution.

Currency presentation

Unless otherwise indicated, all references in this Prospectus to "GBP", "Sterling", "pounds Sterling", "£", "pence" or "p" are to the lawful currency of the UK.

Definitions

A list of defined terms used in this Prospectus is set out in Part 11 of this Prospectus.

Governing law

Unless otherwise stated, statements made in this Prospectus are based on the law and practice currently in force in England and Wales as at the date of this Prospectus and are subject to changes therein.

EXPECTED ISSUE TIMETABLE

INITIAL ISSUE TIMETABLE

Publication of this Prospectus	12 September 2022
Initial Placing, Offer for Subscription and Intermediaries Offer open	12 September 2022
Latest time and date for applications and payment by cheque or CHAPS in full under the Offer for Subscription	11.00 a.m. on 29 September 2022
Latest time and date for applications under the Intermediaries Offer	2.00 p.m. on 29 September 2022
Latest time and date for receipt of placing commitments under the Initial Placing	2.00 p.m. on 29 September 2022
Announcement of the results of the Initial Issue	30 September 2022
Initial Admission and commencement of dealings in the Ordinary Shares issued pursuant to the Initial Issue	8.00 a.m. on 4 October 2022
CREST accounts credited and settlement of relevant CREST instructions received under the Initial Issue	as soon as reasonably practicable on 4 October 2022
Where applicable, definitive share certificates dispatched by post	within 10 Business Days of Initial Admission

EXPECTED PLACING PROGRAMME TIMETABLE

Placing Programme opens	12 September 2022
Publication of Placing Programme Price in respect of each Subsequent Placing	on, or as soon as practicable after the announcement of the relevant Subsequent Placing
Announcement of the results of each Subsequent Placing	as soon as practicable after the closing of the relevant Subsequent Placing
Subsequent Admission, commencement of dealings and crediting of CREST accounts in respect of each Subsequent Admission	as soon as practicable following the closing of the relevant Subsequent Placing
Where applicable, definitive share certificates dispatched by post	within 10 Business Days of the relevant Subsequent Admission
Placing Programme closes	11 September 2023*

Notes:

- (1) References to times above and in this Prospectus generally are to London times unless otherwise specified.
 - (2) All times and dates in the expected timetable and in this Prospectus may be adjusted by the Company in consultation with RBC and the Investment Adviser. Any material changes to the expected timetable will be notified via a Regulatory Information Service.
 - (3) Underlying applicants who apply to Intermediaries for Ordinary Shares under the Intermediaries Offer will not receive share certificates.
- * or, if earlier, the date on which all of the Issue Shares available for issue under the Placing Programme have been issued (or such other date as may be agreed between RBC and the Company (such agreed date to be announced via an RIS announcement)).

INITIAL ISSUE STATISTICS

Initial Issue Price per Ordinary Share	100 pence
Target number of Ordinary Shares to be issued pursuant to the Initial Issue	150 million
Target Gross Initial Proceeds	£150 million
Net Initial Proceeds*	£147 million
Net Asset Value per Ordinary Share at Initial Admission	98 pence

Notes:

* Assuming Gross Initial Proceeds of £150 million. The number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Gross Initial Proceeds, is not known as at the date of this Prospectus but will be notified by the Company via a Regulatory Information Service, prior to Initial Admission. The costs of the Initial Issue to be borne by the Company are expected to be approximately 2 per cent. of the Gross Initial Proceeds (that is £147 million assuming Gross Initial Proceeds of £150 million).

PLACING PROGRAMME STATISTICS

Number of Ordinary Shares that may be issued under the Placing Programme	up to a maximum of 350 million (less the number of Ordinary Shares issued pursuant to the Initial Issue)
Placing Programme Price per Ordinary Share	at a premium to the latest published NAV per Ordinary Share at least sufficient to cover the costs and expenses of the relevant Subsequent Placing to be determined by Directors, in their absolute discretion, from time to time

DEALING CODES

ISIN for the Ordinary Shares	GB00BPLHRL49
SEDOL for the Ordinary Shares	BPLHRL4
Ticker code for the Ordinary Shares	LIVE
Company's Legal Entity Identifier (LEI)	213800KTOJ7GZV624U24

DIRECTORS, MANAGEMENT AND ADVISERS

Directors (all non-executive)	<p>Fiona Miller Smith (Non-executive Chair) Louise Bonham (Non-executive Director) Sebert Cox (Non-executive Director)</p> <p>all independent and of the registered office below</p>
Registered office	<p>6th Floor 125 London Wall London EC2Y 5AS</p>
AIFM	<p>JTC Global AIFM Solutions Limited Ground Floor Dorey Court Admiral Park St Peter Port Guernsey GY1 2HT</p>
Investment Adviser	<p>Atrato Partners Limited c/o Hillier Hopkins LLP First Floor Radius House 51 Clarendon Road Watford Hertfordshire WD17 1HP</p>
Sole Sponsor, Broker and Bookrunner	<p>RBC Europe Limited 100 Bishopsgate London EC2N 4AA</p>
Legal Adviser to RBC as to English and US Securities law	<p>Norton Rose Fulbright LLP 3 More London Riverside London SE1 2AQ</p>
Intermediaries Offer Adviser	<p>Solid Solutions Associates (UK) Limited 1 Forest Lane Hightown Hill Ringwood BH24 3HF</p>
Legal Advisers to the Company as to English law	<p>Macfarlanes LLP 20 Cursitor Street London EC4A 1LT</p>
Legal Advisers to the Company as to US Securities law	<p>Hughes Hubbard & Reed LLP One Battery Park Plaza New York NY 10004</p>

Company Secretary

Sanne Group Secretaries (UK) Limited
6th Floor
125 London Wall
London
EC2Y 5AS

Registrar and Receiving Agent

Link Market Services Limited
10th Floor
Central Square
29 Wellington Street
Leeds
LS1 4DL

Reporting Accountant and Proposed Auditor

BDO LLP
55 Baker Street
London
W1U 7EU

PART 1 THE COMPANY

1 INTRODUCTION

- 1.1 Independent Living REIT plc is a newly established, externally managed closed-ended investment company incorporated in England and Wales on 14 July 2022 and registered as an investment company under section 833 of the Companies Act. The Company intends to carry on business as a REIT for the purposes of Part 12 of the Corporation Tax Act (and the regulations made thereunder), subject to meeting the necessary qualifying conditions.
- 1.2 The principal activity of the Company is to invest in property assets in the United Kingdom in the Supported Housing sector in accordance with its investment policy and with a view to achieving its investment objective.

2 INVESTMENT OBJECTIVE

The Company's investment objective is to address the shortage of high-quality Supported Housing, delivering capital growth and inflation-linked income returns for its investors while providing a fair deal for society through savings for the British tax-payer, and improved outcomes for the individuals housed.

3 INVESTMENT POLICY

- 3.1 The Company's investment policy is to invest in a diversified portfolio of Fit For Purpose Supported Housing, which is let to Compliant Tenants. "**Fit for Purpose**" and "**Compliant Tenants**" are defined in paragraph 3.9 below.
- 3.2 The Company will invest in these assets directly or through holdings in special purpose vehicles. The assets may be acquired as single assets or part of a portfolio.
- 3.3 Where possible, the Company will make investments in:
- 3.3.1 **Standing Assets:** being an existing residential asset which is leased, or able to be leased with no capital expenditure, to a Compliant Tenant for use as Supported Housing;
 - 3.3.2 **Refurbishment Assets:** being an existing residential asset that is capable of being refurbished so that it can be used for Supported Housing;
 - 3.3.3 **Conversion Assets:** being a property used for an alternative property use (for example, office or retail) that is capable of being physically converted so that it can be used for Supported Housing; and
 - 3.3.4 **Development Assets:** being a property on which new build development can be built for the purposes of Supported Housing.
- 3.4 The Company may also invest in development projects managed by the Company without the appointment of a third party developer ("**Direct Development Projects**").
- 3.5 The Company intends to use forward funding in relation to Refurbishment Assets, Conversion Assets and Development Assets where the Investment Adviser believes that to do so would enhance returns for Shareholders and/or secure an asset for the Company's portfolio at an attractive yield.
- 3.6 The Company will target fully repairing and insuring leases with annual indexation.
- 3.7 The Company will only commit to investment opportunities in Supported Housing where all of the following criteria are met:

- 3.7.1 local authority support;
 - 3.7.2 approval from the relevant housing benefit team;
 - 3.7.3 a signed lease or agreement for lease;
 - 3.7.4 appropriate planning permission or permitted development right; and
 - 3.7.5 where appropriate a fixed price JCT Contract for any works required.
- 3.8 The Directors currently intend, after having acquired the requisite number of properties, to conduct the affairs of the Company so as to enable it to qualify as a REIT for the purposes of Part 12 of the CTA 2010 (and the regulations made thereunder).

3.9 **Relevant definitions**

The following definitions apply in this paragraph 3 of this Part 1 (*The Company*):

Compliant Registered Providers	any Registered Provider which has not been deemed to be non-compliant by the Regulator of Social Housing
Compliant Tenants	Compliant Registered Providers and Permitted Housing Providers
Fit for Purpose	appropriately designed to address specific needs with a view to enabling independent living
Registered Provider	a local authority entered on the register pursuant to section 114 of the Housing and Regeneration Act 2008 or a body entered on the register as a non-profit organisation or a profit-making organisation (as such terms are defined in section 115 of the Housing and Regeneration Act 2008) and regulated by the Regulator of Social Housing
Permitted Housing Provider	any housing provider to which none of the following apply: <ul style="list-style-type: none"> - net assets of less than £1.5m (including any grant reported on the balance sheet at the same date) - common directorships with Supported Housing property developers - relevant operating track record of fewer than 3 years
Supported Housing	any housing scheme where housing and support services (which may include care services) are provided

3.10 **Investment restrictions**

- 3.10.1 The Company will invest and manage its assets with the objective of spreading risk. In order to achieve a portfolio that is diversified by property, tenant and location, the Company will be subject to the following investment restrictions:

- 3.10.1.1 the Company's minimum exposure to Supported Housing Assets let to Compliant Tenants will not be less than 80 per cent. of Adjusted Gross Asset Value. No more than 20 per cent. of Adjusted Gross Asset Value will be exposure to investments which are (a) in real estate located in the United Kingdom which does not constitute Supported Housing assets, and/or (b) in Supported Housing assets that are not let to Compliant Tenants (i.e. neither (a) nor (b) alone, nor (a) and (b) in combination, may exceed 20 per cent. of Adjusted Gross Asset Value);
 - 3.10.1.2 the aggregate maximum exposure to Direct Development Projects will not be greater than 20 per cent. of Adjusted Gross Asset Value;
 - 3.10.1.3 the aggregate maximum exposure to any one Compliant Tenant will not be greater than 30 per cent. of Adjusted Gross Asset Value;
 - 3.10.1.4 the aggregate maximum exposure to properties located within the boundary of one local authority will not be greater than 30 per cent. of Adjusted Gross Asset Value;
 - 3.10.1.5 the Company will not invest in other alternative investment funds or closed-ended investment companies (for the avoidance of doubt the Company may acquire property interests either directly or through corporate structures, whether onshore UK or offshore, and also through joint venture or other shared ownership or co-investment arrangements); and
 - 3.10.1.6 the value of no single property (which, for the avoidance of doubt, will include houses and/or apartment blocks located on an adjoining basis but which are leased to the same housing provider, at the time of acquisition) will represent more than 20 per cent. of Adjusted Gross Asset Value.
- 3.10.2 **Adjusted Gross Asset Value:** the higher of (i) Gross Asset Value (using actual borrowings, in the event that actual borrowings exceed 40% of Gross Asset Value); and (ii) in the event that actual borrowings are less than 40% of Gross Asset Value, a pro forma gross asset value of the Company, calculated by adding a notional amount of borrowings to the Company's Gross Asset Value (excluding the amount of actual borrowings) such that the total borrowings of the Company would be equal to 40 per cent. of such enlarged pro forma gross asset value of the Company; by way of illustrative example:
- (A) Gross Asset Value (less the amount of actual borrowings): £100 million
 - (B) Notional borrowings: £66.7 million
 - (C) Pro forma gross asset value: £166.7 million (being A + B)
 - (D) Borrowings as percentage of pro forma gross asset value: 40% (being B / C);
- 3.10.3 Unless otherwise specified, these investment limits will only be calculated at the time of investment.

3.11 **Gearing policy**

Gearing, calculated as borrowings as a percentage of the Gross Asset Value, may not exceed 60 per cent. at the time of drawdown. The Board currently intends that, over the medium term,

borrowings of the Company will represent approximately 35 per cent. to 40 per cent. of Gross Asset Value at the time of drawdown.

3.12 ***Treasury policy***

- 3.12.1 The Company is permitted to invest cash held for working capital purposes and awaiting investment in accordance with the following provisions.
- 3.12.2 Until such time as funds are required for investment in real estate opportunities, the Company intends that cash not yet invested will be managed by the AIFM in consultation with the Investment Adviser.
- 3.12.3 The safekeeping of the Company's assets will be carried out by the Company. The Company shall be responsible for ensuring the Company's cash flows are properly monitored and shall review the AIFM's cash monitoring procedures. The Company may delegate some or all of its custody functions to a member of its Group.
- 3.12.4 The AIFM is responsible for managing cash not yet invested by the Company in property assets or otherwise applied in respect of the Company's operating expenses, such cash entrusted from time to time by the Company for management by the AIFM pursuant to the terms and conditions of the AIFM Agreement being managed with the aim of preserving the capital value of such assets. Subject to the Company providing the AIFM reasonable notice when it requires the liquidation and/or transfer of a part of the entrusted assets in order to pursue the investment policy, the Company has given the AIFM full discretionary authority to invest in various types of financial instruments in Sterling including cash deposits, term deposits, depositary bonds, fixed rate depositary bonds, commercial paper, treasuries, bonds with short term to maturity and government securities as well as floating rate notes and other money market instruments. See paragraph 9.2 of Part 8 (*Additional Information*) for a summary of the AIFM Agreement.
- 3.12.5 The Company may choose to hedge some or all of its interest rate exposure through the use of forward contracts, options, swaps or other forms of derivative instruments.
- 3.12.6 It is intended that all hedging policies of the Company will be reviewed by the Board and the AIFM on a regular basis to ensure that the risks associated with the Group's investments are being appropriately managed. Any transactions carried out will only be undertaken for the purpose of efficient portfolio management and will not be carried out for speculative reasons.

3.13 ***Changes to and compliance with the investment policy***

- 3.13.1 The Company will at all times invest and manage its assets in accordance with its published investment policy.
- 3.13.2 Material changes to the Company's investment policy may only be made in accordance with the prior approval of the Shareholders by way of ordinary resolution and the prior approval of the FCA in accordance with the Listing Rules. Non-material changes to the investment policy must be approved by the Board, taking into account advice from the AIFM and the Investment Adviser where appropriate.
- 3.13.3 In the event of a breach of the investment policy, including the investment restrictions set out above, the AIFM shall inform the Board upon becoming aware of such breach and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

4 DIVIDEND POLICY AND TARGET RETURNS

4.1 Distribution policy

General

4.1.1 Once the Net Initial Proceeds have been fully invested, the Company is targeting:

4.1.1.1 a dividend of 5 pence per Ordinary Share for the first and second financial years following Admission. The Company will seek to grow the dividend progressively thereafter, setting a dividend target for each financial year at the time of publication of the Company's annual report and accounts for the preceding year; and

4.1.1.2 an annual NAV Total Return target of 7 to 10 per cent.

4.1.2 **The target dividend and target NAV Total Return set out above are targets only and are not profit forecasts. There can be no assurance that these targets can or will be met. These targets have been developed based upon assumptions with respect to future business decisions and conditions that are subject to change, including the Company's execution of its investment objective and strategies, as well as growth in the sector and markets in which the Company operates. As a result, the Company's actual results may vary from the targets set out above and those variations may be material. The Company does not undertake to publish updates as to its progress towards achieving any of these targets, including as it may be impacted by events or circumstances existing or arising after the date of this Prospectus or to reflect the occurrence of unanticipated events or circumstances.**

In order to obtain and comply with REIT status the Company will be required to meet a minimum distribution test for each year that it is a REIT. This minimum distribution test requires the Company to distribute 90 per cent. of the income profits of its UK Property Rental Business for each accounting period, as adjusted for tax purposes.

4.1.3 The target dividend is subject to the Company having sufficient distributable reserves and also subject to satisfying the requirements of the Companies Act. In order to increase the distributable reserves available to facilitate the payment of future dividends, the Company has resolved that, conditional upon Initial Admission and the approval of the Court, the amount standing to the credit of the share premium account of the Company immediately following completion of the Initial Issue be cancelled and transferred to a special distributable reserve. The resultant reserve may be used, where the Board considers it appropriate, by the Company for the purposes of, amongst other things, paying dividends to Shareholders and, in particular, smoothing payments of dividends to Shareholders. There is no guarantee that the Board will in fact make use of such reserve for the purposes of the payment of dividends to Shareholders.

4.2 Timing of distributions

The Company's financial year end is 31 October and distributions on the Ordinary Shares are expected to be paid quarterly each year, and are expected to be made by way of interim dividends to be declared in November, February, May and August, with the first quarterly dividend expected to be declared in February 2023 in respect of the period from Admission to 31 January 2023 and paid in March 2023.

5 DEPLOYMENT OF THE NET INITIAL PROCEEDS

- 5.1 It is intended that the Net Initial Proceeds will be used to make investments in accordance with the Company's investment objective and investment policy and to fund the Company's operational expenses.
- 5.2 The Company intends that the Net Initial Proceeds will be invested as quickly as practicable following Initial Admission. Assuming the target Gross Initial Proceeds of £150 million are raised under the Initial Issue and prior to the Company entering into any borrowings, the Investment Adviser estimates that the Net Initial Proceeds should be substantially invested or committed before the Company's first financial year end in accordance with the Company's investment policy.

6 GROUP STRUCTURE

The Company will make its investments via a group structure which currently comprises the Company and its wholly-owned UK subsidiary, Independent Living Midco Limited ("**Midco**"). Midco will invest directly or indirectly in the SPVs which own the properties.

7 SUSTAINABILITY

- 7.1 The Company is aware that its ability to manage the risks and opportunities of material sustainability issues is fundamental to the delivery of long-term sustainable returns for its investors and that its activities and its method of delivery have the potential to impact on a broad range of stakeholders.
- 7.2 It therefore intends to ensure that sustainability considerations are reflected in all stages of the asset lifecycle and throughout its areas of operation. Further details of the Company's sustainability targets are set out in Part 4 (*Sustainability*) of this Prospectus.

8 VALUATION POLICY

- 8.1 The Company will appoint Cushman & Wakefield Debenham Tie Leung Ltd as its independent valuer for the purposes of establishing the fair value of the Company's property portfolio (the "**Independent Valuer**"). Valuations of the Company's properties will be conducted on a semi-annual basis as at 30 April and 31 October in each year. The valuations of the Company's properties will be at fair value as determined by the Independent Valuer on the basis of market value in accordance with the internationally accepted RICS Appraisal and Valuation Standards.
- 8.2 The first valuation is expected to be conducted as at 30 April 2023.
- 8.3 Valuations will only be suspended in circumstances where the underlying information necessary to value the Company's properties cannot readily, or without undue expenditure, be obtained or in other circumstances (such as a systems failure) which prevents the Company from making such valuations.
- 8.4 Details of each valuation, and of any suspension in the making of such valuations, will be announced by the Company through a Regulatory Information Service announcement as soon as practicable after the relevant valuation date.

9 CALCULATION OF NET ASSET VALUE

- 9.1 The Net Asset Value (and Net Asset Value per Ordinary Share) will be calculated semi-annually by the Investment Adviser on behalf of the Company. Calculations will be at fair value as determined by the Investment Adviser on the basis of market value in accordance with the internationally accepted RICS Appraisal and Valuation Standards. Consistent with other listed European real estate investment companies, the Directors will follow the guidance published by EPRA and disclose adjusted measures of Net Asset Value (and Net Asset Value per Ordinary Share) which are designed by EPRA to reflect better the core long term operations

of the business. Details of each semi-annual valuation, and of any suspension in the making of such valuations, will be announced by the Company through an RIS as soon as practicable after the end of the relevant six month period. The semi-annual valuations of the Net Asset Value (and Net Asset Value per Ordinary Share) will be calculated on the basis of the most recent semi-annual independent valuation of the REIT Group's properties prepared by the Independent Valuer and any other assets or most recent semi-annual desktop valuation. In addition, such valuations and calculations may also be carried out in case of an increase or decrease of the capital by the Company.

- 9.2 The calculation of the Net Asset Value (and Net Asset Value per Ordinary Share) will only be suspended in circumstances where the underlying data necessary to value the investments of the REIT Group cannot readily, or without undue expenditure, be obtained or in other circumstances (such as a systems failure of the Investment Adviser) which prevents the Company from making such calculations. Details of any suspension in making such calculations will be announced through an RIS as soon as practicable after any such suspension occurs.

10 MEETINGS, REPORT AND ACCOUNTS

- 10.1 The Company will hold its first annual general meeting in 2024 and will then hold an annual general meeting each year thereafter. The annual report and accounts of the Company will be made up to 31 October in each year with copies being made available to Shareholders within the following four months. The first annual report will be prepared to 31 October 2023. The Company will also publish unaudited half-yearly reports covering the six months to the end of April each year and copies of the unaudited half-yearly reports will be made available on the Company's website (in accordance with the Companies Act) within the following three months.

- 10.2 The financial statements will be prepared in accordance with IFRS.

11 SHARE RATING MANAGEMENT

The Board considers that it would be undesirable for the market price of the Ordinary Shares to diverge significantly from the NAV per Ordinary Share.

11.1 Premium management

- 11.1.1 In the event that the Ordinary Shares trade at a premium to NAV, the Company may issue new Ordinary Shares. The Directors have authority to issue, in aggregate, up to 70 million Ordinary Shares on a non-pre-emptive basis, in addition to the Initial Issue and the Placing Programme. Such authority will expire at the conclusion of the Company's first annual general meeting, which is expected to be held in 2024, or 18 months from 9 September 2022 (whichever is earlier). It is intended that renewal of this authority will be sought from Shareholders at each subsequent annual general meeting of the Company.
- 11.1.2 Ordinary Shares may be issued without the publication of a prospectus in accordance with exemptions set out in the UK Prospectus Regulation, which currently allow for the issue of shares representing, over a rolling period of 12 months, less than 20 per cent. of the number of shares of the same class already admitted to trading on the same regulated market which have not been issued pursuant to a prospectus, provided that such issue is not made by way of an offer of the Company's securities to the public.
- 11.1.3 No Ordinary Shares will be issued at a price less than the Net Asset Value per existing Ordinary Share at the time of their issue, plus a premium to cover the costs and expenses of such issue.
- 11.1.4 Investors should note that the issuance of new Ordinary Shares is entirely at the discretion of the Board, and no expectation or reliance should be placed on such

discretion being exercised on any one or more occasions or as to the proportion of new Ordinary Shares that may be issued.

11.2 Treasury shares

The Companies Act allows companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. This would give the Company the ability to re-issue Ordinary Shares quickly and cost effectively, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base. No Ordinary Shares will be sold from treasury at a price less than the Net Asset Value per existing Ordinary Share at the time of their sale unless they are first offered *pro rata* to existing Shareholders.

11.3 Discount management

11.3.1 The Company may seek to address any significant discount to NAV at which its Ordinary Shares may be trading by purchasing its own Ordinary Shares in the market on an *ad hoc* basis.

11.3.2 The Directors have the authority to make market purchases of up to 14.99 per cent. of the Ordinary Shares in issue on Initial Admission. The maximum price (exclusive of expenses) which may be paid for an Ordinary Share must not be more than 5 per cent. above the average of the mid-market values of the Ordinary Shares for the five Business Days before the purchase is made. Ordinary Shares will be repurchased only at prices below the prevailing NAV per Ordinary Share, which should have the effect of increasing the NAV per Ordinary Share for the remaining Shareholders. Ordinary Shares purchased by the Company may be held in treasury or cancelled.

11.3.3 It is intended that a renewal of the authority to make market purchases will be sought from Shareholders at each annual general meeting of the Company. Purchases of Ordinary Shares will be made within guidelines established from time to time by the Board and conducted in accordance with the Companies Act, the Listing Rules, the Disclosure Guidance and Transparency Rules and UK MAR and will be announced to the market through an RIS as soon as possible and in any event by no later than 7.30 a.m. on the following Business Day. Any purchase of Ordinary Shares would be made only out of the available cash resources of the Company. The Directors will have regard to the Company's REIT status when making any repurchase of Ordinary Shares.

11.3.4 As approved by a special resolution passed on 9 September 2022, the Company intends to cancel its share premium account shortly following Initial Admission by way of a Court order, in order to, *inter alia*, be able to make share repurchases out of the Company's distributable reserves.

11.3.5 **Investors should note that the repurchase of Ordinary Shares is entirely at the discretion of the Board and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions or as to the proportion of Ordinary Shares that may be repurchased.**

12 DURATION AND CONTINUATION VOTES

The Company does not have a fixed life. Under the Articles, the Board is obliged to propose an ordinary resolution that the Company continues its business as a REIT at the annual general meeting of the Company to be held following the fifth anniversary of Initial Admission and at every fifth annual general meeting thereafter. If any such continuation resolution is not passed, the Directors are required, within 120 days following the date on which such resolution is not passed, to convene a general meeting of the Company to consider a special resolution to approve the reconstruction, reorganisation or winding up of the Company. These proposals may or may not involve winding-up the Company or liquidating all or part of the Company's then existing portfolio and, accordingly, failure to pass a continuation resolution

will not necessarily result in the winding-up of the Company or liquidation of all or some of its portfolio.

13 THE INITIAL ISSUE AND THE PLACING PROGRAMME

- 13.1 The Company is targeting an issue of 150 million Ordinary Shares pursuant to the Initial Issue, comprising the Initial Placing, the Offer for Subscription and the Intermediaries Offer, at the Initial Issue Price (being 100 pence per Ordinary Share). The Company also intends to implement the Placing Programme as described further below.
- 13.2 The actual number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Gross Initial Proceeds, is not known as at the date of this Prospectus but will be notified by the Company via an RIS announcement prior to Initial Admission.
- 13.3 The Minimum Gross Initial Proceeds are £100 million and the Minimum Net Initial Proceeds are approximately £98 million. In the event that the Minimum Gross Initial Proceeds are not raised, the Initial Issue will not proceed, except where the Company produces a supplementary prospectus stating the revised minimum proceeds. In the event the Initial Issue does not proceed any monies received under the Initial Issue will be returned to applicants without interest at the risk of the applicant.
- 13.4 Following the Initial Issue, the Directors intend to implement the Placing Programme to enable the Company to raise additional capital in the period from Initial Admission to 11 September 2023 to pursue acquisition opportunities that are in accordance with the Company's investment objective and investment policy. The size and timing of each Subsequent Placing of Ordinary Shares under the Placing Programme will be determined at the sole discretion of the Directors, in consultation with RBC.
- 13.5 Any Ordinary Shares issued pursuant to the Placing Programme will be issued at a price calculated by reference to the prevailing published Net Asset Value per Ordinary Share at the time of issue together with a premium intended to at least cover the costs and expenses of the relevant Subsequent Placing (including, without limitation, any placing commissions), which are expected to be approximately 2 per cent. of the gross proceeds of each Subsequent Placing.
- 13.6 Applications will be made to the FCA for the Ordinary Shares issued and to be issued pursuant to the Initial Issue and the Placing Programme to be listed on the premium listing category of the Official List and to the London Stock Exchange for such Ordinary Shares to be admitted to trading on the Main Market. It is expected that Initial Admission will become effective and dealings in the Ordinary Shares will commence at 8.00 a.m. on 4 October 2022.
- 13.7 RBC has agreed to use its reasonable endeavours to procure subscribers pursuant to the Initial Placing and the Placing Programme on the terms and subject to the conditions set out in the Placing Agreement.
- 13.8 Following Initial Admission, the Company will be subject to the Disclosure Guidance and Transparency Rules, the Listing Rules, the Market Abuse Regulation, the Takeover Code and the LSE Admission Standards.
- 13.9 Further details in relation to the Initial Issue are set out in Part 5 (*The Initial Issue*) of this Prospectus and further details in relation to the Placing Programme are set out in Part 6 (*The Placing Programme*).

14 REIT STATUS AND TAXATION

- 14.1 The Company intends to carry on business as a REIT for the purposes of Part 12 of the Corporation Tax Act (and the regulations made thereunder) subject it to meeting and continuing to satisfy the necessary qualifying conditions.
- 14.2 Potential investors are referred to Part 7 (*United Kingdom Taxation*) of this Prospectus for details of the taxation of the Group and Shareholders in the UK. Investors who are in any

doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own professional advisers immediately.

15 **DISCLOSURE OBLIGATIONS**

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules (as amended from time to time) (“**DTR 5**”) of the Financial Conduct Authority Handbook apply to the Company on the basis that the Company is a “UK issuer”, as such term is defined in DTR 5. As such, a person is required to notify the Company of the percentage of voting rights it holds as a holder of Ordinary Shares or holds or is deemed to hold through the direct or indirect holding of financial instruments falling within DTR 5 if, as a result of an acquisition or disposal of Ordinary Shares (or financial instruments), the percentage of voting rights reaches, exceeds or falls below the relevant percentage thresholds being, in the case of a UK issuer, 3 per cent. and each 1 per cent. threshold thereafter up to 100 per cent.

16 **UK AIFMD and EU AIFM DIRECTIVE**

The Company operates as an externally managed Non-EEA domiciled AIF with a Non-EEA AIFM for the purposes of both the UK AIFMD Regime and the EU AIFM Directive. The AIFM has notified the FCA, in accordance with the requirements of the UK AIFMD Regime, of the intention to market the Company in the UK. The AIFM is licensed and regulated by the Guernsey Financial Services Commission.

17 **PROFILE OF TYPICAL INVESTORS**

Typical investors in the Company are expected to be institutional investors, professionally advised private investors and retail investors. An investment in the Company is only suitable for persons capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from the investment (which may equal the whole amount invested). Potential investors should consider with care whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them. Private investors in the UK who are unsure whether to invest should consider consulting a financial adviser authorised under the FSMA to assess whether an investment in the Company is suitable.

18 **NON-MAINSTREAM POOLED INVESTMENT PRODUCTS AND MIFID II**

18.1 The Company is not deemed to be a non-mainstream pooled investment because, as a REIT, the Ordinary Shares are “excluded securities” under the FCA’s rules on non-mainstream pooled investment products.

18.2 The Company will conduct its affairs so that the Ordinary Shares can be recommended by financial advisers to retail investors in accordance with the rules on distribution of financial instruments under EU MiFID II and the UK MiFID Laws. The Directors consider that the requirements of Article 57 of the EU MiFID II delegated regulation of 25 April 2016 (and the equivalent provision of the UK MiFID Laws) are met in relation to the Ordinary Shares and that, accordingly, the Ordinary Shares should be considered “non-complex” for the purposes of EU MiFID II and the UK MiFID Laws.

19 **ELIGIBILITY FOR INVESTMENT BY UCITS OR NURS**

The Company has been advised that the Ordinary Shares should be “transferable securities” and, therefore, should be eligible for investment by a UK UCITS or NURS on the basis that: (i) the Company is a closed-ended investment company incorporated in England and Wales as a public limited company; (ii) the Ordinary Shares are to be admitted to trading on the premium segment of the Main Market of the London Stock Exchange; and (iii) the AIFM is licensed and regulated by the Guernsey Financial Services Commission and, as such, is subject to the rules of Guernsey Financial Services Commission in the conduct of its investment business. The manager of a UK UCITS or NURS should, however, satisfy itself

that the Ordinary Shares are eligible for investment by that fund, including a consideration of the factors relating to that UK UCITS or NURS itself, specified in the rules of the FCA.

20

RISK FACTORS

The Company's performance is dependent on many factors and potential investors should read the whole of this Prospectus and in particular the section entitled "Risk Factors" commencing on page 12.

PART 2

MARKET BACKGROUND, INVESTMENT OPPORTUNITY, INVESTMENT APPROACH AND PIPELINE

1 MARKET BACKGROUND

1.1 Introduction

1.1.1 *Overview of the UK Supported Housing market*

Supported Housing provides accommodation alongside support, supervision or care to help people live as independently as possible in the community. This includes, but is not limited to:

- older people;
- people with a learning disability;
- people with a physical disability;
- autistic people;
- individuals and families at risk of or who have experienced homelessness;
- people recovering from drug or alcohol dependence;
- people with experience of the criminal justice system;
- young people with a support need (such as care leavers or teenage parents);
- people with mental ill health; and
- people fleeing domestic abuse and their children.

These are not always distinct groups and many individuals may have multiple needs¹.

Supported Housing improves people's confidence² and wellbeing, and leads to improvements in their ability to go about their daily lives³.

Where Supported Housing is designed and commissioned with specific individuals in mind individual outcomes are expected to improve. The Regulator of Social Housing, who is responsible for overseeing Registered Providers of social housing, defines "supported housing" as:

- **purpose designed**: buildings designed to enable individuals to adjust to independent living or to enable them to live independently, and which require specific design features; and/or
- **designated**: buildings with some or no special design facilities and features but that are designated for a specific client group with support services in place to enable them to adjust to independent living or to enable them to live independently⁴.

¹ UK Government, 'Supported housing: national statement of expectations', 20 October 2020.

² Mental Health Network NHS Confederation briefing, issue 299, 'Innovation in housing, care and support', December 2017.

³ Centre for Mental Health Report, 'More than shelter: supported accommodation and mental health', June 2016.

⁴ HCA Affordable Homes Programme 2015-18 Housing for Vulnerable and Older People- Supplementary information.

The Company intends to focus on the following three subsectors of Supported Housing, although it may consider other comparable opportunities:

- **Specialised Supported Housing:** accommodation designed for individuals who require specialised services or support to enable them to live independently within the community. A level of support must be provided at the property for individuals for whom the only practical alternative would be a residential care home or hospital.⁵ This care is typically provided by a specialist third-party care provider. Individuals in Specialised Supported Housing are generally working-age adults with learning difficulties, mental ill health or physical disabilities.
- **Extra Care:** larger blocks of flats primarily for adults aged 55 and over where occupants have specific tenure rights to occupy self-contained dwellings. Care needs are varied with some people requiring one-to-one care hours while others might just need floating support for day-to-day activities. Extra Care is an alternative to care homes with the care typically provided by a specialist third party care provider⁶.
- **Homeless Accommodation:** accommodation for people who have an immediate and unexpected housing need such as victims of domestic abuse, asylum seekers and ex-offenders.⁷ Accommodation is required in this sector to move people out of commercial bed and breakfasts and other inappropriate forms of accommodation.⁸ The support provided is typically low level⁹.

Supported Housing can be provided by various parties including Registered Providers, local authorities, charities and community interest companies. Private capital can invest in the asset class by acquiring properties and leasing them to such parties.

⁵ The Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016.

⁶ Housing LIN fact sheet, 'Extra care housing – what is it in 2015?'.

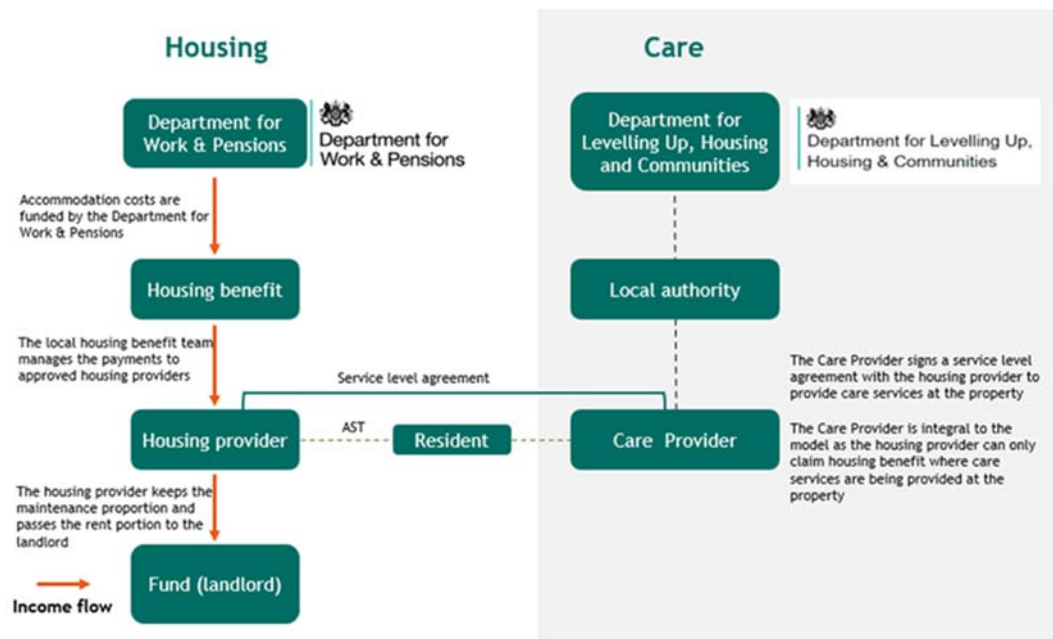
⁷ Homelessness Reduction Act 2017.

⁸ Homelessness code of guidance for local authorities, published 22 February 2018 by the Department for Levelling Up, Housing and Communities.

⁹ Homelessness Reduction Act 2017.

1.1.2 Typical income flows in Supported Housing (occupied property)

Figure 1: Typical income flow and provision of care in Supported Housing



Supported Housing rents are funded by the Department for Work and Pensions via housing benefit. The housing provider, typically a Registered Provider, claims rent on behalf of the individual living at the property who will have signed an assured shorthold tenancy with the Registered Provider.

Under the private capital investment model of Supported Housing the accommodation is owned by a third-party landlord (e.g. a fund or private landlord), who enters into a lease with a Registered Provider. The Company proposes to undertake the role of the third-party landlord. The Registered Provider claims an amount from the Department for Work and Pensions to pay the rent to the landlord, maintain the property and fund the Registered Provider's business costs and surplus.

1.1.3 For the majority of Supported Housing the care arrangement between the Care Provider and housing provider is governed by a service level agreement. This service level agreement governs how care is provided and typically requires the Care Provider to nominate individuals to live at the property. Generally, a service level agreement must be in place and there must be an individual living in the relevant unit, in order for the Registered Provider to claim the rent via the income flow set out in Figure 1 above.

1.1.4 Typical income flows in Supported Housing (unoccupied property)

Figure 2: Typical income flow in Supported Housing when a unit is void

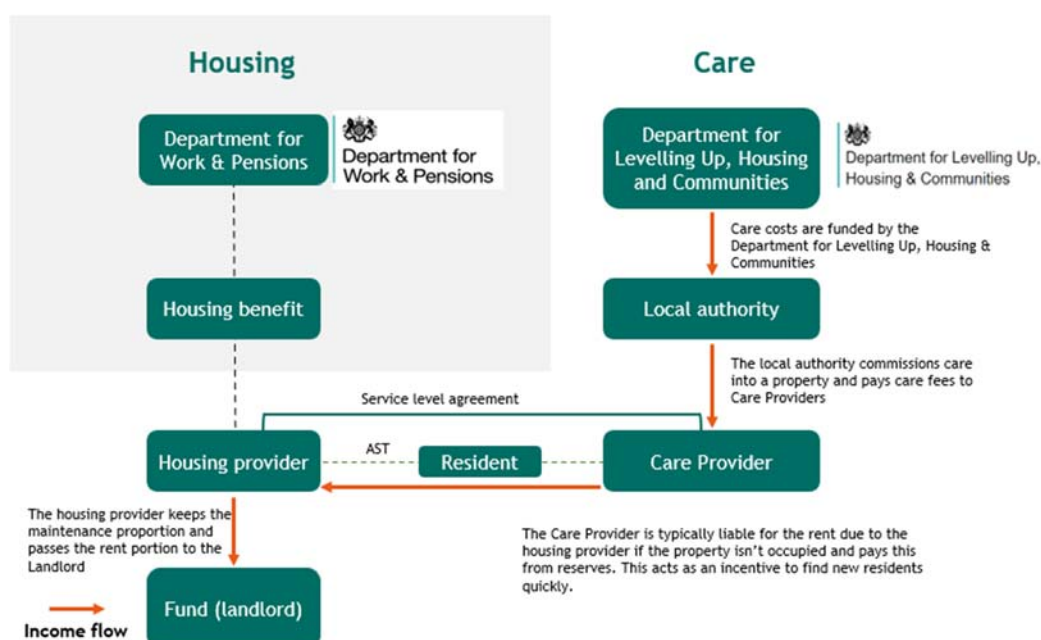


Figure 2 above shows the income flow where there is a void unit at the property. In this scenario, it is unlikely that the Registered Provider will be able to claim the rental amount from the Department for Work and Pensions, however, the service level agreement will generally require the Care Provider to fund the rent.

The service level agreement is a key contract within the model. Without a service level agreement in place, the Registered Provider is unlikely to be able to claim the rent from either housing benefit or the Care Provider.

1.2 Key aspects of the Supported Housing market

1.2.1 Overview of the main stakeholders

The key counterparties involved in the provision of Supported Housing and their respective roles are described below:

- **Central Government:** rent and care costs are funded from Central Government budgets. Individuals housed in Supported Housing have their rents paid by the housing benefit system, originating from the Department for Work and Pensions¹⁰. Care costs are funded by the Department for Levelling Up, Housing and Communities or the NHS¹¹.
- **Local authorities:** local authorities have two roles in the model: one as the commissioner of new services and the other as the housing benefit approver. Local authorities have responsibility for commissioning new Supported Housing schemes as, under the Care Act 2014, they are ultimately responsible for ensuring that individuals within their jurisdictions are housed appropriately¹². Local authority housing benefit

¹⁰ The Housing Benefit and Council Tax Benefit (Consequential Provisions) Regulation 2006.

¹¹ David Foster, 'Adult Social Care Funding (England)', 11 February 2022.

¹² Section 2, Care Act 2014.

teams are responsible for agreeing rents on properties. This agreement generally takes place prior to lease commencement.

- **Care Providers:** the Care Provider is responsible for providing care at the property. Only Care Providers on the local authority framework are typically eligible to provide care. Care Providers can be private organisations, charities or other entities and are regulated by the Care Quality Commission.
- **Registered Providers:** Registered Providers are providers of social housing regulated by the Regulator of Social Housing¹³. Registered Providers with 1,000 units or more are required to make regular filings to the Regulator of Social Housing and are awarded a judgement for Governance (“G”) and Financial Viability (“V”) standards. Registered Providers are given a rating of 1 – 4 on each standard with a rating of 1 or 2 being compliant and a rating of 3 or 4 being non-compliant. For example, a rating of G1V2 is compliant and G3V3 is non-compliant.¹⁴

1.2.2 Supported Housing can deliver significant savings for the taxpayer

Figure 3 below shows the accommodation cost savings Supported Housing can deliver versus alternative, inappropriate accommodation.¹⁵

	Specialised Supported Housing	Extra Care	Homeless Accommodation
Traditional accommodation	NHS Hospital bed	Care home	Commercial B&B
	£3,500 per week	£575 per week	£225 per week
Supported Housing	£1,569 per week	£431 per week	£90 per week
Saving	£1,931 per week	£144 per week	£135 per week

1.2.3 Very significant demand is expected in Supported Housing over the next decade

Figure 4 below shows the current provision of Supported Housing in the UK. The existing stock includes properties owned by Registered Providers, local authorities, other not-for-profit organisations and commercial landlords. The total existing market amounts to over 336,000 units.

¹³ Regulator of Social Housing, ‘Guidance for new entrants on applying for registration as a provider of social housing’, 1 December 2020.

¹⁴ Regulator of Social Housing, ‘Governance and Financial Viability Standard – 2015’, 31 March 2015.

¹⁵ Sources for Figure 3 are: (i) £3,500 per week: Mencap & Housing LIN, ‘Funding supported housing for all’, 25 April 2018; (ii) £575 per week: Housing LIN, ‘The health and social care cost-benefits of housing for older people’, June 2019; (iii) £225 per week: HOME REIT plc, ‘2021 Annual Impact Report’, July 2021; (iv) £1,569 per week: Mencap & Housing LIN, ‘Funding supported housing for all’, 25 April 2018; (v) £431 per week: Housing LIN, ‘The health and social care cost-benefits of housing for older people’, June 2019.

There is, however, a shortage of appropriate Supported Housing. This shortage is expected to increase over the next 10 years.

This is as a consequence of the fact that current models of provision, by both commercial landlords and not for profit providers, have been unable to satisfy increasing levels of demand for Supported Housing. Demand for Supported Housing is driven by:

- **individuals in inappropriate accommodation**: e.g. long stay hospital beds or residential care settings;
- **individuals ageing**: e.g. leaving the family home or entering retirement age – and therefore requiring Supported Housing.
- **individuals in existing Supported Housing that is not appropriate for their needs**; and
- **UK government policy**: e.g. the Transforming Care Agenda. The Transforming Care Agenda is a drive by the UK government to ensure individuals are moved out of residential care settings and cared for in the community. This approach of community integrated care leads to better outcomes for individuals and savings to the taxpayer¹⁶.

Figure 4: Current market size and estimated required units over the next ten years in Supported Housing

	Specialised Supported Housing	Extra Care	Homeless Accommodation	Total
Existing stock (units)	27,111 ¹⁷	80,696 ¹⁸	228,700 ¹⁹	336,507
Projected shortfall (units)	24,000 ²⁰	103,247 ^{21, 22}	52,530 ^{23,15}	179,777
Required increase	89%	128%	23%	53%

The total investment required to meet the shortfall in Supported Housing over the next 10 years is estimated to be around £25 billion²⁴.

¹⁶ NHS England, 'Transforming Care, Model Service Specifications: Supporting implementation of the service model', 6 January, 2017.

¹⁷ Investment Adviser research, compiled using units owned by peers, obtained from various published reports and data releases from the UK government.

¹⁸ Knight Frank, 'Seniors Housing Development Update 2021'.

¹⁹ Wendy Wilson and Casie Barton, 'Households in Temporary Accommodation (England)', 13th February 2022.

²⁰ Atrato research supported by Housing LIN provided a shortfall of 22,000-26,000 units, August 2022

²¹ Housing LIN report for the Mears Group, 'The health and social cost-benefits for older people', June 2019.

²² Investment Adviser research supported by data from Housing LIN & carehome.co.uk.

²³ UK Government Homelessness tables as of 15/04/2022.

²⁴ Investment Adviser calculation, based on average unit size.

1.2.4 *The delivery of Supported Housing*

Supported Housing is ultimately funded by, and the responsibility of, the UK government, both at a central and local level. The Care Act 2014 stipulates that local authorities are responsible for ensuring that individuals with a care need are housed appropriately. This involves the provision of housing, assessment of care needs and ongoing oversight of the individuals. Because of this, local authorities are the ultimate source of demand driven by the number of individuals in need of housing, in any given area²⁵.

Local authorities also have a duty to intervene to prevent homelessness in their areas, and to provide homelessness services to all those who are eligible²⁶.

Local authorities are involved in the origination of new Supported Housing from the outset. Local authorities provide details of their demand requirements with Care Providers via their framework. This demand is then shared with Registered Providers and developers who are tasked with finding suitable property solutions and a route of funding. Once a suitable property is found, the relevant local authority will approve the property. In some instances, the local authority will provide details of their demand requirements directly to Registered Providers and developers and will issue a tender for the Care Provider. The local authority commissioning team is responsible for approving the property.

For a project to progress the local authority is generally required to approve the rents on the property. Typically, the Registered Provider or developer will submit a rent approval pack to the local authority.

Once the property has been completed, the Care Provider is typically responsible for nominating individuals to live at the property. Individual tenants will sign assured shorthold tenancy agreements with the Registered Provider. This will allow the Registered Provider to claim rent from the relevant housing benefit department within the local authority. Ultimately, this rent is paid for by the Department for Work and Pensions. The Care Provider's revenue comes from care packages paid by the Department for Levelling up, Housing and Communities, or the NHS.

1.2.5 *Key elements underpinning rental levels in Supported Housing*

Rents across Supported Housing are set and paid under different regimes, all of which are governed by the Rent Standard.

- **Local Housing Allowance:** publicly funded rents are generally capped at the Local Housing Allowance. Local Housing Allowance rates are set at the thirtieth percentile of local private market rents and are used to calculate housing benefit for tenants renting from private landlords²⁷. Given the limited property adaptations and care provision provided at Homeless accommodation, rents are generally set at the Local Housing Allowance rate.
- **Affordable rents:** Extra Care properties are typically rented at affordable rents, which equate to 80% of private market rents²⁸
- **Exempt Rents:** In specific cases accommodation can be exempt from the Local Housing Allowance cap. This accommodation is referred to as Exempt Accommodation, and the rents paid as Exempt Rents. There are a number of criteria to qualify as Exempt Accommodation including

²⁵ Section 2, Care Act 2014.

²⁶ Homelessness Reduction Act 2017.

²⁷ Valuation Office Agency, 'Understanding Local Housing Allowances rates and broad rental market areas', January 2016.

²⁸ Ministry of Housing, Communities & Local Government, 'Policy statement on rents for social housing', February 2019.

the accommodation being provided by a Registered Provider, county council, charity or voluntary organisation where that body, or a party acting on their behalf, also provides care or support at the property²⁹.

The Rent Standard specifically names Specialised Supported Housing as qualifying for Exempt Accommodation and therefore not subject to the Local Housing Allowance cap. Registered Providers must therefore be able to demonstrate that the properties meet the specific criteria to qualify as Specialised Supported Housing. If properties do not meet these criteria, they will not be classified as Specialised Supported Housing and do not therefore fall under the exemption and would be capped at the levels outlined in the Rent Standard³⁰.

1.3 Focus on providers and related funding models of accommodation in Supported Housing

1.3.1 Overview of key categories of housing providers in Supported Housing

In the Supported Housing market, housing providers can take multiple legal forms. The main categories of housing providers are described below:

- **Registered Providers:** see the description in paragraph 1.2.1 above. Registered Providers take circa 12 months to register³¹.
- **Community interest companies:** a special type of limited company which exists to benefit the community rather than private shareholders. They are overseen by the Office of the Regulator of Community Interest Companies. The Regulator of Community Interest Companies is “light touch” with a policy of “minimum of interference”³². Community interest companies are required to file annual accounts and an annual report to the Regulator of Community Interest Companies³³.
- **Charities:** Entities established for charitable purposes only³⁴. They are regulated by the Charities Commission and are required to submit an annual trustees report, a set of accounts and complete an annual return to the charity commission. Charities with income greater than £1m have to be audited³⁵.

1.3.2 For profit or not-for-profit providers

In order to claim Exempt Rents, housing providers need to be non-profit making organisations³⁶.

Registered Providers can be either not for profit or for profit. In this context, for profit Registered Providers are subject to the same level of scrutiny as not-for-profit Registered Providers, can claim affordable rents and are able to sign leases on Extra Care properties, but cannot claim Exempt Rents.

²⁹ Wendy Wilson, ‘Supported exempt accommodation (England)’, 30 June 2022.

³⁰ Ministry of Housing, Communities & Local Government, ‘Policy statement on rents for social housing’, February 2019.

³¹ Regulator of Social Housing, ‘Guidance for new entrants on applying for registration as a provider of social housing’, 1 December 2020.

³² Department for Business, Energy & Industrial Strategy, ‘Office of the Regulator of Community Interest Companies: Regulator’s status, role, function and location’, July 2017.

³³ Department for Business, Energy & Industrial Strategy, ‘Office of the Regulator of Community Interest Companies: Information and guidance notes – Chapter 8 Statutory obligations’, May 2016.

³⁴ Charity Commission for England and Wales guidance, ‘What makes a charity (CC4)’, 1 September 2013.

³⁵ Charity Commission for England and Wales guidance, ‘Charity reporting and accounting: the essentials November 2016 (CC15d)’, updated 14 July 2021.

³⁶ Housing systems briefing No. 1 2020, ‘Exempt Accommodation and Housing Benefit’.

Charities and community interest companies are considered non-profit making organisations.³⁷³⁸

1.3.3 *The increasing role of private capital to fund Supported Housing*

As shown in figure 4 above, local authorities and traditional housing providers have been unable to keep up with demand for new units across Supported Housing. This has created an opportunity for private capital.

Private capital works with housing providers to address this demand by:

- introducing opportunities to housing providers they were otherwise unaware of;
- saving housing providers time by working with stakeholders in the Supported Housing model, presenting housing providers with a finished property solution; and
- allowing housing providers to concentrate their capital elsewhere, for example new general needs housing or meeting the net zero agenda.

1.3.4 *The prevailing private capital model in Supported Housing is not fit for purpose*

As a consequence of the benefits set out in paragraph 1.3.3 above, private investment in Supported Housing has increased with funds investing in more than 10,000 units since 2016. Delivery of those units has, however, been achieved under the prevailing private capital model where Registered Providers are typically required to sign long (20 years or longer) fully repairing and insuring leases, in most cases with rent indexed to inflation. This is commonly referred to as the Long Lease Model.

In 2019 the Regulator of Social Housing released an addendum to the 2018 Sector Risk Profile specifically focusing on lease-based providers of Specialised Supported Housing³⁹. The report specifically addresses the near failure of First Priority Housing Association, a Long Lease Model Registered Provider, and is focused on “providers of this type of accommodation whose business model is predicated on taking long-term leases” i.e. the Long Lease Model. The report highlights 5 key areas of concern:

- the concentration risk that comes from having long-term, low-margin inflation-linked leases as a single source of finance;
- the thin capitalisation of some of the Registered Providers undertaking this model;
- poor risk management and contingency planning undertaken by some of the Registered Providers;
- some inappropriate governance practises that have led to poor decision making; and
- a lack of assurance about whether appropriate rents are being charged.

All of the Registered Providers that signed long leases at scale have been deemed non-compliant following judgement by the Regulator of Social

³⁷ Charity Commission for England and Wales guidance, ‘What makes a charity (CC4)’, 1 September 2013.

³⁸ Department for Business, Energy & Industrial Strategy, ‘Office of the Regulator of Community Interest Companies: Leaflets – Frequently asked questions for funding organisations’, May 2016.

³⁹ Regulator of Social Housing, ‘Lease-based providers of specialised supported housing: addendum to the Sector Risk Profile 2018’, April 2019.

Housing⁴⁰. Typically, this results in a non-compliant financial viability rating and governance rating, as explained in paragraph 1.2.1 above, of 3 and 3 respectively, i.e. a G3V3 rating.

While these Registered Providers can still theoretically sign long leases, continuing to do so risks a G4V4 rating which may conclude with the Registered Provider being struck off the register.

As such no Registered Providers are still willing to sign long leases at scale. The investment criteria of the existing funds typically require a long lease to be in place and as such they are no longer able to work with Registered Providers at scale, hampering their ability to deploy capital.

1.3.5 *Focus on the key issues stemming from the long lease model*

1.3.5.1 *Mismatch between the lease agreement and the service level agreement*

The market standard length of service level agreements is between 5 and 10 years although longer service level agreements are possible.

The reluctance of Care Providers to sign service level agreements longer than 10 years and the requirement of the long lease model for 20-year or above leases has created a mismatch in liability for the Registered Providers as follows⁴¹:

- if a property is fully occupied and the Registered Provider is therefore able to claim rents for the units from the Department for Work and Pensions and the rental level is sustainable, the expectation is that the Care Provider will renew the service level agreement at expiry;
- if the property has one or more void units and the Care provider is responsible for payment of the rents on those units, the sustainability of the rental level is paramount. Where the rent is at an unsustainable level, the probability of the Care Provider filling that void is reduced and the likelihood of the service level agreement being renewed decreases; and
- if the service level agreement is not renewed the implication is that the scheme is not profitable for the Care Provider. If the lease is longer than the service level agreement this will present the Registered Provider with an unmatched rent liability. For an underperforming scheme this might leave the Registered Provider with a material liability whereby it cannot claim rent from either the Department for Work and Pensions or the Care Provider.

1.3.5.2 *Rent review mechanism not linked to government policy*

The Long Lease Model leases typically features an annual rent indexation clause which is linked to the current government policy for Exempt Rents of CPI + 1%. This clause is typically fixed for the remainder of the lease term regardless of whether government policy changes. Any change in government policy

⁴⁰ Investment Adviser analysis.

⁴¹ Regulator of Social Housing, 'Lease-based providers of specialised supported housing: addendum to the Sector Risk Profile 2018', April 2019.

which reduces the amount the Registered Provider is able to claim (for example a freeze in indexation or a change of index) will likely result in the Registered Provider suffering a shortfall.

1.3.5.3 *Conflicted counterparties*

Given the risks referenced above, larger more established Registered Providers have avoided the Long Lease Model. Consequently long leases have only been signed at scale by smaller and, quite often, developer influenced Registered Providers. While this provision of Supported Housing has addressed some demand and likely presents a cost saving compared to inappropriate accommodation, where yields are broadly static, there is an obvious financial incentive for developers to encourage Registered Providers to agree to higher rents.

1.3.5.4 *Unjustifiable rent levels*

One of the key issues arising as a result of the conflict referenced above is the incentive to maximise rents. Long Lease Model Supported Housing assets have historically traded at a net initial yield between 5.5 per cent. and 6.5 per cent.⁴² The focus on lease length has overshadowed the more traditional investment considerations, including affordability of rent and premium to vacant possession value. In the Long Lease Model, where yields have been broadly static⁴³, there is a direct correlation between an increasing rent and the level of profit made by the developer. However, properties with high rents, and therefore the potential for high Care Provider void liabilities, are less likely to have their service level agreements renewed at expiry, rendering these properties inherently more risky for the landlord.

Furthermore, Specialised Supported Housing is specifically exempt from the Rent Standard on the basis it follows a number of specific guidelines. The Regulator of Social Housing is required by law to review the rents charged by Registered Providers and ensure they are legal. The Regulator of Social Housing will ask for evidence to support any Exempt Rent claims. In judgements passed on a number of Registered Providers by the Regulator of Social Housing, Long Lease Model Registered Providers have been unable to evidence that some, or all, of their stock meets the criteria for Exempt Accommodation⁴⁴. Where this is the case, the Rent Standard requires the rents are reduced from the higher levels supported for Exempt Accommodation and capped at the levels outlined in the Rent Standard.

1.3.5.5 *Thinly capitalised Registered Provider counterparties*

Registered Providers signing long leases have historically been thinly capitalised. While under the Long Lease Model, Registered Providers have often benefitted from substantial cash lease incentives, these have been insufficient to

⁴² Civitas Social Housing plc presentation of full year results for the year ended 31 March 2020.

⁴³ Civitas Social Housing plc annual report and financial statements for the year ended 31 March 2019; Civitas Social Housing plc annual report and financial statements for the year ended 31 March 2021.

⁴⁴ Point E of the Regulator of Social Housing Decision, 'Regulatory Notice: Auckland Home Solutions CIC (13 August 2021)'.

compensate for the substantial liabilities that result from the long term lease commitments.

The average net asset value of the 15 Long Lease Registered Providers is £1.8 million which includes five Providers with negative balances. The average net assets over total rental liabilities is 2.3 per cent. This compares unfavourably to Registered Providers who provide Supported Housing and have not subscribed to the Long Lease Model. The average net asset value of this cohort is £202.4 million and average net assets over total rental liabilities is in excess of 100 per cent.⁴⁵

1.3.5.6 *Poorly resourced Registered Provider counterparties*

By virtue of the thin capitalisation, the Long Lease Model Registered Providers can be under resourced with property maintenance functions potentially run with limited staff numbers and offices significant distances from the subject properties. This can impede the efficient management of the subject properties which may have a detrimental outcome on the underlying occupiers.

1.3.5.7 *Non-Registered Provider counterparties*

Given the issues highlighted by the Regulator of Social Housing, there has been a general trend in acquisitions from the legacy Long Lease Model funds, and new Supported Housing funds, away from Registered Providers and towards entities still able to claim Exempt Rents but outside the purview of the Regulator of Social Housing. The majority of these have taken the form of charities and community interest companies, regulated by the Charities Commission and the Office of the Regulator of Community Interest Companies respectively.

Based on the most recent available data, there were 1,621 Registered Providers⁴⁶, 23,887 community interest companies⁴⁷ and 166,000 charities⁴⁸. Excluding local authorities, 34 Registered Providers⁴⁹, 6,838 community interest companies and c.5,000 charities were registered in 2021.

1.4 **Conclusion**

Supported Housing is a critical asset class aimed at improving the quality of accommodation for vulnerable people in the UK while delivering significant savings for the taxpayer. The sector is characterised by a strong level of demand for new accommodation over the next decade, in a context where the existing actors in this market are currently not able to deliver new investment at scale. While the need for private capital in Supported Housing is clear, the funding model that has prevailed to date is not able to meet the requirements of the key stakeholders and as such does not appear fit for purpose.

⁴⁵ Investment Adviser research.

⁴⁶ Regulator of Social Housing, 'List of Registered Providers of Social Housing', as at 14 June 2022.

⁴⁷ Regulator of Community Interest Companies Annual Report 2020/2021.

⁴⁸ Statista, 'Number of Charities in England and Wales 2000-2022'.

⁴⁹ Regulator of Social Housing list of RP registrations and de-registrations 2021.

2 INVESTMENT OPPORTUNITY

2.1 Overview

There is an opportunity for a new model to address this significant backlog of demand in providing Supported Housing properties by leasing to Registered Providers in a manner which doesn't jeopardise their regulatory compliance. No scalable private capital model currently exists that satisfies the Regulator of Social Housing's concerns, creating a first mover advantage.

This new model, which has been designed following discussions with the Regulator of Social Housing, will:

- align lease lengths to underlying service level agreement or local authority contract lengths. This alignment ensures that Registered Providers are not exposed to potentially substantial rent liabilities. When structured correctly and leased to regulatory compliant Registered Providers, the Investment Adviser expects Supported Housing lease renewal rates to be c. 95%;
- work with Compliant Tenants;
- agree fair leases which facilitate the involvement of Registered Providers without jeopardising their Regulator of Social Housing judgements;
- address the concerns laid out by the Regulator of Social Housing; and
- set rents on an open book and transparent basis. Developer profits will be monitored and all development costs will be justified. Rents will be benchmarked to private market rents ensuring a justifiable premium to private market rents and vacant possession values.

These differences are expected to facilitate:

- long term income supported by leases with currently uncapped inflation-linked uplifts, with the income originating from Central Government;
- demonstrable and measurable social impact for individuals living in the properties⁵⁰; and
- increased taxpayer savings in the form of:
 - further cost savings compared to individuals living in inappropriate accommodation e.g. long stay NHS hospitals⁵¹; and
 - wider societal savings e.g. health, social care and employment⁵².

2.2 Investment case

The Company's investment approach as described is intended to deliver the following advantages for investors:

- only scalable model that addresses regulatory concerns with the Supported Housing sector;

⁵⁰ Mental Health Network NHS Confederation 'Innovation in housing, care and support', December 2017.

⁵¹ Mencap and Housing LIN report, 'Funding supported housing for all: specialised supported housing for people with a learning disability', April 2018.

⁵² Frontier economics report for the Homes and Community Agency, 'Financial benefits of investment in specialist housing for vulnerable and older people', September 2010.

- established pipeline of assets for origination or acquisition to allow for deployment and/or commitment of the Net Initial Proceeds by the Company's first financial year end, with continuing portfolio growth opportunities thereafter.
- an annual total return target of 7 to 10 per cent. over the medium term.
- a dividend of 5 pence per Ordinary Share for the first and second financial years following Admission. The Company will seek to grow the dividend progressively thereafter, setting a dividend target for each financial year at the time of publication of the Company's annual report and accounts for the preceding year.
- capital growth in NAV through the introduction of leverage to reduce cost of capital and through yield compression once assets are stabilised and income producing.
- long dated income, deriving from expected high levels of lease renewals, originating from Central Government and underpinned by high levels of systemic demand; and
- diversification of Compliant Tenant counterparties, care providers, developers and asset locations.

3 **INVESTMENT APPROACH**

3.1 **Investment strategy**

The Company's investment strategy is to source and manage assets in line with its investment objective through implementation of a rigorous origination and investment process in conjunction with a comprehensive asset management approach.

The Company will deliver its investment strategy via the Investment Adviser through pre-agreed delegated authorities granted to the Midco Board by the Company and the AIFM. The directors of the Midco Board will be provided by the Investment Adviser. The Investment Adviser will adopt a formalised review process, incorporating ESG factors at all stages of the asset lifecycle, and the delegated authorities to be granted by the Company and the AIFM to the Midco Board are conditional upon adherence to this review process.

The review process is designed to ensure that the Board retains control of the delivery of the Company's investment policy and investment strategy, whilst providing the Investment Adviser with the mandate to execute that strategy, through the delegated authorities granted to the Midco Board. This is intended to facilitate timely execution of the strategy, whilst maintaining appropriate controls and governance.

The Investment Adviser will conduct a review of its approach to delivery of the investment strategy on a half-yearly basis. Any resulting revisions to the investment strategy are subject to agreement by the Board and the AIFM, at which time the Board and the AIFM will also either confirm or amend any delegated authorities granted to the Midco Board.

3.2 **Sourcing investments**

The expectation is the majority of investment opportunities will be sourced via the Investment Adviser's developer or property broker relationships.

3.2.1 *Developers*

The Investment Adviser has relationships with a number of Supported Housing developers. The expectation is that the developers will introduce opportunities with local authority support and a Care Provider attached and the Investment Adviser will leverage its Compliant Tenant relationships to introduce a leasing counterparty. The Investment Adviser will seek framework agreements with developers that allow for the acquisition of portfolios.

3.2.2 *Property broker*

Where possible the Investment Adviser will seek to source portfolios and Standing Assets to expedite deployment via its network of property brokers.

Where the investment opportunity is sourced directly via a Compliant Tenant, local authority or Care Provider, the expectation is the Investment Adviser will utilise its network to facilitate the introduction of a property solution and any other counterparties required.

3.2.3 *Compliant Tenants*

The Investment Adviser has established relationships with Compliant Tenants who typically have direct demand from local authorities.

3.2.4 *Local authorities*

The Investment Adviser has direct relationships with local authorities who are the ultimate source of Supported Housing demand.

3.2.5 *Care Providers*

The Investment Adviser has established relationships with Care Providers who are a further source of Supported Housing demand given the referrals they receive day to day.

3.3 **Forward funding opportunities**

Where the Company forward funds the development of an asset, it will charge a coupon on its total investment from acquisition to practical completion.

Where forward funding is provided by the Company, the Company will acquire the property and simultaneously enter into:

- a forward funding agreement with the developer;
- typically, a fixed price JCT Contract; and
- an agreement for lease with the Compliant Tenant.

During construction, the work will be managed by the developer and will be reviewed by a third-party monitoring surveyor appointed by the Investment Adviser on behalf of the Company. The monitoring surveyor will approve staged payments at pre-agreed milestones.

The Company will receive the benefit of construction warranties from the principal contractor and any subcontractors. In the event the total construction cost is in excess of the tendered contract sum including contingency, the Company will first rely on the fixed price JCT Contract. In the event the Company is unable to rely on the fixed price JCT Contract, the excess will be subtracted from the contingency and finally, if required, from the agreed developer profit.

Once the monitoring surveyor has signed off practical completion of the project, the Company will pay the remaining agreed profit amount to the developer.

3.4 **Assessment of investment opportunities**

3.4.1 *Initial screening*

The Investment Adviser will undertake an initial review of all prospective investment opportunities against the Company's investment objective and its investment policy. In particular, this initial screening will include:

- acceptable planning permission or permitted development right;
- local authority commissioner support;
- appropriate Care Provider;
- commercial terms of service level agreement agreed;
- justified development costs;
- acceptable pricing versus vacant possession values;
- appropriate Compliant Tenant identified; and
- acceptable level of rent.

3.4.2 *Due diligence*

The Investment Adviser will undertake a detailed due diligence exercise in respect of each opportunity which progresses from the initial screening phase. This exercise includes:

- **ESG assessment:** review against the Company's ESG specification;
- **Economic returns:** confirmation that the potential asset delivers returns which support the Company's target returns and existing portfolio mix based on an asset financial model and sensitivity analysis;
- **Counterparty analysis:** assessment of the counterparty's credit risk, including the financial performance of the Registered Provider;
- **Site assessment:** review of site including environmental surveys, ecological surveys and building and structural surveys; and
- **Contractual review:** assessment of negotiated contractual documents, including sale and purchase agreement, JCT Contract, agreement for lease and where applicable, forward funding agreement.

Third-party specialist advisers will be used to provide reports as part of the due diligence phase. Where the Investment Adviser concludes that the due diligence phase supports a recommendation to invest and provided that the proposed investment is aligned with the Company's investment strategy, the opportunity will be presented to the Investment Adviser's Investment Committee for consideration and approval.

3.5 **Investment approval process**

The delegated authorities granted to the Midco Board by the Company and the AIFM will allow it to approve certain transactions subject to compliance with the investment policy and investment strategy of the Company, and provided that the AIFM has not objected to the given transaction within 48 hours (during Business Days) of being notified of it. The delegated authorities are intended to facilitate the timely execution of the investment strategy of the Company whilst maintaining appropriate controls and governance.

The delegated authorities will only allow the Midco Board to approve transactions below a designated value and that will facilitate the delivery of the Company's targeted NAV Total Return. The Midco Board is therefore responsible for the approval of each transaction under the delegated authorities from the Company and the AIFM.

Transactions which do not meet the delegated authority criteria cannot be approved by the Midco Board. The Board and the AIFM are therefore responsible for the approval of each transaction that cannot be approved under the delegated authorities.

Each transaction to be approved under the Midco Board's delegated authority will be notified to the AIFM, and the AIFM will have 48 hours (during Business Days) following such notification to object to the transaction. Any transaction that cannot be approved under the delegated authority, and is therefore subject to approval by the Board, will be subject to the express approval of the AIFM.

For a transaction that can be approved under the delegated authorities, the Investment Adviser will make a recommendation to the Midco Board. For a transaction that cannot be approved under the delegated authorities, the Investment Adviser will make a recommendation to the Board.

In each case the recommendation to the relevant board would be made following the submission of a detailed investment paper to the Investment Committee.

The investment paper will be in a standardised format and will set out detail on the following:

- asset returns and impact on the Company's returns;
- ESG asset specific opportunities;
- counterparties and fund counterparty exposure;
- level of gearing across the Group;
- summary of due diligence; and
- project timing.

As at the date of this Prospectus, the Investment Committee is comprised of Ben Green, Steve Windsor, Steven Noble, Lara Townsend, Natalie Markham and Guillaume Bertail. Robert Abraham, Brett Pieterse and Haffiz Kala are non-voting attendees. All members and non-voting attendees have a strong track record in the assessment of investment decisions. Biographies of the current members of the Investment Committee are set out on pages 81 - 83 of this Prospectus.

Three members or non-voting attendees must be present for a committee to be quorate, at least one of whom must be a member.

For a recommendation to be approved by the Investment Committee for submission to the Board or the Midco Board (as relevant), a majority of voting members is required.

Four members of the Investment Committee, Ben Green, Steve Windsor, Natalie Markham and Lara Townsend, are also directors of Midco. Following approval by the Investment Committee, these individuals will approve the investment recommendation on behalf of the Company where a transaction is covered under Midco's delegated authority.

Other than in exceptional circumstances (such as holidays, illness, or other unavailability of relevant signatories or authorised persons), any execution of a document by Midco in relation to a transaction would need to be implemented by a director who did not approve that transaction at the Investment Committee.

The Board will retain control of the activities of Midco by virtue of Midco being a wholly owned subsidiary of the Company. Membership of the Midco Board is determined by the Company and it has the ability to remove any member of the Midco Board at any time. The performance of the Midco Board and the continuing suitability of the delegated authorities will be reviewed by the Board and AIFM at least annually.

The Investment Adviser will prepare quarterly reports for the Board of the Company and the AIFM setting out summary information in respect of the transactions concluded for the preceding period.

3.6 **Portfolio management**

3.6.1 *Overview*

Throughout the investment lifecycle the Investment Adviser will manage the Company's portfolio of assets and the origination of new opportunities to ensure delivery of the Company's investment objective.

3.6.2 *Property acquisition*

The Company will either acquire Standing Assets or forward fund Conversion Assets, Refurbishment Assets or Development Assets. Where the Company forward funds there will be a construction phase.

3.6.2.1 *Construction - developer sourced*

The Investment Adviser will typically appoint a third party project monitor surveyor who will ensure the works are carried out in line with the agreed specification and costs and will periodically sign off the same to the Investment Adviser to agree the release of funds.

3.6.2.2 *Construction – Investment Adviser sourced*

The Investment Adviser will appoint a project manager on behalf of the Company to tender, manage and oversee the construction phase.

3.6.3 *Operations*

The properties will typically all be let on full repairing and insuring leases to tenants and the day to day maintenance will be the tenants' responsibility. Periodically, the Investment Adviser may inspect or arrange for the properties to be inspected by a third party to ensure that the tenants are maintaining the properties to the requisite standard.

3.6.4 *End of life*

If the Compliant Tenant does not renew the lease, the Investment Adviser will carry out an assessment of alternative options. Initially this will be to ascertain whether another Compliant Tenant would lease the property on the same terms. If the property is no longer appropriate for its original use, the Investment Adviser will seek alternative uses. If none of these are viable, the Investment Adviser will arrange for the sale of the property on the open market.

3.6.5 *Exit*

The Company's intention is to be a long-term holder of assets. However, the Company is committed to the evaluation of asset divestment opportunities where such divestment would be in the interests of the Company's shareholders.

4 **PIPELINE ASSETS**

The Investment Adviser has identified a pipeline of opportunities in excess of the target raise of £150m. These opportunities have been sourced through developers, Registered Providers, Care Providers and local authorities, and are in line with the Company's investment objective and investment policy.

The pipeline assets are at various stages of due diligence but will all be subject to the Company's assessment, due diligence and investment approval process.

The assets are across the UK and will be leased to a range of approved counterparties that pass the Company's counterparty criteria.

The Company has not entered into binding agreements to acquire or invest in any of the pipeline assets and there is no guarantee that the Company will ultimately acquire or invest in any of these assets. The Company expects that new opportunities will continue to be added to the pipeline assets as part of the prosecution of the investment strategy.

PART 3

DIRECTORS, MANAGEMENT AND ADMINISTRATION

1 DIRECTORS

The Directors are responsible for the determination of the Company's investment policy and have overall responsibility for the Company's activities, including the review of investment activity and performance and the control and supervision of the Company's service providers.

All of the Directors are non-executive and are independent of the AIFM and the Investment Adviser. The Directors will meet at least four times per annum.

The Directors may delegate certain functions to other parties such as the Investment Adviser, the Company Secretary and the Registrar. In particular, the Directors have delegated responsibility for day to day management of the investments comprised in the Company's portfolio to the Investment Adviser.

The Directors are as follows:

Fiona Miller Smith, Chair

Fiona is CEO of Barts Charity, a role she has held since 2016. Barts Charity is a health foundation with a £550m financial investment and commercial property portfolio. Fiona is responsible for ensuring the charity balances risk, liquidity and returns in the management of its endowment, in addition to oversight of the charity's ESG and responsible investment framework, ensuring alignment between the charity's asset allocation policy and mission. Prior to this Fiona spent 4 years as a director at Social Finance, an FCA regulated social impact advisory firm.

Fiona serves on the board of Baronsmead Venture Trust PLC, a London listed company focused on investment in early stage and growth companies, and John Lyons Charity, an educational charity with a c.£220m property portfolio.

Fiona started her career at Goldman Sachs in 1992 before becoming an investment director at Murray Johnstone Private Equity.

Louise Bonham, FCA, Chair of Audit Committee

Louise has considerable experience in UK and EMEA property having worked for over 20 years in the industry. Louise was a member of the UK & Ireland Executive Committee of Cushman & Wakefield where she co-headed EMEA Property Management. Louise was responsible for leading the audit, financial controls, operational risk management and governance function.

Louise was previously COO of Advisory and Transaction Services EMEA at CBRE and prior to that, in the Real Estate team at Deloitte covering Corporate Tax, Audit and Due Diligence. Louise also worked as a REIT equity analyst at Deutsche Bank.

Louise qualified as a Chartered Accountant in 2005 and is a fellow of the Institute of Chartered Accountants of England and Wales.

Sebert Cox OBE

Sebert has over 45 years' experience in housing, policy development and corporate governance across the public, private and independent sectors.

Sebert has led two Housing Associations which, through mergers and acquisitions, evolved to become today's Karbon Homes and Places for People. Sebert served as Chairman of the Places for People Group and, until recently, as Chairman for Karbon Homes.

Sebert spent over 11 years in Central Government and was honoured with an OBE for services to the Home Office. Sebert served as a panel member for the Commission for Racial Equality, Race and Housing Enquiry, and is currently a non-executive director of the National Housing Federation and Bagnall Court Limited, a Joint Venture with Bridges Fund Management to provide key worker housing.

2 AIFM

The Company has appointed JTC Global AIFM Solutions Limited as the Company's alternative investment fund manager pursuant to the AIFM Agreement under which it provides alternative investment fund manager services (including portfolio management and risk management functions, subject to the overall policies, supervision and review of the Board), providing guidance to the Company on its compliance with the requirements of the EU AIFM Directive (and the UK AIFMD Laws) that apply in respect of the marketing of the shares of the Company in the EEA and the UK.

The AIFM, JTC Global AIFM Solutions Limited, is a limited liability company incorporated in Guernsey on 9 January 2017 under The Companies (Guernsey) Law, 2008, as amended, with company number 62964. The AIFM is licensed by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, to conduct certain restricted activities in relation to collective investment schemes. The registered office of the AIFM is Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT and its telephone number is +44 (0) 1481 702400.

A summary of the AIFM Agreement is set out in paragraph 9.2 of Part 8 (*Additional Information*) of this Prospectus. Details of the fees and expenses payable to the AIFM are set out in paragraph 6 of this Part 3 below.

3 INVESTMENT ADVISER

The Company and the AIFM have appointed Atrato Partners Limited (the “**Investment Adviser**”) to provide certain services in relation to the Company and its portfolio, which include advising in relation to financing and asset management opportunities. In addition, the Investment Adviser will provide certain administrative services under the Investment Advisory Agreement, including the calculation of the Company's Net Asset Value and the NAV per Ordinary Share and preparation of the Company's financial statements.

The Investment Adviser, via its Affiliates, and certain of their respective employees and directors intends to subscribe for Ordinary Shares pursuant to the Initial Issue. In addition, the Investment Adviser intends to request that the trustee of an employee benefit trust (which it established for the benefit of employees of itself and its Affiliates) subscribes for Ordinary Shares pursuant to the Initial Issue with a view to the trustee transferring such Ordinary Shares to certain of those employees under various share awards. These subscriptions will amount to a minimum of 1,000,000 Ordinary Shares in aggregate.

The Investment Adviser was incorporated on 20 December 2016 under the Companies Act, with registered number 10533101. The Investment Adviser has been authorised by the Financial Conduct Authority since 1 May 2019 as an exempt CAD firm and more recently as a SNI Investment Firm.

The Investment Adviser is a fully owned subsidiary of Atrato Group Limited which is itself owned by Ben Green and Steve Windsor who each hold a 50% stake. The Investment Adviser oversees two appointed representatives which are also wholly owned subsidiaries of Atrato Group Limited. The assets held by the clients of the Investment Adviser and the appointed representatives are approaching £2.5bn.

The responsibilities of the Investment Adviser are outlined in the Investment Advisory Agreement, a summary of which is set out in paragraph 9.3 of Part 8 (*Additional Information*) of this Prospectus. Details of the fees and expenses payable to the Investment Adviser are set out in paragraph 6 of this Part 3 below.

The Senior Management Team of the Investment Adviser (whose details are set out below) has provided investment advisory services on behalf of clients of Atrato Group since 2017.

The Supported Housing Team of the Investment Adviser has worked in the Supported Housing space for more than 10 years and have collectively acquired more than £350m of Supported Housing assets. In addition, this team has c. 35 years' real estate experience and has worked on more than £1bn worth of transactions.

Both teams are supported by a wider team of other accounting, asset management, compliance, public relations, administration and support staff.

The key individuals in the Senior Management Team and Supported Housing Team directly responsible for executing the Company's investment strategy at the Investment Adviser are:

Senior Management Team

Ben Green, Principal

Together with Steve Windsor, Ben founded Atrato Group (the "Group") in 2017. The Group now has approaching £2.5 billion of assets under management and more than 50 employees.

Ben qualified as a lawyer in 1997 and began his career at Wilde Sapte and Linklaters LLP. He left law in 2000 and spent his banking career at Barclays, Lloyds and Goldman Sachs where he was Managing Director, European Head of Structured Finance.

Steve Windsor, Principal

Steve founded the Group with Ben Green in 2017. Prior to that Steve spent 16 years at Goldman Sachs specialising in 'Finance and Risk Management', where he was a partner and headed Goldman Sachs' European, Middle East and African Debt Capital Markets and Risk Management businesses from 2010 until 2016.

Natalie Markham, Chief Financial Officer

Natalie is the Chief Financial Officer for the Group and is responsible for the management of its finance function, including for Supermarket Income REIT and Atrato Onsite Energy plc. Natalie is chair of the Investment Committee.

Natalie has over 20 years' experience in real estate finance and accounting. Prior to joining Atrato, Natalie spent eight years at Macquarie Global Property Advisors Europe, where she was chief financial officer. Natalie qualified as a chartered accountant in 2000 and is a fellow of the Institute of Chartered Accountants of England and Wales.

Lara Townsend, Chief Operating Officer & Managing Director, Origination

Lara is the COO of the Group and is responsible for overseeing group operations and corporate development activities. Lara has led on the development and execution of the firm's processes and procedures as it has grown rapidly over the last 5 years. Lara also has

responsibility for the establishment and integration of the Group's ESG strategy alongside the CFO and manages the team's compliance and legal function.

Lara has more than 20 years' experience of infrastructure and asset finance. Lara joined the Group in 2018 prior to which she was a director within Lloyds Bank's capital markets division, where she focused on the provision of funding for real estate and infrastructure projects.

Steven Noble, Chief Investment Officer

Steven is the CIO of the Group with responsibility for provision of investment advisory services to the group's clients. Steven joined the Group in 2017 as the fund manager for Supermarket Income REIT plc ("**SUPR**") and grew its portfolio from IPO to c.£1.2bn.

Steven is a fellow of the Institute of Chartered Accountants in England and Wales and holds the Chartered Financial Analyst designation. He trained as a chartered accountant at KPMG, following which he spent nine years at Lloyds Banking Group in a variety of risk management and origination roles.

Supported Housing Team

David Blakeborough, Fund Manager, Social Housing

David joined the Atrato Group in May 2022 and is the Managing Director of Atrato's Social Housing strategy.

David has over 12 years' experience in real estate investing. He has spent the last three years focused on the supported housing sector with Tom and Michael, creating a partnership model with housing associations which addresses the Regulator of Social Housing's concerns, transforming private capital funding in the sector. David previously worked at Henley Investment Management and AEW UK Investment Management. During this time, David has overseen approximately £700m of transactions across a range of property sectors.

Tom Still, Assistant Fund Manager, Social Housing

Tom joined the Atrato Group in May 2022 and is a Director for Atrato's Social Housing strategy.

Tom has 12 years of experience in the real estate sector including five in supported housing. With David and Michael, he has spent the last three years focusing on their transformational supported housing model. Tom previously worked at CBRE IM as Senior Fund Accountant and Henley Investment Management as Assistant Fund Manager. During Tom's time at Henley he was responsible for deploying approximately £350m of equity into the supported housing space.

Michael Carey, Head of Investments, Social Housing

Michael joined the Atrato Group in May 2022 and is an Assistant Director for Atrato's Social Housing strategy.

Michael has 11 years' real estate experience including five years in supported housing. Along with David and Tom, he has spent the last three years focusing on their transformational

supported housing model. Michael previously worked at Henley Investment Management and Artisan Real Estate. Michael's experience is predominantly in real estate development.

In addition to the core management team listed above, the following individuals will provide input into the investment strategy by serving on the Investment Committee:

Other Key Individuals

Rob Abraham

Rob is a Managing Director at Atrato. He is responsible for asset origination and financing for the supermarkets investment fund for the group. He has led more than 25 acquisitions of supermarkets since joining Atrato. Prior to joining Atrato, he spent 8 years at Lloyds Bank, most recently in the Loan Markets business working with borrowers and lenders across the corporate, funds and real estate sectors. He studied Business Economics at the University of Manchester and holds the Chartered Financial Analyst designation.

Guillaume Bertail

Guillaume Bertail is a Managing Director at Atrato. He joined the Atrato Group in January 2022 and is focused on the ongoing development of new investment strategies.

Guillaume spent 15 years as an investment banker at Goldman Sachs in London, first in FIG M&A and then in Structured Finance. As a structured finance professional, he focused on originating, structuring and executing bespoke credit transactions across the corporate, property and infrastructure sectors. He has completed more than £2bn of structured corporate deals, £3bn of credit-tenant lease transactions and £8bn of infrastructure debt financings.

Guillaume holds a Masters in Management from ESCP Business School.

Haffiz Kala

Haffiz is a Finance Director at Atrato and is responsible for the finance, tax and operations of the supermarket's investment fund. He has over 15 years' experience within the investment management industry with a sector focus on real estate and private equity. Haffiz was Vice President, Alternative Funds at PIMCO and a Senior Manager within the assurance practice at PriceWaterhouseCoopers, performing audit and advisory services within the investment management industry. He graduated from the University of Manchester with a BSc (Hons) in Economics and is a fellow of the Institute of Chartered Accountants in England and Wales.

Brett Pieterse

Brett is a Finance Director at Atrato and is focused on the finance, tax and operations of Atrato Onsite Energy. Brett has over 20 years' experience working in finance. He joined from Vercity Group where he was a Finance Director, responsible for managing the service provision to the portfolio of projects ranging across several sectors, including renewable energy. He also led the design, implementation and monitoring of corporate policies and procedures to maintain strong financial controls and meet the needs of a growing business.

Brett graduated from the University of Witwatersrand with a Bachelor of Accounting. He qualified as a Chartered Accountant in 2002 and is a member of the South African Institute of Chartered Accountants.

4

COMPANY SECRETARY

Sanne Group Secretaries (UK) Limited has been appointed to provide company secretarial services and a registered office to the Company.

A summary of the Company Secretarial Services Agreement is set out in paragraph 9.4 of Part 8 (*Additional Information*) of this Prospectus. Details of the fees and expenses payable to Sanne Group Secretaries (UK) Limited are set out in paragraph 6 of this Part 3 below.

5 REGISTRAR AND RECEIVING AGENT

Link Market Services Limited has been appointed to provide registrar services to the Company pursuant to the Registrar Agreement. Under the Registrar Agreement, the Registrar has responsibility for maintaining the register of Shareholders, receiving transfers of Ordinary Shares for certification and registration and receiving and registering Shareholders' dividend payments together with related services from Initial Admission.

Link Group (the trading name of Link Market Services Limited) has also been appointed to act as the receiving agent in relation to the Initial Issue under the terms of the Receiving Agent's Agreement.

Summaries of the Registrar Agreement and the Receiving Agent's Agreement are respectively set out in paragraphs 9.5 and 9.6 of Part 8 (*Additional Information*) of this Prospectus. Details of the fees and expenses payable to the Registrar are set out in paragraph 6 of this Part 3 below.

6 FEES AND EXPENSES

6.1 Formation and initial expenses

The formation and initial expenses of the Company are those which are necessary for the incorporation of the Company, Initial Admission and the Initial Issue. These expenses include fees and commissions payable under the Placing Agreement (including all fees, commissions and expenses payable to RBC), the Receiving Agent's fees, Initial Admission fees, printing, legal and accounting fees and any other applicable expenses which will be met by the Company and will be paid on or around Initial Admission out of the Gross Initial Proceeds. The expenses will be written off immediately following Initial Admission. Such costs and expenses are expected to be approximately 2 per cent. of the Gross Initial Proceeds. Assuming 150 million Ordinary Shares are issued pursuant to the Initial Issue resulting in Gross Initial Proceeds of £150 million, the costs and expenses of the Initial Issue payable by the Company will be approximately £3 million. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue or any Subsequent Placing.

6.2 Ongoing annual expenses

Ongoing annual expenses will include the following:

6.2.1 AIFM

Under the AIFM Agreement, the AIFM will receive a fee calculated at the rate of 0.04 per cent. of the Company's latest prevailing Net Asset Value up to £1 billion and 0.03 per cent. of the Company's latest prevailing Net Asset Value thereafter, subject to a minimum of £50,000 per annum. The AIFM will also receive a set-up fee for pre-IPO support work of £5,000 and a fee calculated on a time spent basis for secondary equity raises in the primary market, capped at £10,000 on each occasion. The AIFM will also be responsible for ongoing EU Sustainable Finance Disclosure Regulation compliance and reporting for a fee to be agreed between the parties. Other non-routine work may also be charged on a time spent basis, subject to the Company's prior agreement.

6.2.2 Investment Adviser

Under the Investment Advisory Agreement, the Investment Adviser is entitled to the following fees:

- an annual fee payable quarterly in arrears in respect of the accounting and administration services provided to the Company and Midco equal to £50,000;

- a management fee payable monthly in arrears at the rate of (i) 1/12th of 0.7125 per cent. of Adjusted NAV up to or equal to £500 million; and (ii) 1/12th of 0.5625 per cent. of the Adjusted NAV above £500 million (the “**Monthly Advisory Fee**”); and
- a management fee payable semi-annually in arrears at the rate of: (i) 1/2 of 0.2375 per cent. of the Adjusted NAV up to or equal to £500 million; (ii) 1/2 of 0.1875 per cent. of Adjusted NAV above £500 million (the “**Semi-Annual Advisory Fee**”).

Together, the Monthly Advisory Fees and the Semi-Annual Advisory Fees payable each year equate to an annual management fee of 0.95 per cent of the Adjusted NAV up to and including £500 million and an annual management fee of 0.75 per cent of the Adjusted NAV above £500 million, with the Semi-Annual Advisory Fees payable each year representing 25 per cent. of the total annual advisory fees payable to the Investment Adviser.

In accordance with the Investment Advisory Agreement, the Company and the Investment Adviser have agreed that an amount equal to the Semi-Annual Advisory Fee (after making an allowance for tax payable by the Investment Adviser) will be applied by the Investment Adviser or any connected person nominated by it in acquiring new Ordinary Shares. The Investment Adviser has agreed, subject to certain exceptions, not to dispose of such Ordinary Shares for a period of 12 months from the date of their acquisition.

Where the Ordinary Shares are trading at a discount to the prevailing Net Asset Value per Ordinary Share, the Investment Adviser (or any connected persons nominated by it) will apply the relevant amount (inclusive of stamp duty, dealing fees and commissions) in acquiring the Ordinary Shares in the secondary market.

Where the Ordinary Shares are trading at a premium to the prevailing Net Asset Value per Ordinary Share and subject to the requirements of the Listing Rules not to issue new Ordinary Shares or sell Ordinary Shares out of treasury for cash at a price below the prevailing Net Asset Value per Ordinary Share unless they are first offered pro rata to existing Shareholders, the Company may, at the absolute discretion of the Board, satisfy its obligation to pay the Semi-Annual Advisory Fee to the Investment Adviser by the allotment and/or sale of Ordinary Shares to the Investment Adviser (or a connected person nominated by it) and/or by paying the Semi-Annual Advisory Fee in cash to the Investment Adviser (or a connected person nominated by it) in order to make purchases of Ordinary Shares in the secondary market (inclusive of stamp duty, dealing fees and commissions and, in each case, after making an allowance for tax payable by the Investment Adviser).

The Investment Adviser is also entitled to receive annual fees in respect of the accounting and administration services it provides to any SPVs at the rate of: (i) £4,000 per SPV holding up to 5 Supported Housing assets; plus (ii) £800 per additional asset in the same SPV, (iii) plus £2,000 in respect of Midco, such fees to be subject to an annual increase by reference to the UK retail price index.

6.2.3 **Company Secretary**

Under the terms of the Company Secretarial Services Agreement, Sanne Group Secretaries (UK) Limited is entitled to receive a company secretarial fee of £75,000 per annum for the provision of certain company secretarial services to the Company.

The Company Secretary is entitled to additional fees for providing company secretarial services and for providing any additional services to the Company

which are outside the scope of the company secretarial services covered by the company secretarial fee referred to above.

6.2.4 Registrar

Under the terms of the Registrar Agreement, the Registrar is entitled to an annual maintenance fee per Shareholder account per annum subject to a minimum annual fee from Initial Admission. The Registrar is also entitled to certain transaction fees under the Registrar Agreement.

6.2.5 Directors

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chair, the initial fees will be £37,500 for each Director per annum. The Chair's initial fee will be £50,000 per annum. In addition, the Chair of the Audit Committee will receive an additional fee of £5,000 per annum.

Each of the Directors will also be entitled to be paid all reasonable expenses properly incurred by them in attending general meetings, board or committee meetings or otherwise in connection with the business of the Company. The Board may determine that additional remuneration may be paid, from time to time, to any one or more Directors in the event such Director or Directors are requested by the Board to perform extra or special services on behalf of the Company.

6.2.6 Other operational expenses

Other ongoing operational expenses (excluding fees paid to service providers as detailed above) of the Company will be borne by the Company including travel, accommodation, printing, insurance costs, audit, finance costs, legal fees (including those incurred on behalf of the Company by the AIFM or the Investment Adviser), corporate broking fees, annual London Stock Exchange fees and AIC membership fees. All reasonable out of pocket expenses of the AIFM, the Investment Adviser, the Company Secretary, the Registrar, the Company's other service providers and the Directors relating to the Company will be borne by the Company. Estimated annual Company level costs are expected to comprise approximately £0.7 million (including VAT).

6.3 Change of Control Fee

Should the Company be the subject of an offer under the Takeover Code and subject to the restrictions of the Takeover Code, the Board may, either directly or indirectly, solicit alternative offers, proposals, inquiries or indications of interest or make other efforts or attempts that could potentially lead to a competing offer for the Company on superior terms.

In the event that a Third Party Offer becomes unconditional and, following such offer becoming unconditional, notice to terminate the Investment Advisory Agreement is given by the Company, the Investment Adviser may be entitled to a Change of Control Fee, in addition to its entitlement to the Monthly Advisory Fees and the Semi-Annual Advisory Fees set out above. Further details of the Change of Control Fee are set out in paragraph 9.3 of Part 8 (*Additional Information*) of this Prospectus.

The Company has prepared a key information document required under the EU PRIIPs Regulations (as applicable) and the UK PRIIPs Laws in relation to the Ordinary Shares. Such laws require costs to be calculated and presented in accordance with detailed and prescriptive rules. The key information document in relation to the Ordinary Shares is available on the Company's website (www.independentlivingreit.com).

CONFLICTS OF INTEREST

The AIFM, the Investment Adviser and their officers and employees may from time to time act for other clients or manage or advise other funds, which may have similar investment objectives and policies to that of the Company. Circumstances could arise where investment opportunities will be available to the Company that are also suitable for one or more of such clients of the AIFM or the Investment Adviser or such other funds. The Directors have satisfied themselves that the AIFM and the Investment Adviser have procedures in place to address potential conflicts of interest.

Pursuant to the Investment Advisory Agreement, the Investment Adviser will therefore:

- not engage in any investment advisory or investment management services in relation to any asset(s) falling within the Company's investment objective and investment policy which have been identified by the Investment Adviser without offering the Company a right of first refusal in respect of such asset(s);
- implement an asset allocation policy reflective of the investment objectives of the funds it advises;
- at all times have due regard to its duties owed to its clients and where a conflict arises seek to ensure that any conflict is resolved fairly;
- implement appropriate information barriers between funds to ensure information that is confidential to a fund is kept confidential to that fund;
- ensure any investment submissions to the Investment Committee involving a commercial relationship between clients of the Investment Adviser are prepared and submitted by separate teams to different Investment Committee meetings; and
- disclose all conflicts to the Board along with details of all related investment decisions including any decisions by the Investment Adviser to allocate investment opportunities that appear to fall within the Company's investment objective and investment policy to any other client.

The Directors will in addition seek to ensure that any conflict of interest is resolved fairly and in the interests of the Company.

The AIFM, the Investment Adviser and any of their directors, officers, employees, agents and Affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an "**Interested Party**") may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services. For example, an Interested Party may acquire on behalf of a client an investment in which the Company may invest.

Except as highlighted above there are no actual or potential conflicts of interest between any duties owed to the Company, the Directors or the Investment Adviser or any of the Directors and their private interests or duties.

CORPORATE GOVERNANCE

The Board of the Company has considered the principles and provisions of the AIC Code. The AIC Code addresses the principles and provisions set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company as an investment company.

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to

Shareholders. As a recently incorporated company, the Company does not yet comply with the UK Corporate Governance Code or the principles of good governance contained in the AIC Code. However, the Company intends to join the AIC as soon as practicable following Initial Admission, and arrangements have been put in place so that, with effect from Initial Admission, the Company will comply with the AIC Code, except as set out below.

The UK Corporate Governance Code includes provisions relating to: the role of the chief executive; executive directors' remuneration; and the need for an internal audit function. The Board considers these provisions are not relevant to the position of the Company, being an externally managed investment company, and the Company does not, therefore, intend to comply with them.

The Company's Audit Committee will be chaired by Louise Bonham, consists of all the Directors and will meet at least twice a year. The Board considers that the members of the Audit Committee have the requisite skills and experience to fulfil the responsibilities of the Audit Committee. The Audit Committee will examine the effectiveness of the Company's risk management and internal control systems. It will review the half-yearly and annual reports and also receive information from the AIFM and the Investment Adviser. It will also review the scope, results, cost effectiveness, independence and objectivity of the external auditor.

In accordance with the AIC Code, the Company has established a Management Engagement Committee which will be chaired by Louise Bonham and consist of all the Directors. The Management Engagement Committee will meet at least once a year or more often if required. Its principal duties will be to consider the terms of appointment of the AIFM, the Investment Adviser, the Company Secretary and the Registrar and it will annually review these appointments and the terms of the AIFM Agreement, the Investment Advisory Agreement, the Company Secretarial Services Agreement and the Registrar Agreement.

The Board will fulfil the responsibilities typically undertaken by a nomination committee and a remuneration committee.

As a result of the size of the Board, the Company has not appointed a senior independent director. Accordingly, the Audit Committee Chair, in combination with the other Directors, fulfils the duties of the senior independent director, acting as a sounding board for the Chair and acting as an intermediary for other Directors as applicable.

9 DIRECTORS' SHARE DEALINGS

The Board has adopted and implemented a dealing code for Directors and other PDMRs (which includes key personnel of the Investment Adviser), together with their PCAs, which imposes restrictions on conducting transactions in the Company's securities beyond those imposed by law. Its purpose is to ensure that the Directors, other PDMRs and their closely associated persons do not abuse, and do not place themselves under suspicion of abusing, inside information they may be thought to have, in particular during periods leading up to an announcement of the Company's results.

PART 4 SUSTAINABILITY

1 INTRODUCTION

As an impact fund, delivering long term sustainable positive impact for people, places and planet is fundamental to the strategy of the Company. Sustainability comprises mitigating environmental, social and governance (“**ESG**”) risks, while maximising positive impact and ensuring the Company receives long term income.

The Company will embed impact considerations in its investment process to identify and mitigate relevant impact risks.

The Company has devised an impact measurement and management framework (the “**IMM Framework**”), informed by external governance and reporting standards, which enables it to measure and report on its impact. The Company has worked with specialist advisers, the Good Economy and SHIFT Environment to prepare the IMM Framework in light of the Company’s overall impact goal.

The IMM Framework defines the Company’s impact objectives (see the summary in paragraph 2 below) and target outcomes (see the summary in paragraph 3 below) and sets out a measurement framework for each of them.

Outside of the IMM Framework, the Company has also adopted governance and reporting standards that relate to how the Company is structured, how it operates, and how it mitigates ESG and impact risk.

The Company will be disclosing to investors in accordance with article 8 of the EU Sustainable Finance Disclosure Regulation (“**SFDR**”) and associated disclosure obligations, including under the EU Taxonomy Regulation. Please see www.independentlivingreit.com for further information. Periodic disclosures will be provided to investors as part of the Company’s annual reports.

2 IMPACT OBJECTIVES

2.1 Overall impact goal

The Company’s overall impact goal is to increase the supply of high-quality Fit for Purpose Supported Housing for individuals in need of accommodation through a sustainable and open-book lease-based model which does not place an undue burden on the financial solvency of lessees.

2.2 Impact objectives

The Company’s impact objectives (the “**Impact Objectives**”) are all in areas under the direct influence of the Company. The Impact Objectives are as follows:

- **Fair leases with high-quality partners:** partner with Compliant Tenants and structure lease terms that address the concerns of the Regulator of Social Housing with the Long Lease Model.
- **Meet social needs for Supported Housing:** target developments which will address the needs of those with an identified need for Fit For Purpose Supported Housing.
- **Increase Supported Housing supply:** increase supply of Specialised Supported Housing, Extra Care and Homeless Accommodation. Contribute to increasing overall Supported Housing supply through investing in Development Assets and Conversion Assets, as well as improving existing stock through investing in Standing Assets and Refurbishment Assets.

- **Fund high-quality sustainable developments:** fund developments which aim to improve access to Supported Housing, and thereby quality of life, by adhering to the IMM Framework.
- **Deliver affordability and value for money:** deliver value for money for public budgets by providing a cost-effective housing solution compared to likely alternative forms of accommodation.

2.3 Measuring performance under the Impact Objectives

The IMM Framework is underpinned by a comprehensive framework of tailored metrics, which will be used to assess the Company's performance according to each of its Impact Objectives. They will be published in the Company's annual impact report, which will be published on the Company's website.

The full list of metrics is contained in the IMM Framework. For each Impact Objective, a set of key performance indicators ("KPIs") has been identified, against which a target has been set. The table below sets out these KPIs and targets:

Impact Objective	Company Target
Fair leases with high-quality partners	<ul style="list-style-type: none"> • Compliance with the Company's model, as described in Part 2 Section 2.1 of the Prospectus, and investment restrictions in terms of leasing partners
Meet social need for Supported Housing	<ul style="list-style-type: none"> • Local authority sign off as part of the Company's initial screening process
Increase Supported Housing supply	<ul style="list-style-type: none"> • Company will have the ability to forward fund Development Assets which will be accretive to the UK's overall housing stock
Fund high-quality sustainable developments	<ul style="list-style-type: none"> • Target EPC rating of A for Development Assets • Target EPC rating of B for Refurbishment Assets and Conversion Assets • 100% of assets to be aligned with a pathway to net zero* by 2050 or sooner (or reasonably easy to retrofit to such standard) (with suggested Standard Assessment Procedure ("SAP") target average of 85 by 2050, with interpolated SAP targets between current position and 2050) <p>*The Company will seek to align its assets to net zero by 2050 or sooner by (i) ensuring that all assets are, at a minimum, EPC C or above (or reasonably considered by the Company to be of an equivalent standard) and (ii) eliminating direct carbon emissions produced from the burning of carbon-emitting fossil fuels in the assets to heat space and water.</p>
Deliver affordability and value for money	<ul style="list-style-type: none"> • Measure level of savings to the UK taxpayer delivered by Supported Housing assets when compared to alternative forms of accommodation

3 TARGET OUTCOMES

3.1 Introduction

In addition to the Impact Objectives, the Company has also identified target outcomes towards which the Company is aiming to contribute. These differ from the Impact Objectives as the target outcomes are beyond the control of the Company. Target outcomes depend on many factors, one of which may be the activities of the Company. Nonetheless, identifying target

outcomes provides insight into the difference in real-world outcomes to which the Company's activities are contributing.

3.2 Target Outcomes

Where relevant, these target outcomes have been aligned to the UN Sustainable Development Goals (the "UN SDGs")⁵³. The target outcomes include three direct outcomes and one systemic outcome (together, the "Target Outcomes").

The table below sets out the direct and systemic Target Outcomes and the specific UN SDGs to which each Target Outcome is aligned:

Direct Target Outcome	
Improve resident wellbeing	<ul style="list-style-type: none"> UN SDG 3 – Good Health & Wellbeing
Provide value for money for the public purse	<ul style="list-style-type: none"> UN SDG 11 – Sustainable Cities & Communities
Reduce energy usage and improve building efficiency	<ul style="list-style-type: none"> UN SDG 7 – Affordable & Clean Energy UN SDG 11 – Sustainable Cities & Communities
Systemic Target Outcome	
Shift market norms in the Supported Housing space to a more sustainable lease model	

3.3 Measurement framework

As is the case with Impact Objectives, the Company has designed a comprehensive framework for assessing its performance against the Target Outcomes. The table below sets out a summary of this measurement framework:

Target Outcome	Example metrics
Improve resident wellbeing	<ul style="list-style-type: none"> Measurement of the percentage of residents who identify an improvement in wellbeing since moving into their home (to be gathered through resident outcomes surveys where available). Measurement of the percentage of residents identifying an improvement in a specific area (e.g. confidence, independence, social connections, education/employment prospects) since moving into their home (to be gathered through resident outcomes surveys where available).
Provide value for money for the public purse	<ul style="list-style-type: none"> Estimate fiscal savings resulting from residents moving into the Company's accommodation as compared against alternative forms of accommodation.
Reduce energy usage and improve building efficiency	<ul style="list-style-type: none"> For homes that are independently heated (i.e. occupants control heating system and can choose

⁵³ The UN SDGs are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The UN SDGs were adopted by the United Nations General Assembly in 2015 and are intended to be achieved by 2030. The UN SDGs may change over time. Further details can be found here: [THE 17 GOALS | Sustainable Development \(un.org\)](https://www.un.org/sustainabledevelopment/)

Target Outcome	Example metrics
	<p>energy supplier):</p> <ul style="list-style-type: none"> ○ measurement of the percentage of homes with an energy rating of EPC C or better; and • For homes heated from a communal boiler: <ul style="list-style-type: none"> ○ kWh/unit as determined from actual fuel bills to the operator of the communal boiler (to be gathered through resident surveys where available).
Shift market norms to a more sustainable lease model	<ul style="list-style-type: none"> • Measure the number of competitor funds adopting lease terms based on the Company's model within their offer (to be sourced using available public information where available).

4 ETHICAL GOVERNANCE

The Company recognises the need for a robust governance framework that reflects its moral and ethical responsibilities to all stakeholders.

The Investment Adviser will introduce a negative screening process when assessing relevant investment opportunities to ensure that investees follow good governance practices. To the extent it identifies evidence of any of the following in respect of the Company's potential counterparties or the investment opportunity, it will not progress with the investment:

- risk of modern slavery, such as forced labour, human trafficking or child labour (including where such risks are associated with relevant supply chains);
- risk of corruption, money laundering and bribery; and/or
- negative impacts on areas with high biodiversity value.

As part of its negative screening process, the Investment Adviser will consider the ratings provided by the Regulator of Social Housing. Where such a rating is not available, the Investment Adviser will rely on information provided from the investee as part of a due diligence questionnaire (which aligns with the approach of the Regulator of Social Housing).

The Company intends to adopt a formal tax strategy which will form an integral part of its ESG approach and will be mindful of the OECD's drive to create greater tax transparency and counter the unacceptable avoidance of tax through base-erosion and profit-shifting. The Company intends to operate within the framework of its tax strategy (as amended from time to time), which will guide its approach to tax risk management and governance.

The Company will have regard to the recommendations of the Taskforce on Climate Related Financial Disclosures in integrating climate-related risks and opportunities into its governance, strategy, risk management and scenario analysis. In addition, the Company intends to become a signatory to the UN Principles of Responsible Investment (PRI)⁵⁴. The Company will also have regard to the Operating Principles for Impact Management⁵⁵ and the Carbon Disclosure Project (CDP)⁵⁶.

⁵⁴ The PRI, a UN-supported network of investors, works to promote the incorporation of ESG factors into investment decision-making. Signatories to the PRI are committed to implementing the six principles. Further details can be found here: [What are the Principles for Responsible Investment? | PRI Web Page | PRI \(unpri.org\)](#)

⁵⁵ The Operating Principles for Impact Management provide a reference point against which the impact management systems of funds and institutions may be assessed. Further details can be found here: [Invest for Impact | Operating Principles for Impact Management \(impactprinciples.org\)](#)

⁵⁶ The CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. Further details can be found here: [Home - CDP](#)

REPORTING AGAINST PRINCIPAL ADVERSE INDICATORS

The AIFM will be reporting against the Principal Adverse Impact Indicators prescribed under the regulatory technical standards (the “**RTS**”) which accompany the SFDR (“**PAI Indicators**”).

5.1 Mandatory Indicators (All Investments)

The table below sets out the full list of mandatory PAI Indicators applicable to all investments (in accordance with Table 1 of the RTS) against which the Company will report.

Adverse sustainability indicator		Metric
Greenhouse gas emissions	1. GHG emissions	GHG emissions Split by: <ul style="list-style-type: none"> • Scope 1 GHG emissions • Scope 2 GHG emissions • (From Jan 2023) Scope 3 GHG emissions • Total GHG emissions
	2. Carbon footprint	Carbon footprint
	3. GHG intensity of investee companies	GHG intensity of investee companies
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources (expressed as a percentage of total energy sources)
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested (expressed as a weighted average)
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested (expressed as a weighted average)
Social and employee matters	10. Violations of UN Global Compact principles (the “ UNGC Principles ”) and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC Principles or OECD Guidelines for Multinational Enterprises

Adverse sustainability indicator		Metric
	11. Lack of processes and compliance mechanisms to monitor compliance with UNGC Principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC Principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC Principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies
	13. Board gender diversity	Average ratio of female to male board members in investee companies (expressed as a percentage of all board members)
	14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons

5.2 Mandatory Indicators (Applicable to Investments in Real Estate Assets)

The table below sets out the full list of mandatory PAI Indicators applicable to investments in real estate assets (in accordance with Table 1 of the RTS) against which the Company will report.

Adverse sustainability indicator		Metric
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets

5.3 Additional PAI Indicators (Applicable to Investments in Real Estate Assets)

The table below set out the additional PAI Indicators applicable to investments in real estate assets (in accordance with Table 2 of the RTS) against which the Company will report:

Adverse sustainability indicator		Metric
Greenhouse gas emissions	18. GHG emissions	GHG emissions Split by: <ul style="list-style-type: none"> • Scope 1 emissions generated by real estate assets • Scope 2 emissions generated by real estate assets • (From Jan 2023) Scope 3 emissions generated by real estate assets • Total GHG emissions

Adverse sustainability indicator		Metric
		generated by real estate assets
Energy consumption	19. Energy consumption intensity	Energy consumption in GWh of owned real estate assets per square meter
Waste	20. Waste production in operations	Share of real estate assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling contract
Resource consumption	21. Raw materials consumption for new construction and major renovations	Share of raw building materials (excluding recovered, recycled and bio-sourced) compared to the total weight of building materials used in new construction and major renovations
Biodiversity	22. Land artificialisation	Share of non-vegetated surface area (surfaces that have not been vegetated in ground, as well as on roofs, terraces and walls) compared to the total surface area of the plots of all assets

6 OPERATIONAL DELIVERY OF THE IMM FRAMEWORK AND MANAGEMENT OF IMPACT RISKS

While the Board has overall responsibility for the Company's sustainability policy, day-to-day responsibility for the Company's operations (including day-to-day oversight and execution of the Company's ESG commitments) will be delegated to the Investment Adviser. As such, the Investment Adviser will be responsible for implementing the impact management processes and tools, and using them to inform investment decisions. The Investment Adviser has incorporated a mechanism for the consideration of ESG factors during all stages of the asset lifecycle.

In order to fulfil its obligations to the Company, in relation to the delivery of the Impact Objectives, the Investment Adviser will seek to ensure that these Impact Objectives are considered both before and after the Company makes an investment. In particular, the Investment Adviser will:

- complete a pre-investment impact screen in respect of each investment;
- commission an independent impact adviser to carry out an annual impact assessment and prepare an impact report in respect of each investment; and
- review the findings of the impact report in order to improve future impact performance.

7 CHARITABLE FOUNDATION

To assist the Company in achieving its impact objectives, the Investment Adviser intends, either before or after the completion of the Initial Issue, to establish an independent foundation (the "**Foundation**") on behalf of the Company and the other funds for which it acts as investment adviser (the "**Other Funds**"). It is intended that the Company and the Other Funds (subject to their independent approval) will, each year, donate at least 1 per cent. of their cash profits for the previous financial year to the Foundation. The Investment Adviser will also each year donate at least 3 per cent. of its cash profits for the previous financial year as they relate to its activities under the Investment Advisory Agreement.

The Foundation's primary focus will be to support the social objectives of the Company, the Investment Adviser and the Other Funds. In the context of the Company it will be supporting causes aligned to improving how Supported Housing is created and operated. Prior to the

establishment of the Foundation, the Company will make donations directly to charities whose charitable purpose is aligned with its social objectives.

PART 5 THE INITIAL ISSUE

1 INTRODUCTION

The Company is targeting an issue of up to 150 million Ordinary Shares pursuant to the Initial Placing, Offer for Subscription and the Intermediaries Offer (together referred to as the “**Initial Issue**”) at the Initial Issue Price of 100 pence per Ordinary Share. The Investment Adviser, via its Affiliates, and certain of their respective employees and directors intends to subscribe for Ordinary Shares pursuant to the Initial Issue. In addition, the Investment Adviser intends to request that the trustee of an employee benefit trust (which it established for the benefit of employees of itself and its Affiliates) subscribes for Ordinary Shares pursuant to the Initial Issue with a view to the trustee transferring such Ordinary Shares to certain of those employees under various share awards. These subscriptions will amount to a minimum of 1,000,000 Ordinary Shares in aggregate.

The total actual number of Ordinary Shares to be issued under the Initial Issue, and therefore the Gross Initial Proceeds, are not known at the date of this Prospectus and will be determined by the Company, the Investment Adviser and RBC after taking into account demand for the Ordinary Shares and will be notified by the Company via an RIS prior to Initial Admission.

The Initial Issue is not being underwritten.

The aggregate proceeds of the Initial Issue, after deduction of expenses, are expected to be £147 million on the assumption that the Gross Initial Proceeds are £150 million. Estimated annual Company level costs are expected to comprise approximately £1.2 million (including VAT).

The results of the Initial Issue are expected to be announced on 30 September 2022.

2 REASONS FOR THE INITIAL ISSUE AND USE OF NET INITIAL PROCEEDS

The Initial Issue is being made in order to provide investors with the opportunity to invest in Supported Housing (as described in the Company’s investment objective and investment policy set out in Part 1 (*The Company*) of this Prospectus).

The Company will use the Net Initial Proceeds to acquire investments in accordance with the Company’s investment objective and investment policy.

3 THE INITIAL PLACING

RBC has agreed to use its reasonable endeavours to procure subscribers pursuant to the Initial Placing for the Ordinary Shares on the terms and subject to the conditions set out in the Placing Agreement. Details of the Placing Agreement are set out in paragraph 9.1 of Part 8 (*Additional Information*) of this Prospectus.

The terms and conditions which shall apply to any subscription for Ordinary Shares procured by RBC are set out in Part 9 (*Terms and Conditions of the Initial Placing and Subsequent Placings*) of this Prospectus. The Initial Placing will close at 2.00 p.m. on 29 September 2022 (or such later date, not being later than 30 November 2022, as the Company and RBC may agree). If the Initial Placing is extended, the revised timetable will be notified through an RIS.

Each Placee agrees to be bound by the Articles once the Ordinary Shares, which the Placee has agreed to subscribe for pursuant to the Initial Placing, have been acquired by the Placee. The contract to subscribe for the Ordinary Shares under the Initial Placing and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the Company, the AIFM, the Investment Adviser, RBC and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or

on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placée in any other jurisdiction.

Commitments under the Placing, once made, may not be withdrawn without the consent of the Directors.

4 THE OFFER FOR SUBSCRIPTION

The Directors are also proposing to offer Ordinary Shares under the Offer for Subscription. The Offer for Subscription is being made in the United Kingdom, Guernsey and Jersey only. The public generally (unless they are located or resident outside the United Kingdom, Guernsey and Jersey) may apply for Ordinary Shares through the Offer for Subscription.

Applications under the Offer for Subscription must be for a minimum of £1,000 and thereafter in multiples of £1,000 (although the Board may accept applications below the minimum amounts stated above in their absolute discretion). The aggregate subscription price is payable in full on application. Multiple subscriptions under the Offer for Subscription by individual investors will not be accepted.

The Ordinary Shares will be a qualifying investment for the stocks and shares component of an ISA, provided they are acquired by an ISA plan manager through an offer to the public (such as the Offer for Subscription) or in the market, but not through the Initial Placing. Any person wishing to apply for Ordinary Shares under the Offer for Subscription through an ISA should contact their ISA manager as soon as possible.

The terms and conditions of application under the Offer for Subscription are set out in Part 10 (*Terms and Conditions of the Offer for Subscription*) of this Prospectus. The procedure for applying for Ordinary Shares under the Offer for Subscription and an application form for use under the Offer for Subscription can be found in Appendix 2 to this Prospectus.

Payment must be made by cheque or banker's draft or by electronic interbank transfer (CHAPS) or via CREST on a Delivery versus Payment ("**DvP**") method only. Payment by cheque or banker's draft must be in pounds Sterling drawn on a branch in the United Kingdom of a bank or building society which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or bankers' drafts to be cleared through the facilities provided for members of either of those companies. Such cheques or bankers' drafts must bear the appropriate sort code in the top right-hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have sole or joint title to the funds (the account name should be the same as that shown on the Application Form), must be made payable to "**Link Market Services Ltd Re: Independent Living REIT plc – OFS CHQ a/c**". Third-party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque/banker's draft to such effect.

Cheques or bankers' drafts will be presented for payment upon receipt. No interest will be paid on payments made before they are due. It is a term of the Offer for Subscription that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and bankers' drafts sent through the post will be sent at the risk of the sender.

If cheques or bankers' drafts are presented for payment before the conditions of the Initial Issue are fulfilled, the application monies will be kept in a separate non-interest bearing bank account. If the Offer for Subscription does not become unconditional, no Ordinary Shares will be issued pursuant to the Initial Issue and all monies will be returned in the same way they were received (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Offer for Subscription.

Payment by electronic interbank transfer (CHAPS) must be made for value by 11.00 am on 29 September 2022. Applicants should send payment to the relevant bank account as detailed on the Application Form. Applicants must ensure that they remit sufficient funds to cover any

charges incurred by their bank. The payment instruction relating to the electronic transfer must also include a unique reference comprising your name and a contact telephone number which should be entered in the reference field on the payment instruction, for example: MJ Smith 01234 567890. The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference nor where a payment has been received but without an accompanying Application Form. The account name for any electronic payment should be in the name that is given on your Application Form and payments must relate solely to your application. It is recommended that such transfers are actioned within 24 hours of posting your application, so as to be received by the Receiving Agent by no later than 11.00 a.m. on 29 September 2022.

Applicants choosing to settle via CREST must do so on a DvP basis only and will need to input their instructions in CREST in favour of the Receiving Agent's Participant Account RA06 by no later than 1.00 p.m. on 3 October 2022, allowing for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price per Ordinary Share in Sterling through the CREST system upon the settlement date, following the CREST matching criteria set out in the Application Form.

For CREST applicants, the Application Form must be in the name of the registered named CREST holder and signed by the CREST holder, rather than any underlying beneficial investor.

Completed Application Forms accompanied by a cheque or banker's draft for the full amount due or indicating that a CHAPS payment for the full amount has been made or payment will be made through CREST on a DvP basis must be posted to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received by the Receiving Agent by no later than 11.00 a.m. on 29 September 2022 at which time and date the Offer for Subscription will close. The Directors may, with the prior approval of the Investment Adviser and RBC, alter such date by shortening or lengthening the offer period under the Offer for Subscription. The Company will notify investors of any such change through the publication of a notice through an RIS.

It is a condition of any application under the Offer for Subscription that a completed version of the relevant Tax Residency Self-Certification Form is provided with the Application Form before any Application under the Offer for Subscription can be accepted, with the exception of any investors that are paying for their subscription through CREST on a DvP basis, as no Tax Residency Self-Certification Form will be required for DvP CREST investors to accompany the duly completed Application Form.

Commitments under the Offer for Subscription, once made, may not be withdrawn without the consent of the Directors.

5 THE INTERMEDIARIES OFFER

Investors may also subscribe for Ordinary Shares at the Initial Issue Price of 100 pence per Ordinary Share pursuant to the Intermediaries Offer. Only the Intermediaries' retail investor clients in the United Kingdom are eligible to participate in the Intermediaries Offer. Investors may apply to any one of the Intermediaries to be accepted as their client.

No Ordinary Shares allocated under the Intermediaries Offer will be registered in the name of any person whose registered address is outside the United Kingdom. A minimum application of 1,000 Ordinary Shares per Underlying Applicant will apply and thereafter an Underlying Applicant may apply for any higher amount. Allocations to Intermediaries will be determined solely by the Company (following consultation with RBC).

An application for Ordinary Shares in the Intermediaries Offer means that the Underlying Applicant agrees to acquire the Ordinary Shares applied for at the Initial Issue Price. Each Underlying Applicant must comply with the appropriate money laundering checks required by the relevant Intermediary and all other laws and regulations applicable to their agreement to subscribe for Ordinary Shares. Where an application is not accepted or there are insufficient Ordinary Shares available to satisfy an application in full, the relevant Intermediary will be obliged

to refund the Underlying Applicant as required and all such refunds shall be made without interest. The Company, the Investment Adviser, the AIFM, and RBC accept no responsibility with respect to the obligation of the Intermediaries to refund monies in such circumstances.

Each Intermediary has agreed, or will on appointment agree, to the Intermediaries Terms and Conditions, which regulate, *inter alia*, the conduct of the Intermediaries Offer on market standard terms and provide for the payment of a commission and/or fee (to the extent permissible by the rules of the FCA) to Intermediaries from the Intermediaries Offer Adviser acting on behalf of the Company if such Intermediary elects to receive a commission and/or fee. Pursuant to the Intermediaries Terms and Conditions, in making an application, each Intermediary will also be required to represent and warrant that they are not located in the United States and are not acting on behalf of anyone located in the United States.

In addition, the Intermediaries may prepare certain materials for distribution or may otherwise provide information or advice to retail investors in the United Kingdom, subject to the terms of the Intermediaries Terms and Conditions. Any such materials, information or advice are solely the responsibility of the relevant Intermediary and will not be reviewed or approved by any of the Company, the AIFM, the Investment Adviser, or RBC. Any liability relating to such documents shall be for the relevant Intermediaries only.

The Intermediaries Terms and Conditions provide for the Intermediaries to have an option (where the payment of such commission and/or fee is not prohibited) to be paid a commission and/or fee by the Intermediaries Offer Adviser (acting on behalf of the Company) where it has elected to receive such commission and/or fee in respect of the Ordinary Shares allocated to and paid for by them pursuant to the Intermediaries Offer.

6 **CONDITIONS**

The Initial Issue is conditional, *inter alia*, on:

- 6.1 the Placing Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms prior to Initial Admission;
- 6.2 Initial Admission occurring by 8.00 a.m. on 4 October 2022 (or such later date, not being later than 30 November 2022, as the Company and RBC may agree); and
- 6.3 the Minimum Net Initial Proceeds being raised (or such lesser amount as the Company and RBC may determine and notify to investors via an RIS announcement and a supplementary prospectus including a working capital statement based on a revised minimum net proceeds figure).

If the conditions to the Initial Issue are not satisfied, the Initial Issue will not proceed and applications made in respect of the Initial Issue will be rejected. In such circumstances, application monies received will be returned to applicants without interest at the applicants' risk, as soon as practicable thereafter.

7 **SCALING BACK AND ALLOCATION**

All Ordinary Shares issued or sold pursuant to the Initial Issue will be issued or sold at the Initial Issue Price. Allocations will be determined at the discretion of RBC (following consultation with the Company and the Investment Adviser) after indications of interest to acquire Ordinary Shares from prospective investors have been received.

In the event that commitments under the Initial Issue exceed the maximum number of Ordinary Shares available, applications under the Initial Issue will be scaled back at the Company's discretion in consultation with RBC.

To the extent that any commitment or application is scaled back, subscription monies received in respect of unsuccessful applications (or to the extent scaled back) will be returned, by cheque, without interest at the risk of the applicant to the address as shown on the application.

There will be no priority given to applications under the Initial Placing, applications under the Offer for Subscription or applications under the Intermediaries Offer pursuant to the Initial Issue.

8 THE PLACING AGREEMENT

The Placing Agreement contains provisions entitling RBC to terminate the Initial Issue (and the arrangements associated with it) at any time prior to Initial Admission in certain circumstances. If this right is exercised, the Initial Issue and these arrangements will lapse and any monies received in respect of the Initial Issue will be returned to each applicant without interest within 14 days at the applicant's risk.

The Placing Agreement provides for RBC to be paid commission by the Company in respect of the Ordinary Shares to be allotted pursuant to the Initial Issue.

Under the Placing Agreement, RBC is entitled at its discretion and out of its own resources at any time to rebate to some or all investors, or to other parties, part or all of its fees relating to the Initial Issue. RBC is also entitled under the Placing Agreement to retain agents and may pay commission in respect of the Initial Issue to any or all of those agents out of its own resources.

Further details of the terms of the Placing Agreement are set out in paragraph 9.1 of Part 8 (*Additional Information*) of this Prospectus.

9 WITHDRAWAL RIGHTS

In the event that the Company is required to publish a supplementary prospectus prior to Initial Admission, applicants who have applied for Ordinary Shares under the Offer for Subscription or Intermediaries Offer shall have at least two clear Business Days following the publication of the relevant supplementary prospectus within which to withdraw their offer to acquire Ordinary Shares in the Offer for Subscription or Intermediaries Offer in its entirety. If the application is not withdrawn within the stipulated period, any offer to apply for Ordinary Shares in the Offer for Subscription or Intermediaries Offer will remain valid and binding.

In the event of a supplementary prospectus being issued, full details on how an investor can withdraw an application for Ordinary Shares will be detailed within the supplementary prospectus.

Subject to their statutory right of withdrawal pursuant to section 87(Q)(4) of FSMA in the event of the publication of a supplementary prospectus, applicants under the Offer for Subscription and Intermediaries Offer may not withdraw their applications for Ordinary Shares.

10 ANTI-MONEY LAUNDERING

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK, the Company and its agents (and their agents) may require evidence of the identity of each investor in connection with any application for Ordinary Shares, including further identification of any applicant, before any Ordinary Shares may be issued to that applicant.

11 ADMISSION, CLEARING AND SETTLEMENT

Applications will be made to the FCA and the London Stock Exchange for all the Ordinary Shares to be issued pursuant to the Initial Issue to be admitted to the premium listing segment of the Official List and to trading on the premium segment of the London Stock Exchange's main market. It is expected that Initial Admission will become effective, and that dealings in such Ordinary Shares will commence, at 8.00 a.m. on 4 October 2022.

Payment for the Ordinary Shares, in the case of the Initial Placing, should be made in accordance with settlement instructions to be provided to placees by RBC. Payment for the

Ordinary Shares, in the case of the Offer for Subscription, should be made in accordance with the Terms and Conditions of the Offer for Subscription set out in Part 10 of this Prospectus and in the Application Form. Payment for the Ordinary Shares, in the case of the Intermediaries Offer, should be made in accordance with the Intermediaries Terms and Conditions. To the extent that any application for Ordinary Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest at the risk of the applicant.

Ordinary Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST from the date of Initial Admission. CREST is a paperless book-entry settlement system operated by Euroclear which enables securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so.

It is anticipated that, where investors have requested them, certificates in respect of the Ordinary Shares to be held in certificated form will be dispatched within 10 Business Days of Initial Admission. Temporary documents of title will not be issued pending the dispatch of definitive certificates for Ordinary Shares issued in certificated form and pending dispatch of definitive certificates for Ordinary Shares transfers will be certified against the register.

Ordinary Shares initially issued in certificated form may subsequently be deposited into CREST in accordance with normal CREST procedures following Initial Admission. Dealings in the Ordinary Shares in advance of the crediting of the relevant CREST accounts or the issue of certificates will be at the risk of the persons concerned.

Ordinary Shares issued in uncertificated form will be transferred to successful applicants through the CREST system and CREST accounts will be credited with the Ordinary Shares issued in uncertificated form pursuant to the Initial Issue on 4 October 2022 (or as soon as practicable thereafter). Accordingly, settlement of transactions in the Ordinary Shares following Initial Admission may take place within the CREST system if any Shareholder so wishes. The names of subscribers or their nominees investing through their CREST accounts will be entered directly on to the share register of the Company.

The transfer of Ordinary Shares out of the CREST system following Initial Admission should be arranged directly through CREST. However, an investor's beneficial holding held through the CREST system may be exchanged, in whole or in part, only upon the specific request of the registered holder to CREST for share certificates or an uncertificated holding in definitive registered form. If a Shareholder or transferee requests Ordinary Shares to be issued in certificated form and is holding such Ordinary Shares outside CREST, a share certificate will be dispatched either to him or his nominated agent (at his risk) within 21 days of completion of the registration process or transfer, as the case may be, of the Ordinary Shares. Shareholders holding definitive certificates may elect at a later date to hold such Ordinary Shares through CREST or in uncertificated form provided they surrender their definitive certificate.

The ISIN number of the Ordinary Shares is GB00BPLHRL49 and the SEDOL code is BPLHRL4.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary Shares. Accordingly, the dealing price of the Ordinary Shares may not necessarily reflect changes in the Net Asset Value per Ordinary Share.

COSTS OF THE INITIAL ISSUE

The formation and initial expenses of the Company are those that arise from, or are incidental to, the establishment of the Company, the Initial Issue and Initial Admission. The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue are expected to be approximately £3 million, equivalent to approximately 2 per cent. of the Gross Initial Proceeds, assuming Gross Initial Proceeds of £150 million. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue. It is

expected that the starting Net Asset Value per Ordinary Share will be approximately 98 pence, assuming Gross Initial Proceeds of £150 million.

All expenses incurred by any Intermediary are for its own account. Investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offer.

13 **MATERIAL INTERESTS**

There are no interests that are material to the Initial Issue and no conflicting interests.

14 **DILUTION**

The Initial Issue will not result in dilution.

15 **OVERSEAS INVESTORS**

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the AIFM or RBC.

The attention of persons resident outside the UK is drawn to the notices to investors set out in the section entitled “Important Information” commencing on page 33 of this Prospectus, which set out restrictions on the holding of Ordinary Shares by such persons in certain jurisdictions.

In particular investors should note that the Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Ordinary Shares may not be offered, sold, resold, delivered, pledged or otherwise transferred, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons except in a transaction exempt from or not subject to, the registration requirements under the US Securities Act and the securities laws of any state or other jurisdiction of the United States. There will be no public offer of the Ordinary Shares in the United States. The Ordinary Shares are being offered and sold solely (i) outside the United States to persons who are not US Persons in “offshore transactions” as defined in and pursuant to Regulation S under the US Securities Act; and (ii) within the United States to a limited number of investors that are reasonably believed to be “qualified institutional buyers” (as the term is defined in Rule 144A under the US Securities Act) that are also “qualified purchasers” within the meaning of Section 2(a)(51) of the US Investment Company Act pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

Moreover, the Company has not been and will not be registered under the US Investment Company Act and investors will not be entitled to the benefits of the US Investment Company Act. The Ordinary Shares and any beneficial interests therein may only be transferred in an “offshore transaction” as defined in and in accordance with Regulation S under the US Securities Act (i) to a person outside the United States and not known by the transferor to be a US Person, by prearrangement or otherwise; or (ii) to the Company or a subsidiary thereof.

The Company reserves the right to treat as invalid any agreement to subscribe for Ordinary Shares under the Initial Issue if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

16 **SUBSCRIBER REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS**

Each subscriber of Ordinary Shares in the Initial Issue and each subsequent investor in the Ordinary Shares will, unless otherwise expressly agreed with the Company and RBC, be deemed to have represented, warranted, undertaken, agreed and acknowledged as follows

as of the date it subscribes or otherwise acquires such Ordinary Shares or any beneficial interest therein:

- 16.1 (x), it is not a US Person, is not located within the United States, is acquiring the Ordinary Shares in an “offshore transaction” as defined in and meeting the requirements of Regulation S and is not acquiring the Ordinary Shares for the account or benefit of a US Person; (y) it is a dealer or other professional fiduciary organized or incorporated in the United States acting for a discretionary account (other than an estate or trust) held for the benefit or account of a non US Person in reliance on Regulation S; or (z) it is both a “qualified institutional buyer” (as the term is defined in Rule 144A under the US Securities Act) that is also a “qualified purchaser” within the meaning of Section 2(a)(51) of the US Investment Company Act and it has signed a US investor letter in a form satisfactory to the Company;
- 16.2 it acknowledges that the Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold in the United States or to, or for the account or benefit of, US Persons absent registration or an exemption from registration under the US Securities Act;
- 16.3 it acknowledges that the Company has not registered under the US Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the US Investment Company Act;
- 16.4 unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an “employee benefit plan” as defined in section 3(3) of ERISA that is subject to Part 4 of subtitle B of fiduciary responsibility or prohibited transaction Title I of ERISA; (ii) a “plan” as defined in section 4975 of the Internal Revenue Code, including an individual retirement account, that is subject to section 4975 of the Internal Revenue Code; or (iii) an entity whose underlying assets include the assets of any such “employee benefit plan” or “plans” by reason of ERISA or the US Department of Labor Regulations, 29 C.F.R. 2510.3-101, as and to the extent modified by section 3(42) of ERISA (the “**Plan Assets Regulation**”), or otherwise (including certain insurance company general accounts) for the purposes of section 4.6 of ERISA or section 4975 of the Internal Revenue Code. In addition, if an investor is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or section 4975 of the Internal Revenue Code, its purchase, holding, and disposition of the Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;
- 16.5 if in the future the investor decides to offer, sell, transfer, assign or otherwise dispose of the Ordinary Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act;
- 16.6 it is purchasing the Ordinary Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Ordinary Shares in any manner that would violate the US Securities Act, the US Investment Company Act or any other applicable securities laws;
- 16.7 it acknowledges that the Company reserves the right to make inquiries of any holder of the Ordinary Shares or interests therein at any time as to such person’s status under the US federal securities laws and to require any such person that has not satisfied the Company that the holding of Ordinary Shares by such person will not violate or require registration under the US securities laws to transfer such Ordinary Shares or interests in accordance with the Articles;
- 16.8 it acknowledges and understands that the Company is required to comply with FATCA and the CRS and that the Company will follow FATCA’s and CRS’s extensive reporting and FATCA’s withholding requirements from their effective date. The investor agrees to furnish

any information and documents the Company may from time to time request, including but not limited to, information required under FATCA or the CRS;

- 16.9 it is entitled to acquire the Ordinary Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the Ordinary Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the Investment Adviser, the AIFM, RBC or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with its acceptance of participation in the Initial Issue;
- 16.10 it has received, carefully read and understands this Prospectus, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other presentation or offering materials concerning the Ordinary Shares to or within the United States or to any US Persons, nor will it do any of the foregoing; and
- 16.11 if it is acquiring any Ordinary Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

The Company, the Investment Adviser, the AIFM, RBC and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, undertakings, acknowledgments and agreements. If any of the representations, warranties, undertakings, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the investor must immediately notify the Company and RBC.

PART 6 THE PLACING PROGRAMME

1 INTRODUCTION

The Company has authority to issue up to 350 million Ordinary Shares (less the number of Ordinary Shares issued pursuant to the Initial Issue) on a non-pre-emptive basis pursuant to one or more Subsequent Placings under the Placing Programme.

The Placing Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares in the period from Initial Admission to the Final Closing Date.

The Placing Programme is intended to satisfy market demand for Ordinary Shares and to raise further money after the Initial Issue to increase the size of the Company and to provide cash which the Company can invest in accordance with its investment policy.

2 THE PLACING PROGRAMME

The Placing Programme will open on 12 September 2022 and will close on 11 September 2023 (or any earlier date on which it is fully subscribed, or as otherwise determined by the Directors). The terms and conditions that apply to the purchase of Ordinary Shares under each Subsequent Placing are set out in Part 9 (*Terms and Conditions of the Initial Placing and each Subsequent Placing*) of this Prospectus.

The size and frequency of each Subsequent Placing under the Placing Programme will be determined at the sole discretion of the Directors, in consultation with the Investment Adviser and RBC.

The Company will make a decision on each Subsequent Placing under the Placing Programme as to whether the Company will issue Ordinary Shares. It will make this decision based on a combination of factors, and having taken into account the opinions of the Investment Adviser and RBC, including, amongst other things, the potential size of any issue relative to the Company's existing market capitalisation and gross assets, the potential level of demand for new shares amongst Shareholders and potential investors, and the speed with which the Investment Adviser estimates that it could invest any new proceeds raised.

Ordinary Shares issued pursuant to the Placing Programme will rank *pari passu* with the Ordinary Shares then in issue (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment of the relevant Ordinary Shares).

The issue of Ordinary Shares under the Placing Programme is at the discretion of the Directors. Subsequent Placings may take place at any time prior to the Final Closing Date.

An announcement will be released through an RIS providing details of each Subsequent Placing, including the number of Ordinary Shares to be issued and the applicable Placing Programme Price prior to the allotment of the relevant Ordinary Shares under the Placing Programme.

Neither the Placing Programme nor any Subsequent Placing is being underwritten and, as at the date of this Prospectus, the actual number of Ordinary Shares to be issued under the Placing Programme is not known. The maximum number of Ordinary Shares available under the Placing Programme should not be taken as an indication of the final number of Ordinary Shares to be issued. Where new Ordinary Shares are issued pursuant to a Subsequent Placing, the total assets of the Company will increase by that number of Ordinary Shares multiplied by the applicable Placing Programme Price less the expenses of such Subsequent Placing. The net proceeds of any Subsequent Placing under the Placing Programme are dependent, amongst other things, on, the level of subscriptions received, the price at which such Ordinary Shares are issued and the costs of the Subsequent Placing. Ordinary Shares issued pursuant to each Subsequent Placing will rank *pari passu* with the Ordinary Shares

then in issue (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment and issue of the relevant Ordinary Shares).

There is no minimum size of Subsequent Placings under the Placing Programme.

The Placing Programme will be suspended at any time when the Company is unable to issue Shares pursuant to the Placing Programme under any statutory provision or other regulation applicable to the Company or otherwise at the Directors' discretion. The Placing Programme may resume when such circumstances cease to exist, subject to the Final Closing Date.

3 **CONDITIONS**

Each Subsequent Placing under the Placing Programme is conditional, *inter alia*, on:

- 3.1 the Placing Agreement becoming otherwise unconditional in respect of that Subsequent Placing, and not being terminated in accordance with its terms before the relevant Subsequent Admission becomes effective;
- 3.2 if a supplementary prospectus is required to be published in accordance with Article 23 of the UK Prospectus Regulation, such supplementary prospectus being approved by the FCA and published by the Company in accordance with the Prospectus Regulation Rules; and
- 3.3 Subsequent Admission of the Ordinary Shares issued pursuant to that Subsequent Placing at such time and on such date as the Company, the Investment Adviser, and RBC may agree prior to the closing of that Subsequent Placing, not being later than 11 September 2023.

If these conditions are not satisfied in respect of any Subsequent Placing under the Placing Programme, the issue of the relevant Ordinary Shares will not proceed and subscription monies received will be returned without interest at the risk of the applicant.

4 **PLACING PROGRAMME PRICE**

All Ordinary Shares issued pursuant to the Placing Programme will be issued at a premium to the Net Asset Value per Ordinary Share at least sufficient to cover the costs and expenses of the relevant Placing. In accordance with Chapter 15 of the Listing Rules, the Company may not issue Ordinary Shares on a non-pre-emptive basis at a price below the prevailing published Net Asset Value per Ordinary Share without prior Shareholder approval.

The Placing Programme Price of any Ordinary Shares to be issued pursuant to a Subsequent Placing will be announced through a Regulatory Information Service as soon as is practicable following the allotment of such Ordinary Shares.

There are no expenses charged directly to investors by the Company in addition to the applicable Placing Programme Price for the Ordinary Shares for which they subscribe under the Placing Programme.

5 **USE OF PROCEEDS**

The Directors intend to use the net cash proceeds of any Subsequent Placing under the Placing Programme for investment in accordance with the Company's investment policy and to fund the Company's operational expenses.

6 **BENEFITS OF THE PLACING PROGRAMME**

The Directors believe that the issue of Ordinary Shares pursuant to the Placing Programme should yield the following principal benefits:

- the ability for the Company to raise additional capital promptly, allowing it to take advantage of future investment opportunities as and when they arise, further diversifying the Company's portfolio of investments;
- the ability to issue Ordinary Shares so as to better manage the premium at which the Ordinary Shares may trade relative to the Net Asset Value per Ordinary Share;
- enhancing the Net Asset Value per Ordinary Share of existing Ordinary Shares through new issues of Ordinary Shares at a premium to the prevailing published Net Asset Value per Ordinary Share;
- growing the Company, thereby spreading operating costs over a larger capital base which should reduce the ongoing charges ratio; and
- improving liquidity in the secondary market for the Ordinary Shares.

7 **BASIS OF ALLOCATION**

The basis of allocation of Ordinary Shares shall be determined by the Company (following consultation with the Investment Adviser and RBC). If subscriptions under any Subsequent Placing exceed the maximum number of Ordinary Shares available under that Subsequent Placing, the Company will scale back subscriptions at its discretion (following consultation with the Investment Adviser and RBC).

8 **THE PLACING AGREEMENT**

The Placing Agreement contains provisions entitling RBC to terminate the Placing Programme and/or any Subsequent Placing under the Placing Programme at any time prior to the Final Closing Date in certain circumstances. If this right is exercised, the Placing Programme and/or the relevant Subsequent Placing and the associated arrangements will lapse and any monies received in respect of the relevant Subsequent Placing will be returned to each applicant without interest within 14 days at the applicant's risk.

The Placing Agreement provides for RBC to be paid commission by the Company in respect of any Ordinary Shares to be allotted pursuant to the Placing Programme. Any Ordinary Shares subscribed for by RBC may be retained or dealt in by it for its own benefit.

Under the Placing Agreement, RBC is entitled at its discretion and out of its own resources at any time to rebate to some or all investors, or to other parties, part or all of its fees relating to any Subsequent Placing. RBC is also entitled under the Placing Agreement to retain agents and may pay commission in respect of any Subsequent Placing to any or all of those agents out of its own resources.

Further details of the terms of the Placing Agreement are set out in paragraph 9.1 of Part 8 (*Additional Information*) of this Prospectus.

9 **INTRODUCTORY SERVICES ENGAGEMENT LETTER**

The Company has appointed the Investment Adviser to use reasonable endeavours, as a non-exclusive independent marketer, to introduce to the Company those prospective investors who it has been agreed in writing between the Company and the Investment Adviser that it may approach.

The Investment Adviser will be paid a commission of one per cent. of the aggregate subscription price for shares for which prospective investors introduced by the Investment

Adviser subscribe (or such other commission as may be agreed between the Company and the Investment Adviser in writing).

10 **DILUTION TO PERCENTAGE HOLDING**

Existing Shareholders will not be obliged to participate in the Placing Programme. However, those Shareholders who do not participate in the Placing Programme will suffer a dilution to the percentage of the issued share capital that their current shareholding represents based on the actual number of Issue Shares issued under the Initial Issue and the Placing Programme.

If 200 million Ordinary Shares were to be issued pursuant to Subsequent Placings (being the maximum number of Ordinary Shares that the Directors will be authorised to issue under the Placing Programme if 150 million Ordinary Shares are issued on Initial Admission)) and assuming that: (A) 150 million Ordinary Shares had been issued on Initial Admission; (B) no other Ordinary Shares had been issued; and (C) the relevant investor did not participate in any Subsequent Placings, an investor holding 1 per cent. of the Company's issued share capital after the Initial Issue would then hold 0.43 per cent. of the Company's issued share capital following completion of all the Subsequent Placings.

11 **GENERAL**

In the event that there are any significant changes affecting any of the matters described in this Prospectus or where any significant new matters have arisen after the publication of this Prospectus and prior to the relevant Subsequent Admission, the Company will publish a supplementary prospectus. The supplementary prospectus will give details of the significant change(s) or the significant new matter(s).

Applications under each Subsequent Placing under the Placing Programme will be on the terms and conditions set out in Part 9 (*Terms and Conditions of the Initial Placing and each Subsequent Placing*) of this Prospectus, together with any relevant supplementary prospectus applicable to the relevant Subsequent Placing. These terms and conditions should be read carefully before a commitment is made.

The number of Ordinary Shares allotted and issued, and the basis of allocation under a Subsequent Placing, is expected to be announced as soon as reasonably practicable following the closing of that Subsequent Placing.

12 **ANTI-MONEY LAUNDERING**

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK, the Company and its agents (and their agents), may require evidence of the identity of each investor in connection with any application for Ordinary Shares, including further identification of any applicant, before any Ordinary Shares may be issued to that applicant.

13 **ADMISSION, CLEARING AND SETTLEMENT**

Applications will be made to the FCA and the London Stock Exchange for all the Ordinary Shares to be issued pursuant to the Placing Programme to be admitted to the premium segment of the Official List and to trading on the premium segment of the London Stock Exchange's main market for listed securities. It is expected that such admissions will become effective, and that dealings in the Ordinary Shares will commence, during the period from Initial Admission to 11 September 2023. All dealings in Ordinary Shares prior to the commencement of unconditional dealings will be at the sole risk of the parties concerned.

Payment for the Ordinary Shares should be made in accordance with settlement instructions to be provided to placees by RBC. To the extent that any application for Ordinary Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest at the risk of the applicant.

Ordinary Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST from the date of the relevant Subsequent Admission. CREST is a paperless book-entry settlement system operated by Euroclear which enables securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so.

It is anticipated that, where Shareholders have requested them, certificates in respect of the Ordinary Shares to be held in certificated form will be dispatched within 10 Business Days following Subsequent Admission of the relevant Ordinary Shares. Pending receipt by Shareholders of definitive share certificates, if issued, the Registrar will certify any instruments of transfer against the register of members.

Ordinary Shares initially issued in certificated form may subsequently be deposited into CREST in accordance with normal CREST procedures. Dealings in the Ordinary Shares in advance of the crediting of the relevant CREST accounts or the issue of certificates will be at the risk of the persons concerned.

In the case of Ordinary Shares to be issued in uncertificated form pursuant to a Subsequent Placing, these will be transferred to successful applicants through the CREST system. Accordingly, settlement of transactions in the Ordinary Shares following the relevant Subsequent Admission may take place within the CREST system if any Shareholder so wishes. The names of subscribers or their nominees investing through their CREST accounts will be entered directly on to the share register of the Company.

The transfer of Ordinary Shares out of the CREST system following a Subsequent Placing should be arranged directly through CREST. However, an investor's beneficial holding held through the CREST system may be exchanged, in whole or in part, only upon the specific request of the registered holder to CREST for share certificates or an uncertificated holding in definitive registered form. If a Shareholder or transferee requests Ordinary Shares to be issued in certificated form and is holding such Ordinary Shares outside CREST, a share certificate will be dispatched either to him or his nominated agent (at his risk) within 21 days of completion of the registration process or transfer, as the case may be, of the Ordinary Shares. Shareholders holding definitive certificates may elect at a later date to hold such Ordinary Shares through CREST or in uncertificated form provided they surrender their definitive certificate.

The ISIN number of the Ordinary Shares is GB00BPLHRL49 and the SEDOL code is BPLHRL4.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary Shares. Accordingly, the dealing price of the Ordinary Shares may not necessarily reflect changes in the Net Asset Value per the relevant class Issue Share.

14 **COSTS OF THE PLACING PROGRAMME**

The costs and expenses of the Company relating to the Placing Programme are those that arise from, or are incidental to, the issue of Ordinary Shares pursuant to Subsequent Placings. It is estimated that the costs and expenses of each Subsequent Placing will be approximately 2 per cent. of gross proceeds of the relevant Subsequent Placing. These include the fees payable in relation to each Subsequent Admission, including listing and admission fees, as well as fees and commissions due under the Placing Agreement and any other applicable expenses in relation to the Placing Programme.

The costs and expenses of issuing Ordinary Shares pursuant to any Subsequent Placing will be covered by issuing such Ordinary Shares at the prevailing published Net Asset Value per Ordinary Share at the time of issue together with a premium to at least cover the costs and expenses of the relevant Subsequent Placing of Ordinary Shares (including, without limitation, any placing commissions).

OVERSEAS INVESTORS

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the AIFM or RBC.

The attention of persons resident outside the UK is drawn to the notices to investors set out in the section entitled “Important Information” commencing on page 33 of this Prospectus, which set out restrictions on the holding of Ordinary Shares by such persons in certain jurisdictions.

In particular investors should note that neither the Ordinary Shares have been and nor will they be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Ordinary Shares may not be offered, sold, resold, delivered, pledged or otherwise transferred, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons except in a transaction exempt from or not subject to the registration requirements under the US Securities Act and the securities laws of any state or other jurisdiction of the United States. There will be no public offer of the Ordinary Shares in the United States. The Ordinary Shares will be offered and sold solely (i) outside the United States to persons who are not US Persons in “offshore transactions” as defined in and pursuant to Regulation S under the US Securities Act; and (ii) within the United States to a limited number of investors that are reasonably believed to be “qualified institutional buyers” (as the term is defined in Rule 144A under the US Securities Act) that are also “qualified purchasers” within the meaning of Section 2(a)(51) of the US Investment Company Act pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

Moreover, the Company has not been and will not be registered under the US Investment Company Act and investors will not be entitled to the benefits of the US Investment Company Act. The Ordinary Shares and any beneficial interests therein may only be transferred in an “offshore transaction” as defined in and in accordance with Regulation S under the US Securities Act (i) to a person outside the United States and not known by the transferor to be a US Person, by prearrangement or otherwise; or (ii) to the Company or a subsidiary thereof.

The Company reserves the right to treat as invalid any agreement to subscribe for Ordinary Shares under any Subsequent Placing if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

SUBSCRIBER REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

Each subscriber of Ordinary Shares in any Subsequent Placing under the Placing Programme and each subsequent investor in such Ordinary Shares will, unless otherwise expressly agreed with the Company and RBC, be deemed to have represented, warranted, undertaken, agreed and acknowledged as follows as of the date it subscribes or otherwise acquires such Ordinary Shares or any beneficial interest therein:

- 16.1 (x) it is not a US Person, is not located within the United States, is acquiring the Ordinary Shares in an “offshore transaction” as defined in and meeting the requirements of Regulation S and is not acquiring the Ordinary Shares for the account or benefit of a US Person; (y) it is a dealer or other professional fiduciary organized or incorporated in the United States acting for a discretionary account (other than an estate or trust) held for the benefit or account of a non US Person in reliance on Regulation S; or (z) it is both a “qualified institutional buyer” (as the term is defined in Rule 144A under the US Securities Act) that is also a “qualified purchaser” within the meaning of Section 2(a)(51) of the US Investment Company Act and it has signed a US investor letter in a form satisfactory to the Company;
- 16.2 it acknowledges that the Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction

of the United States and, subject to certain exceptions, may not be offered or sold in the United States or to, or for the account or benefit of, US Persons absent registration or an exemption from registration under the US Securities Act;

- 16.3 it acknowledges that the Company has not registered under the US Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the US Investment Company Act;
- 16.4 unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an “employee benefit plan” as defined in section 3(3) of ERISA that is subject to Part 4 of subtitle B of fiduciary responsibility or prohibited transaction Title I of ERISA; (ii) a “plan” as defined in section 4975 of the Internal Revenue Code, including an individual retirement account, that is subject to section 4975 of the Internal Revenue Code; or (iii) an entity whose underlying assets include the assets of any such “employee benefit plan” or “plans” by reason of ERISA or the US Department of Labor Regulations, 29 C.F.R. 2510.3-101, as and to the extent modified by section 3(42) of ERISA (the “**Plan Assets Regulation**”), or otherwise (including certain insurance company general accounts) for the purposes of section 4.6 of ERISA or section 4975 of the Internal Revenue Code. In addition, if an investor is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or section 4975 of the Internal Revenue Code, its purchase, holding, and disposition of the Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;
- 16.5 if in the future the investor decides to offer, sell, transfer, assign or otherwise dispose of the Ordinary Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act;
- 16.6 it is purchasing the Ordinary Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Ordinary Shares in any manner that would violate the US Securities Act, the US Investment Company Act or any other applicable securities laws;
- 16.7 it acknowledges that the Company reserves the right to make inquiries of any holder of the Ordinary Shares or interests therein at any time as to such person’s status under the US federal securities laws and to require any such person that has not satisfied the Company that the holding of Ordinary Shares by such person will not violate or require registration under the US securities laws to transfer such Ordinary Shares or interests in accordance with the Articles;
- 16.8 it acknowledges and understands that the Company is required to comply with FATCA and the CRS and that the Company will follow FATCA’s and CRS’s extensive reporting and withholding requirements from their effective date. Each subscriber of Ordinary Shares agrees to furnish any information and documents the Company may from time to time request, including but not limited to, information required under FATCA or the CRS;
- 16.9 it is entitled to acquire the Ordinary Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the Ordinary Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the Investment Adviser, the AIFM, RBC, the Sponsor or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with its acceptance of participation in the relevant Subsequent Placing;
- 16.10 it has received, carefully read and understands this Prospectus, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any

other presentation or offering materials concerning the Ordinary Shares to or within the United States or to any US Persons, nor will it do any of the foregoing; and

- 16.11 if it is acquiring any Ordinary Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

The Company, the Investment Adviser, the AIFM, RBC, the Sponsor and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, undertakings, acknowledgments and agreements. If any of the representations, warranties, undertakings, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the investor must immediately notify the Company and RBC.

PART 7 UNITED KINGDOM TAXATION

1 GENERAL

- 1.1 The statements below are intended to be a general summary of certain UK tax considerations relevant to prospective investors in Ordinary Shares. This is not a comprehensive summary of all aspects of the taxation of the Group and Shareholders and is not intended to constitute legal or tax advice.
- 1.2 The statements below are based on current UK tax law and what is understood to be the current practice (which may not be binding) of HMRC as at the date of this Prospectus, both of which are subject to change, possibly with retrospective effect. Prospective investors should familiarise themselves with, and where appropriate should consult their own professional advisers on, the overall tax consequences of investing in the Company. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will apply or will endure indefinitely. The tax consequences for each investor investing in the Company may depend on the investor's own tax position and upon relevant laws of any jurisdiction to which the investor is subject.
- 1.3 If you are in any doubt as to your tax position or if you are subject to tax in a jurisdiction outside the UK, you should consult an appropriate professional adviser without delay.

2 UK TAX TREATMENT OF THE COMPANY AND THE REIT REGIME

- 2.1 It is intended that the Company will become the principal company of a REIT Group consisting of the Company and the Subsidiaries. The Company will be UK tax resident at Admission and will therefore be subject to UK corporation tax on its worldwide profits and gains unless and until REIT status is obtained. Similarly, the Subsidiaries that are UK tax resident will be subject to UK corporation tax on their worldwide income and gains. Any Subsidiaries that are not UK tax resident will generally be subject to UK corporation tax on their income and gains derived from UK land and property.
- 2.2 A company that is a member of a REIT Group is not subject to UK corporation tax on its profits and gains derived from its UK Property Rental Business provided certain conditions are satisfied. Instead, distributions by the principal company of a REIT Group in respect of the UK Property Rental Business of the members of that REIT Group are treated for UK tax purposes as UK property income in its shareholders' hands so far as the distribution is a distribution of profits which have benefitted from the REIT exemption from UK tax. Such a distribution paid by the principal company is referred to in this section as a Property Income Distribution ("**PID**").
- 2.3 Any company which is a member of a REIT Group is also (partially or potentially fully) exempt from corporation tax on chargeable gains on the disposal of shares, where the company disposed of is UK property rich. "UK property rich" broadly means that the company in question derives 75 per cent. or more of its value from interests in UK land. This exemption applies on a proportionate basis, by reference to the proportion which the value of the UK property rental business assets of the company disposed of bears to that company's total assets. As such, a gain on a disposal of shares in a subsidiary whose sole activity is the carrying on of a UK property rental business, with all of its assets held for the purpose of that UK property rental business, should generally be treated as a gain arising from the UK Property Rental Business and benefit in full from the exemption. Any such gains would be treated as a PID when distributed to shareholders.
- 2.4 Any company which is a member of a REIT Group will be subject to UK tax in respect of profits and gains from business other than Property Rental Business (the "**Residual Business**"), where the UK has primary taxing rights over such profits. Such UK tax could be UK corporation tax currently charged at 19 per cent. (due to be 25 per cent. from April 2023) or UK income tax charged at the basic rate of 20 per cent. Dividends from a principal company

of a REIT Group relating to the Residual Business are treated as normal dividends in the hands of its shareholders. Any such dividend is referred to in this section as a Non-Property Income Distribution ("**Non-PID Dividend**").

- 2.5 While the REIT Group regime applies to a group, the UK Property Rental Business will be treated for corporation tax purposes as a separate business from Residual Business and a loss incurred by one business cannot be set off against profits of the other.

3 **QUALIFICATION AS A REIT GROUP**

- 3.1 A group becomes a REIT Group by the principal company serving notice on HMRC before the date from which the group wishes to be subject to the REIT regime. To qualify as a REIT Group, the principal company (in this case, the Company) and the other members of the Group must satisfy certain conditions set out in Part 12 CTA 2010. The Company will serve notice on HMRC for the Group to become a REIT Group as soon as reasonably practicable following satisfaction of these conditions following Admission. A non-exhaustive summary of the material conditions is set out below.

UK residence and non-OEIC condition

- 3.2 The Company must be a solely UK tax resident company and must not be an open-ended investment company.

Share capital condition

- 3.3 The Company's ordinary share capital must be admitted to trading on a recognised stock exchange (which includes the premium segment of the main market of the LSE) throughout each accounting period. In addition, in respect of each accounting period, the Company's ordinary share capital must either be listed on a recognised stock exchange throughout the period, or traded on a recognised stock exchange during the period. This additional condition is relaxed in the Company's first three accounting periods within the REIT Group regime.
- 3.4 This condition is also relaxed where at least 70% of the Company's ordinary share capital is owned by certain institutional investors. However, this relaxation is not expected to be relevant here given the intention for the Ordinary Shares to be admitted to trading on the premium segment of the main market of the LSE.

Other share capital ownership requirements

- 3.5 The Company must not be a close company as defined by section 439 CTA 2010 and as applied by section 528(5) CTA 2010, other than by virtue of having a participator who is an institutional investor. Broadly, the close company condition requires that the Company is not under the control of five or fewer participators or of participators who are directors (participators for these purposes is defined by section 454 CTA 2010). An institutional investor broadly includes the trustee or manager of an authorised unit trust (or overseas equivalent), an open-ended investment company (or overseas equivalent), a limited partnership which is a collective investment scheme, a pension scheme, an insurance company, a charity, a registered social landlord, a person with sovereign immunity, a UK REIT or the non-UK equivalent of a UK REIT. The close company condition is relaxed for the first three years following entry into the REIT regime.
- 3.6 The Company must have only one class of ordinary shares in issue and the only other shares it may issue are particular types of non-voting restricted preference shares.

Borrowing restrictions

- 3.7 The Company must not be party to any loan in respect of which the lender is entitled to interest which exceeds a reasonable commercial return on the consideration lent or where the interest depends to any extent on the results of any of its business or on the value of any of its assets. A loan is not treated as carrying results-dependent interest by reason only that the terms of the loan provide for interest to reduce if the results improve or to increase if the results

deteriorate. In addition, the amount repayable must either not exceed the amount lent or must be reasonably comparable with the amount generally repayable (in respect of an equal amount lent) under the terms of issue of securities listed on a recognised stock exchange.

Financial statements

- 3.8 The Company must prepare financial statements in accordance with the statutory requirements set out in sections 532 and 533 CTA 2010 (the “**Financial Statements**”) and submit these to HMRC. In particular, the Financial Statements must contain information about the Property Rental Business and the Residual Business separately.

Conditions for the Property Rental Business

- 3.9 A Property Rental Business must be carried on throughout each accounting period and satisfy the conditions summarised below in respect of each accounting period during which the Group is to be treated as a REIT Group. Owner-occupied property (as interpreted by generally accepted accounting practice) is excluded from the tax exempt Property Rental Business.
- 3.10 The Property Rental Business must, throughout the accounting period, involve at least three properties.
- 3.11 Throughout the accounting period, no one property may represent more than 40 per cent. of the total value of all properties involved in the Property Rental Business. Assets must be valued in accordance with IFRS and at fair value when IFRS offers a choice between fair value and a costs basis.
- 3.12 The income profits arising from the Property Rental Business must represent at least 75 per cent. of the REIT Group’s total income profits for the accounting period (the “**75 Per Cent Profits Condition**”). Profits for this purpose means profits calculated in accordance with international accounting standards but excluding, broadly, gains and losses on the disposal of property, gains and losses on the revaluation of properties, profits earned from compliance with planning obligations in the course of carrying on the Property Rental Business, and certain other exceptional items.
- 3.13 At the beginning of the accounting period the value of the assets in the Property Rental Business must represent at least 75 per cent. of the total value of assets of the REIT Group (the “**75 Per Cent Assets Condition**”). Cash held on deposit and gilts are included in the value of the assets relating to the Property Rental Business for the purpose of meeting this condition. Non-cash assets must be valued in accordance with IFRS and at fair value where IFRS offers a choice of valuation between fair value and a costs basis. In applying the test, no account is to be taken of liabilities secured against or otherwise relating to assets, or of any assets held because of compliance with planning obligations in the course of carrying on the Property Rental Business.

Distribution condition

- 3.14 The Company must (to the extent permitted by law) distribute to Shareholders, on or before the filing date for the Company’s tax return for the accounting period in question, at least 90 per cent. of the income profits (calculated, broadly, using normal UK tax rules) of the REIT Group to the extent they are derived from the UK Property Rental Business of the REIT Group. This requirement is referred to as the “**90 Per Cent Distribution Condition**”. Failure to meet the 90 Per Cent Distribution Condition will result in a tax charge calculated by reference to the extent of the failure, although in certain circumstances where the failure to meet this condition is due to an increase in profits from the amounts originally shown in the Financial Statements, this charge can be mitigated by an additional dividend paid within a specified period which brings the profits distributed up to the required level. For the purpose of satisfying the 90 Per Cent Distribution Condition, any dividend withheld in order to comply with the 10 Per Cent Rule described below will be treated as having been paid.

Investment in other REITs

- 3.15 In general, a distribution received by a REIT from another REIT is (so far as the distribution is a distribution of profits which have benefitted from the REIT exemption in the distributing REIT) treated as tax exempt profits of the UK Property Rental Business of the investing REIT. The investing REIT must distribute 100 per cent. of such distributions to its shareholders (the “**100 Per Cent Distribution Condition**”). For the purposes of the 75 Per Cent Assets Condition, the investment by a REIT in the shares of another REIT is included as an asset of the investing REIT’s Property Rental Business.

4 **OTHER CONSEQUENCES OF THE REIT REGIME**

Holders of excessive rights

- 4.1 A REIT will become subject to an additional tax charge if it pays a dividend to, or in respect of, a holder of excessive rights (the “**10 Per Cent Rule**”). A holder of excessive rights is broadly, any shareholder with a 10 per cent. or greater holding which is a body corporate (or is deemed to be a body corporate in accordance with the law in an overseas jurisdiction with which the UK has a double taxation agreement or in accordance with that double taxation agreement) but excluding any person to whom a PID must be made without deduction of income tax. The persons to whom PIDs must be made without deduction of income tax are set out at paragraphs 9.5 to 9.8 below.
- 4.2 The additional tax charge will be calculated by reference to the whole dividend paid to a holder of excessive rights, and not just by reference to the proportion which exceeds the 10 per cent. threshold. The tax charge will not be incurred if the REIT has taken reasonable steps to avoid paying dividends to such a shareholder. HMRC guidance describes certain actions that a REIT may take to demonstrate that it has taken “reasonable steps”. One of these actions is to include restrictive provisions in the articles of association of the principal company of the REIT to address this condition. Such provisions are included in the Articles.

Interest cover

- 4.3 If the ratio of the REIT Group’s income profits (before capital allowances) in respect of its UK Property Rental Business to the financing costs incurred in respect of the Property Rental Business is less than 1.25:1 for an accounting period then a tax charge will arise.
- 4.4 The ratio is based on the cost of debt finance taking into account interest, amortisation of discounts or premiums and the financing expense implicit in payments made under finance leases. The amount chargeable to corporation tax is capped at a maximum of 20 per cent. of the profits of the UK Property Rental Business for the accounting period in question.

Certain tax avoidance arrangements

- 4.5 If HMRC believes that a member of a REIT has been involved in certain tax avoidance arrangements, it may cancel the tax advantage obtained and, in addition, impose a tax charge equal to the amount of the tax advantage. These rules apply to both the Residual Business and the Property Rental Business.

Movement of assets in and out of the UK Property Rental Business

- 4.6 Where an asset owned by a REIT and used for the UK Property Rental Business begins to be used for the Residual Business, there is a tax-free step up in the base cost of the property. Where an asset used for the Residual Business begins to be used for the UK Property Rental Business, this will generally constitute a taxable market value disposal of the asset, except for capital allowances purposes. Special rules apply to disposals by way of a trade and of development property.

Joint ventures

- 4.7 Where a REIT is beneficially entitled to at least 40 per cent. of the profits available for distribution to equity holders in a joint venture company and at least 40 per cent. of the assets of the joint venture company available to equity holders in the event of a winding up, and that joint venture company is carrying on a qualifying property rental business which satisfies the 75 Per Cent Profits Condition and the 75 Per Cent Assets Condition, if certain other conditions are satisfied, the REIT may, by giving notice to HMRC, elect for the relevant proportion of the assets and income of the qualifying joint venture company to be included in the Property Rental Business for tax purposes. In such circumstances, the income and assets of the qualifying joint venture company will generally count towards the 90 Per Cent Distribution Condition, the 75 Per Cent Profits Condition and the 75 Per Cent Assets Condition. These rules also apply to joint venture groups.

Acquisitions and takeovers

- 4.8 If a REIT Group is taken over by another REIT or REIT Group, the acquired REIT Group does not necessarily cease to be a REIT Group and will, provided certain conditions are met, continue to enjoy tax exemptions in respect of the profits of its UK Property Rental Business and chargeable gains on disposals of properties in the UK Property Rental Business.
- 4.9 The position is different where a REIT Group is taken over by a purchaser which is not a REIT or REIT Group. In these circumstances, the acquired REIT Group is likely in most cases to fail to meet the requirements for being a REIT Group and will therefore be treated as leaving the REIT regime at the end of its accounting period preceding the takeover (and so ceasing from the end of this accounting period to benefit from tax exemptions on the profits of its UK Property Rental Business and chargeable gains on disposal of property forming part of its UK Property Rental Business). In these circumstances the properties in the UK Property Rental Business are treated as having been sold and reacquired at market value for the purposes of UK corporation tax on chargeable gains immediately before the end of the preceding accounting period. These disposals should be tax-free as they are deemed to have been made at a time when the acquired REIT Group was still in the REIT regime and future chargeable gains on the relevant assets will, therefore, be calculated by reference to a base cost equivalent to this market value. If the acquired REIT Group ends its accounting period immediately prior to the takeover becoming unconditional in all respects, dividends paid as PIDs before that date should not be re-characterised retrospectively as normal dividends.

5 EXIT FROM THE REIT REGIME

- 5.1 The Company can give notice to HMRC at any time that it wants the Group to leave the REIT regime.
- 5.2 If the Group voluntarily leaves the REIT regime within ten years of joining and disposes of any asset that was used in the UK Property Rental Business within two years of leaving the REIT regime then any rebasing in base cost of any property held by the REIT Group as a result of the deemed disposal on entry into the REIT regime (where there was a gain), movement into the corporation tax ring fence around the UK Property Rental Business or exit from the REIT regime would be disregarded in calculating the gain or loss on the disposal.
- 5.3 It cannot be guaranteed that the Group will be in continuing compliance with the REIT conditions at all times. HMRC may require the Group to exit the REIT regime if:
- 5.3.1 it regards a breach of the conditions relating to the REIT regime (including in relation to the Property Rental Business), or an attempt to obtain a tax advantage, as sufficiently serious;
 - 5.3.2 the Group or the Company has committed a certain number of breaches in a specified period; or
 - 5.3.3 HMRC has given members of the Group two or more notices in relation to the obtaining of a tax advantage within a ten-year period.

- 5.4 REIT Group status is also lost automatically and HMRC must be informed as soon as reasonably practicable if:
- 5.4.1 the conditions for REIT Group status relating to the share capital of the Company and the prohibition on entering into loans with abnormal returns are breached;
 - 5.4.2 the Company ceases to be UK resident for tax purposes;
 - 5.4.3 the Company becomes dual-resident;
 - 5.4.4 the Company becomes an open-ended investment company; or
 - 5.4.5 in certain circumstances, the Company ceases to fulfil the close companies condition.
- 5.5 Where the Group automatically loses REIT Group status or is required by HMRC to leave the REIT regime within 10 years of joining, HMRC has wide powers to direct how the Group should be taxed, including in relation to the date on which the Group is treated as exiting the REIT regime.
- 5.6 It should be noted that it is possible for the Group to lose its REIT Group status as a result of actions by third parties (for example, in the event of a successful takeover by a company that is not a REIT) or in other circumstances outside the Company's control (such as a change in law).

6 THE UK TAX TREATMENT OF UK TAX RESIDENT SHAREHOLDERS

- 6.1 The following statements do not purport to be a complete analysis of all potential UK tax consequences of acquiring, holding or disposing of Ordinary Shares.
- 6.2 They relate only to Shareholders who are resident and domiciled for tax purposes in (and only in) the UK (except insofar as express reference is made to the treatment of non-UK residents), who hold their Ordinary Shares as an investment (other than under an individual savings account, except insofar as express reference is made to the contrary) and who are the absolute beneficial owners of both the Ordinary Shares and any PID or Non-PID dividends paid on them.
- 6.3 The tax position of certain categories of Shareholder who are subject to special rules, such as persons who acquire (or are deemed to acquire) their Ordinary Shares in connection with an office or their (or another person's) employment, traders, brokers, dealers in securities, insurance companies, banks, financial institutions, investment companies, tax-exempt organisations, persons connected with the Company or the Group, persons holding Ordinary Shares as part of hedging or conversion transactions, Shareholders who are not domiciled or resident in the UK, collective investment schemes and those who hold ten per cent. or more of the Ordinary Shares, is not considered. Nor do the following statements consider the tax position of any person holding investments in any HMRC-approved arrangements or schemes, including the enterprise investment scheme, venture capital scheme or business expansion scheme, or any person able to claim any inheritance tax relief or holding Ordinary Shares in connection with a trade, profession or vocation carried on in the UK (whether through a branch or agency or, in the case of a corporate Shareholder, a permanent establishment or otherwise).
- 6.4 The tax consequences for each investor of investing in the Company may depend upon the investor's own tax position and upon the relevant laws of any jurisdiction to which the investor is subject.

Dividends

- 6.5 When a REIT pays a dividend (including a stock dividend), that dividend will be a PID to the extent necessary to satisfy the 90 Per Cent Distribution Condition or the 100 Per Cent Distribution Condition. If the dividend exceeds the amount required to satisfy that condition,

the REIT may determine that all or part of the balance is a Non-PID Dividend paid out of the profits of the activities of the Residual Business.

- 6.6 Any remaining balance of the dividend (or other distribution) will be a PID to the extent it is paid out of any remaining income profits of the UK Property Rental Business or gains which are exempt from tax by virtue of the REIT regime. Any further remaining balance will be a Non-PID Dividend.

7 NON-PID DIVIDENDS

- 7.1 Non-PID Dividends are treated in the same way as dividends received from UK companies that are not REITs. The Company is not required to withhold tax when paying a Non-PID Dividend.

Shareholders who are individuals

- 7.2 An individual shareholder who is tax resident in the UK and who receives a Non-PID Dividend from the Company is entitled to an annual tax-free allowance of dividend income. This allowance is £2,000 of dividend income for the 2022/23 tax year.
- 7.3 To the extent that an individual shareholder's total dividend income exceeds the tax-free allowance, tax will be imposed at the rates of 8.75 per cent. for basic rate taxpayers, 33.75 per cent. for higher rate taxpayers, and 39.35 per cent. for additional rate taxpayers.

Shareholders who are within the charge to corporation tax

- 7.4 A Shareholder who is charged UK corporation tax and which is a "small company" for the purposes of UK taxation of dividends will generally not be subject to tax on Non-PID Dividends provided certain conditions are satisfied.
- 7.5 A Shareholder within the charge to UK corporation tax and which is not treated as a "small company" for the purposes of UK taxation of dividends will similarly not be subject to tax on Non-PID Dividends provided that the dividends fall within an exempt class and do not fall within certain anti-avoidance provisions. Exempt classes include dividends in respect of portfolio holdings (where the recipient owns less than 10 per cent. of the share capital of the payer) and dividends paid on "non-redeemable ordinary shares" for UK tax purposes.

8 PIDs

Shareholders who are individuals

- 8.1 A PID will generally be treated in the hands of individuals as the profit of a single UK property business (as defined in Part 3 of the Income Tax (Trading and Other Income) Act 2005), subject to certain exceptions. A PID is, together with any PID from any other UK REIT, treated as a separate UK property business carried on by the relevant Shareholder. This means that any surplus expenses from any other property business of a Shareholder cannot be offset against a PID.
- 8.2 A Shareholder who is subject to income tax at the basic rate will be liable to pay income tax at a rate of 20 per cent., higher rate taxpayers will be liable to pay income tax at a rate of 40 per cent. and additional rate taxpayers will be liable to pay income tax at 45 per cent (although there are different rates for Shareholders subject to Scottish income tax).
- 8.3 The £1,000 property income allowance at Part 6A of the Income Tax (Trading and Other Income) Act 2005 does not apply to PIDs.
- 8.4 Please also see paragraphs 9.1 to 9.8 (withholding tax) below.

Shareholders who are within the charge to corporation tax

- 8.5 A PID will generally be treated in the hands of its Shareholders who are within the charge to UK corporation tax as the profit of a property business (as defined in Part 4 Corporation Tax 2009). A PID is, together with any PID from another UK REIT, treated as a separate property business carried on by the relevant Shareholder and must be accounted for separately. This means that any surplus expenses from any other property business of a Shareholder cannot be offset against a PID.
- 8.6 Please also see paragraphs 9.1 to 9.8 (withholding tax) below.

Shareholders who are not resident for tax purposes in the UK

- 8.7 Where a Shareholder who is resident for tax purposes outside of the UK (falling outside the other types of shareholder at paragraphs 8.1 to 8.5 above) receives a PID, the PID will generally be chargeable to UK income tax as profit of a UK property business and this tax will generally be collected by way of a withholding tax. Under section 548(7) CTA 2010, this income is expressly not non-resident landlord income for the purposes of regulation under section 971 Income Tax Act 2007.
- 8.8 Please also see paragraphs 9.1 to 9.8 (withholding tax) below.

9 WITHHOLDING TAX

General

- 9.1 Subject to certain exceptions summarised below, the Company is required to withhold income tax at the basic rate from its PIDs. The Company provides Shareholders with a certificate setting out the gross amount of the PID, the amount of tax withheld, and the net amount of the PID.

Shareholders solely resident in the UK

- 9.2 Where UK income tax has been withheld at source, individual Shareholders may, depending on their circumstances, either be liable to further tax on the PID at the applicable marginal rate or be entitled to claim repayment of some or all of the tax withheld on the PID.
- 9.3 Corporate Shareholders may, depending on their circumstances, be liable to pay UK corporation tax on their PID. However, it should be noted that where (exceptionally) income tax is withheld at source, the tax withheld can be set against their liability to corporation tax, or income tax which they are required to withhold, in the accounting period in which the PID is received.

Shareholders who are not resident for tax purposes in the UK

- 9.4 It is not possible for a Shareholder to make a claim under a relevant double taxation treaty with the UK for a PID to be paid by the Company gross or subject to withholding at a reduced rate. However, the Shareholder may be able to claim repayment of any part of the tax withheld from a PID, depending on the existence and terms of any such double taxation treaty between the UK and the country in which the Shareholder is resident for tax purposes.

Exceptions to requirement to withhold income tax

- 9.5 In certain circumstances, the Company is not required to withhold income tax at source from a PID. These circumstances include where the Company reasonably believes that the person beneficially entitled to the PID is a company resident for tax purposes in the UK.
- 9.6 They also include where the Company reasonably believes that the PID is paid to the scheme administrator of a registered pension scheme, or the sub-scheme administrator of certain sub-schemes or the account manager of an ISA, provided the Company reasonably believes that the PID will be applied for the purposes of the relevant scheme or account.

9.7 The Company will also not be required to withhold income tax at source from a PID where the Company reasonably believes that the body beneficially entitled to the PID is a partnership each member of which is a body described in the paragraph above.

9.8 In order to pay a PID without withholding tax, the Company will need to be satisfied that the Shareholder concerned is entitled to receive the PID gross before paying any PID to such Shareholder. For that purpose, the Company will require such Shareholders to submit a valid claim form. Shareholders should note that the Company may seek recovery from Shareholders if the statements made in their claim form are incorrect and the Company suffers tax as a result. The Company will, in some circumstances, suffer tax if its reasonable belief as to the status of the Shareholder turns out to have been mistaken.

10 **DISPOSAL OF ORDINARY SHARES**

10.1 Individual Shareholders who are resident in the UK for tax purposes will generally be subject to UK capital gains tax in respect of any gain arising on the disposal of their Ordinary Shares. Subject to the availability of any exemptions, relief and/or allowable losses, a gain on the disposal of Ordinary Shares will be liable to tax at the current rates of 10 per cent. for basic rate taxpayers and 20 per cent. for higher and additional rate taxpayers. Shareholders who are temporarily non-resident in the UK may still be liable to UK tax on any capital gains realised (subject to any available exemption or relief).

10.2 Corporate Shareholders who are resident in the UK for tax purposes will generally be subject to UK corporation tax (currently at 19 per cent. and set to rise to 25 per cent. from April 2023) on chargeable gains arising on a disposal of Ordinary Shares, subject to the availability of any exemptions, reliefs and/or allowable losses.

10.3 Non-UK residents are chargeable to UK tax on capital gains made on the disposal of all types of UK real property (both directly and indirectly). The rules apply to the sale of shares in 'property rich' entities (i.e. those where 75 per cent. or more of the gross asset value derives directly or indirectly from UK land). The exclusion which can apply to disposals of shares in UK property-rich vehicles by non-UK residents who hold less than a 25 per cent. interest does not apply to UK-property rich REITs and so is not expected to apply to disposals of Ordinary Shares once the Company is within the REIT regime.

10.4 Accordingly, once the Company is within the REIT regime a disposal of Ordinary Shares by a non-UK resident will generally be within the scope of UK tax if the Company is "property rich" when the disposal takes place, subject to any available exemptions and reliefs (including any relief under an applicable double tax treaty).

11 **STAMP DUTY AND STAMP DUTY RESERVE TAX ("SDRT")**

11.1 The comments in this section apply regardless of whether Shareholders are UK tax resident.

11.2 No UK stamp duty or SDRT will be payable on the issue of Ordinary Shares.

11.3 Transfers of Ordinary Shares held in certificated form will generally be subject to UK stamp duty at the rate of 0.5 per cent. of the consideration for the transfer (the duty payable being rounded up to the nearest £5.00), subject to certain exemptions and reliefs. A charge to SDRT at the rate of 0.5 per cent. will usually arise in relation to an unconditional agreement to transfer Ordinary Shares (where the SDRT charge is not cancelled by the execution of an instrument of transfer within six years of the date of the agreement and a corresponding payment of UK stamp duty is made).

11.4 Paperless transfers of Ordinary Shares within the CREST system will generally be liable to SDRT, rather than stamp duty, at a rate of 0.5 per cent. of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system (but in practice the cost will generally be passed on to the purchaser or transferee). Under the CREST system, no stamp duty or SDRT will arise on a transfer of

Ordinary Shares into the system unless such a transfer is made for consideration in money or money's worth, in which case a liability to SDRT will arise.

- 11.5 Shareholders should note that, in certain circumstances involving transfers to connected companies, the UK stamp duty or SDRT charge on the transfer of shares is applied by reference to the market value of the shares transferred if that is greater than the actual consideration for the transfer.

12 **ISAS, SSASS AND SIPPS**

- 12.1 Generally, Ordinary Shares acquired by a UK resident individual under a public offer (including the Offer for Subscription and the Intermediaries Offer) or in the secondary market (but not as part of either the Initial Placing or a placing under the Placing Programme) should be eligible to be held in an Individual Savings Account ("**ISA**"), subject to applicable annual subscription limits. Individuals wishing to invest in Ordinary Shares through an ISA should contact their professional advisers regarding their eligibility.

- 12.2 Subject to the rules of the trustees of the relevant scheme, the Ordinary Shares should generally be eligible for inclusion in a small self-administered scheme ("**SSAS**") or self-invested personal pension ("**SIPP**") provided: (a) no member of the SSAS or SIPP (or person connected with such a member) occupies or uses any residential property held by the REIT Group; and (b) the SSAS or SIPP, alone or together with one or more associated persons, does not directly or indirectly hold 10 per cent. or more of any of the Ordinary Shares, voting rights in the Company, rights to income of the Company, rights to amounts on a distribution of the Company or rights to assets on a winding up of the Company.

PART 8 ADDITIONAL INFORMATION

1 THE COMPANY, THE AIFM AND THE INVESTMENT ADVISER

- 1.1 The Company was incorporated in England and Wales on 14 July 2022 as a public limited company under the Companies Act with registered number 14235035. The Company has an indefinite life.
- 1.2 The principal place of business and registered office of the Company is 6th Floor, 125 London Wall, London EC2Y 5AS its telephone number is +44 (0) 20 3327 9720 and its website address is www.independentlivingreit.com. The Company's Legal Entity Identifier is 213800KTOJ7GZV624U24. Information on the Company's website does not form part of this Prospectus unless that information is incorporated by reference into this Prospectus.
- 1.3 The principal legislation under which the Company operates is the Companies Act. The Company will not be regulated as a collective investment scheme by the FCA. However, from the date of the relevant Admission, the Ordinary Shares will be admitted to the premium segment of the Official List of the FCA and to trading on the premium segment of the Main Market of the London Stock Exchange. The Company will be subject to the Listing Rules, the UK Prospectus Regulation, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, UK MAR and to the rules of the London Stock Exchange.
- 1.4 The Company has not commenced operations since incorporation and, as at the date of this Prospectus, no financial statements have been made up and no dividends have been declared by the Company.
- 1.5 The Company's accounting period will end on 31 October of each year with the first accounting period ending on 31 October 2023. The annual report and accounts will be prepared in Sterling according to the accounting standards laid out under IFRS.
- 1.6 On 26 July 2022, the Company was granted a certificate under Section 761 of the Companies Act entitling it to commence business and to exercise its borrowing powers.
- 1.7 The Company has given notice to the Registrar of Companies of its intention to carry on business as an investment company pursuant to Section 833 of the Companies Act.
- 1.8 The Company is domiciled in England and Wales and, as at the date of this Prospectus, does not have any employees. Other than Midco the Company does not have any subsidiaries.
- 1.9 The AIFM, JTC Global AIFM Solutions Limited, is a limited liability company incorporated in Guernsey on 9 January 2017 under The Companies (Guernsey) Law, 2008, as amended, with company number 62964. The AIFM is licensed by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, to conduct certain restricted activities in relation to collective investment schemes. The registered office of the AIFM is Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT and its telephone number is +44 (0) 1481 702400.
- 1.10 The Investment Adviser, Atrato Partners Limited, is a private limited company incorporated in England and Wales on 20 December 2016 with company number 10533101. The address of the registered office of the Investment Adviser is c/o Hillier Hopkins LLP, First Floor, Radius House, 51 Clarendon Road, Watford and its telephone number is +44 (0)1923 232938.

2 SHARE CAPITAL

- 2.1 On incorporation, one Ordinary Share was issued (fully paid) for the purposes of incorporation to Atrato Group Limited as the subscriber to the Company's memorandum of association. On incorporation, 50,000 Redeemable Preference Shares were also issued at par to Atrato Group Limited. The Redeemable Preference Shares are paid up as to one quarter of their nominal value.

- 2.2 Set out below is the issued share capital of the Company: (i) as at the date of this Prospectus; and (ii) following Initial Admission (assuming the Initial Issue is in respect of 150 million Ordinary Shares):

	Ordinary Shares*		Redeemable Preference Shares**	
	Aggregate Nominal Value (£)	Number	Aggregate Nominal Value (£)	Number
As at the date of this Prospectus	0.01	1	50,000	50,000
Immediately following Initial Admission	1,500,000	150,000,000	0	0

Notes:

* All Ordinary Shares will be fully paid at Initial Admission.

** The Redeemable Preference Shares will be redeemed immediately following Initial Admission out of the proceeds of the Initial Issue. The Ordinary Shares are not redeemable.

- 2.3 The effect of the Initial Issue will be to increase the net assets of the Company. On the assumption that the Gross Initial Proceeds are the target issue of £150 million, the Initial Issue is expected to increase the net assets of the Company by approximately £147 million after taking into account costs of £3 million (being approximately 2 per cent. of the Gross Initial Proceeds).

- 2.4 By resolutions passed on 9 September 2022:

Ordinary resolutions:

- 2.4.1 the Directors were generally and unconditionally authorised, in accordance with section 551 of the Companies Act, to exercise all the powers of the Company to issue and allot shares in the Company up to an aggregate nominal value of £3,500,000, provided that this authority was limited to (i) the allotment of up to 150 million Ordinary Shares pursuant to the Initial Issue and (ii) the allotment of up to 350 million Ordinary Shares (less the number of Ordinary Shares issued pursuant to the Initial Issue) pursuant to the Placing Programme, such authority to expire on 11 September 2023, save that the Company may, before such expiry, make an offer or agreement which would or might require Ordinary Shares to be allotted after such expiry and the Directors may allot Ordinary Shares in pursuance of such an offer or agreement as if this authority had not expired;
- 2.4.2 in addition to the authority referred to in paragraph 2.4.1 above, the Directors were further generally and unconditionally authorised, in accordance with section 551 of the Companies Act, to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for shares in the Company up to an aggregate nominal amount of £700,000, provided that this authority was limited to the allotment of Ordinary Shares representing up to 19.99 per cent. of the Ordinary Shares in issue immediately following expiry of the Placing Programme, such authority to expire, unless previously revoked, varied or renewed by the Company at a general meeting, at the conclusion of the first annual general meeting of the Company to be held in 2024, save that the Company may, before such expiry, make an offer or agreement which would or might require Ordinary Shares to be allotted or rights to subscribe for shares to be granted after such expiry and the Directors may allot Ordinary Shares or grant rights to subscribe for shares (as the

case may be) in pursuance of such an offer or agreement as if the authority had not expired;

Special resolutions

2.4.3 subject to and in accordance with section 570 and section 573 of the Companies Act, the Directors were generally empowered to allot equity securities (within the meaning of section 560 Companies Act) for cash pursuant to the authority referred to in paragraph 2.4.1 above, as if section 561(1) of Companies Act did not apply to any such allotment, provided that this authority shall expire on 11 September 2023, save that the Company may, before such expiry, make an offer or agreement which would or might require Ordinary Shares to be allotted after such expiry and the Directors may allot Ordinary Shares in pursuance of such an offer or agreement as if this authority had not expired;

2.4.4 in addition to the authority referred to in paragraph 2.4.1 above and subject to and in accordance with section 570 and section 573 of the Companies Act, the Directors were further generally empowered to allot equity securities (within the meaning of section 560 Companies Act) for cash pursuant to the authority referred to in paragraph 2.4.2 above or by way of a sale of treasury shares, as if section 561(1) of the Companies Act did not apply to any such allotment or sale, provided that this power shall, unless previously revoked, varied or renewed by the Company in general meeting, expire at the earlier of: (A) the conclusion of the first annual general meeting of the Company to be held in 2024; or (B) eighteen months from the date of the passing of this resolution, save that the Company may, before such expiry, make an offer or agreement which would or might require Ordinary Shares to be allotted or rights to subscribe for shares to be granted after such expiry and the Directors may allot Ordinary Shares or grant rights to subscribe for shares (as the case may be) in pursuance of such an offer or agreement as if this authority had not expired;

2.4.5 the Company was and is hereby generally and unconditionally authorised, for the purposes of section 701 of the Companies Act, to make market purchases (within the meaning of section 693(4) of the Companies Act) of Ordinary Shares on such terms and in such manner as the Directors shall from time to time determine, provided that:

2.4.5.1 the maximum aggregate number of Ordinary Shares authorised to be purchased, other than pursuant to an offer made to the Shareholders generally, is 22,500,000 Ordinary Shares, provided that the number of Ordinary Shares to be acquired between the date of the passing of this resolution and the first annual general meeting of the Company to be held in 2024 shall not exceed 14.99 per cent. of the Ordinary Shares in issue as at Initial Admission;

2.4.5.2 the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is one penny;

2.4.5.3 the maximum price (exclusive of expenses) which may be paid for an Ordinary Share is the higher of:

(i) 5 per cent. above the average of the middle market quotations for an Ordinary Share (as derived from the London Stock Exchange Daily Official List) for the five Business Days immediately preceding the date on which that Ordinary Share is contracted to be purchased; and

(ii) that stipulated by article 5(6) of the UK version of the EU Market Abuse Regulation (2014/596) 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;

- 2.4.5.4 this authority shall, unless previously revoked, varied or renewed by the Company at a general meeting, expire at the earlier of: (A) the conclusion of the first annual general meeting of the Company to be held in 2024; and (B) eighteen months from the date of the passing of this resolution, provided that the Company may, at any time prior to the expiry of this authority, enter into a contract or contracts under which a purchase of Ordinary Shares under this authority will or may be completed or executed wholly or partly after the expiration of this authority and the Company may purchase Ordinary Shares in pursuance of any such contract or contracts as if this authority had not expired;
- 2.4.6 conditional upon Initial Admission occurring and approval of the court, the amount standing to the credit of the share premium account of the Company immediately following Initial Admission was approved to be cancelled and the amount of the share premium account so cancelled be credited as a distributable reserve to be established in the Company's books of account which shall be capable of being applied in any manner in which the Company's profits available for distribution (as determined in accordance with the Companies Act) are to be applied;
- 2.4.7 subject to Initial Admission occurring and conditional upon the Company having sufficient paid up share capital to maintain its status as a public limited company and to comply with the conditions of section 761 of the Companies Act 2006, the Directors were authorised to redeem and cancel the Redeemable Preference Shares for the time being in the issued share capital of the Company; and
- 2.4.8 the Articles as presented to the general meeting, and for the purposes of identification signed by the Chair, were adopted as the articles of association of the Company in substitution for, and to the exclusion of, the then existing articles of association.
- 2.5 The provisions of Section 561(1) of the Companies Act (which, to the extent not disapplied pursuant to Sections 570 and 573 of the Companies Act, confer on Shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) apply to issues by the Company of equity securities save to the extent disapplied as mentioned in paragraphs 2.4.3 and 2.4.4 above.
- 2.6 The Companies Act abolished the requirement for companies incorporated in England and Wales to have an authorised share capital. Furthermore, the Articles do not contain a provision expressly limiting the number of Ordinary Shares that can be issued by the Company.
- 2.7 In accordance with the authority referred to in paragraph 2.4.1 above, it is expected that the Ordinary Shares to be issued pursuant to the Initial Issue will be allotted (conditionally upon Initial Admission) pursuant to a resolution of the Board to be passed shortly before Initial Admission in accordance with the Companies Act.
- 2.8 Save as disclosed in this Part 8, no share or loan capital of the Company has since the date of incorporation of the Company been issued or been agreed to be issued, fully or partly paid, either for cash or for a consideration other than cash, and no such issue is now proposed.
- 2.9 The Company has not granted any options over its share or loan capital which remain outstanding and has not agreed, conditionally or unconditionally to grant any such options and no convertible securities, exchangeable securities or securities with warrants have been issued by the Company.

- 2.10 All of the Ordinary Shares will be in registered form and will be eligible for settlement in CREST from Initial Admission. Temporary documents of title will not be issued.
- 2.11 Applicants who have signed and returned Application Forms in respect of the Offer for Subscription may not withdraw their applications for Ordinary Shares subject to their statutory rights of withdrawal in the event of the publication of a supplementary prospectus.

3 INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS

- 3.1 The Directors and/or their connected persons intend to subscribe for Ordinary Shares pursuant to the Initial Issue in the amounts set out below:

Director	Number of Ordinary Shares	% of issued Ordinary Share capital*
Fiona Miller Smith	5,000	0.003
Louise Bonham	50,000	0.03

Notes:

* Assuming Gross Initial Proceeds of £150 million are issued.

Save as disclosed in this paragraph 3.1, immediately following Initial Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

- 3.2 No amount has been set aside or accrued by the Company to provide pensions, retirement or other similar benefits.
- 3.3 None of the Directors has, or has had, an interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company or that has been effected by the Company since its incorporation.
- 3.4 The Company has not made any loans to the Directors which are outstanding, nor has it ever provided any guarantees for the benefit of any Director or the Directors collectively.
- 3.5 Over the five years preceding the date of this Prospectus, the Directors hold or have held the following directorships (apart from their directorships of the Company) or memberships of administrative, management or supervisory bodies and/or partnerships:

Name	Current	Previous
Fiona Miller Smith	Baronsmead Venture Trust plc	Lifting Limits CIC Social Impact Feeder Limited
Louise Bonham	Your Future Work Limited	The UK Residential REIT plc CIM Healthcare Properties plc C&W Management Services LLP
Sebert Cox	National Housing Federation Limited Bagnall Court Limited Key Real Estate Limited Kingston Reid Consulting	

- 3.6 The Directors in the five years before the date of this Prospectus:
- 3.6.1 do not have any convictions in relation to fraudulent offences;
 - 3.6.2 have not been associated with any bankruptcies, receiverships or liquidations of any partnership or company, or any company put into administration, through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
 - 3.6.3 do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.
- 3.7 As at the date of this Prospectus, none of the Directors has any conflict of interest or potential conflict of interest between any duties to the Company and their private interests and any other duties. Each of the Investment Adviser and the AIFM, any of their respective directors, officers, employees, agents and Affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an “**Interested Party**”) may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services. For example, an Interested Party may acquire on behalf of a client an investment in which the Company may invest.
- 3.8 The Company intends to maintain directors’ and officers’ liability insurance on behalf of the Directors at the expense of the Company.
- 3.9 There are no family relationships between any of the Directors.
- 3.10 As at the date of this Prospectus and pending the allotment of Ordinary Shares pursuant to the Initial Issue, the Company is controlled by Atrato Group Limited as the sole shareholder of the Company. As at the date of this Prospectus, there are no persons known to the Company who, directly or indirectly, will be interested in three per cent. or more of the Company’s issued share capital on Initial Admission save as disclosed above, and the Company and the Directors are not aware of any other person who directly or indirectly, jointly or severally exercises or could exercise control over the Company.
- 3.11 All Shareholders have the same voting rights in respect of the share capital of the Company.
- 3.12 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.
- 4 DIRECTORS’ APPOINTMENT LETTERS**
- 4.1 No Director has a service contract with the Company, nor are any such contracts proposed.
- 4.2 Each Director has entered into a letter of appointment with the Company. The Directors’ appointments can be terminated in accordance with the Articles and without compensation. All Directors are subject to retirement by rotation in accordance with the Articles. There is no notice period specified in the letters of appointment or Articles for the removal of Directors. The Articles provide that the office of Director shall be terminated by, amongst other things: (i) written resignation; (ii) unauthorised absences from board meetings for six consecutive months or more; or (iii) written request of all of the other Directors.
- 4.3 Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chair, the initial fees will be £37,500 for each Director per annum. The Chair’s initial fee will be £50,000 per annum. In addition, the Chair of the Audit Committee will receive an additional fee of £5,000 per annum. Each of

the Directors has agreed to reinvest all of his or her fee (net of taxation) in the first year of appointment as soon as reasonably practicable after receiving it into Ordinary Shares until he or she has acquired Ordinary Shares with an aggregate value (at the price at which they were acquired) equal to that Director's annual fee, net of taxation. This shall include any Ordinary Shares for which that Director subscribes in the Initial Issue.

- 4.4 The Directors are also entitled to out-of-pocket expenses incurred in the proper performance of their duties.

5 **GROUP STRUCTURE**

- 5.1 The Company will make its investments via a group structure which currently comprises the Company and its wholly-owned UK subsidiary, Midco. Midco will invest directly or indirectly in the SPVs which own the properties.

- 5.2 Midco was incorporated in England and Wales on 3 August 2022 as a private limited company under the Companies Act with registered number 14273224 and having its registered office at C/O Hillier Hopkins LLP First Floor, Radius House, 51 Clarendon Road, Watford, Hertfordshire, WD17 1HP.

- 5.3 The directors of Midco are Ben Green, Steve Windsor, Natalie Markham and Lara Townsend. Each is a member of the Investment Committee and, as such, there is a potential conflict of interest between their duties to Midco and their duties to the Investment Adviser. The Company has implemented a conflict of interest policy applicable to the Group to ensure that any potential conflicts of interest are mitigated. There are no conflicts of interest between the duties of the directors of Midco and their private interests.

- 5.4 As at this Prospectus, none of the directors of Midco:

5.4.1 has any convictions in relation to fraudulent offences for at least the previous five years;

5.4.2 has been bankrupt or been a director of any company or been a member of the administrative, management or supervisory body of an issuer or a senior manager of an issuer at the time of any bankruptcy, receivership or compulsory or creditors' voluntary liquidation for at least the previous five years; or

5.4.3 has been subject to any official public incrimination or sanction of them by any statutory or regulatory authority (including designated professional bodies) nor have they been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer, for at least the previous five years.

- 5.5 The Company holds the entire issued share capital in Midco.

6 **THE ARTICLES**

The Company's objects and purposes are unrestricted pursuant to section 31(1) of the Companies Act.

A summary of certain provisions of the Articles is set out below and a copy is available for inspection at the address specified in paragraph 1.2 of this Part 8.

6.1 **Change of name**

The Company may change its name either by the members by special resolution or by a resolution of the Directors.

6.2 Voting rights attaching to Ordinary Shares

Shareholders will be entitled to vote at a general meeting or class meeting whether on a show of hands or a poll, as provided in the Companies Act. The Companies Act provides that:

- on a show of hands every member present in person has one vote and every proxy present who has been duly appointed by one or more members will have one vote, except that a proxy has one vote for and one vote against if the proxy has been duly appointed by more than one member and the proxy has been instructed by one or more members to vote for and by one or more other members to vote against. For this purpose the Articles provide that, where a proxy is given discretion as to how to vote on a show of hands, this will be treated as an instruction by the relevant Shareholder to vote in the way that the proxy decides to exercise that discretion; and
- on a poll every member has one vote per share held by him and he may vote in person or by one or more proxies. Where he appoints more than one proxy, the proxies appointed by him taken together shall not have more extensive voting rights than he could exercise in person.

This is subject to any rights or restrictions which are given to any shares or on which shares are held.

If more than one joint Shareholder votes (including voting by proxy), the only vote which will count is the vote of the person whose name is listed before the other voters on the register for the share.

6.3 Share rights and restrictions

Without prejudice to any special rights conferred on the holders of any existing shares or of any class of shares, any shares in the Company may be allotted or issued with, or have attached to them, such restrictions as the Company may from time to time determine by ordinary resolution or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Directors may determine. Such restrictions shall apply to the relevant shares as if the same were set out in the Articles. The Ordinary Shares carry no rights of redemption or conversion.

6.4 Voting restrictions

No member shall be entitled to vote at any general meeting or class meeting in respect of any share held by him if any call or other sum then payable by him in respect of that share remains unpaid or if he has been served with a s. 793 notice (as defined in the Articles) after failure to provide the Company with information concerning interests in those shares required to be provided under the Companies Act.

6.5 Dividends and distributions

- 6.5.1 The Company may by ordinary resolution from time to time declare dividends not exceeding the amount recommended by the Directors. Subject to the Companies Act, the Directors may pay interim dividends, and also any fixed rate dividend, whenever the profits of the Company, in the opinion of the Directors, justifies its payment.
- 6.5.2 The Directors may withhold payment of any dividends or other monies payable in respect of the Company's shares from a person with an interest of at least 0.25 per cent. of the issued shares of the relevant class if such a person has been served with a s. 793 notice (as defined in the Articles) after failure to provide the Company with information concerning interests in those shares required to be provided under the Companies Act.

- 6.5.3 Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide, all dividends shall be apportioned and paid pro rata according to the amounts paid up (as to nominal value) on the share during any portion of the period in respect of which the dividend is paid.
- 6.5.4 The Directors may, if authorised by an ordinary resolution of the Company, offer Shareholders (excluding any member holding shares as treasury shares) in respect of any dividend the right to elect to receive Ordinary Shares by way of scrip dividend instead of cash.
- 6.5.5 If the Company is wound up, the assets remaining after payment of the debts and liabilities of the Company and the costs of the liquidation shall be applied, first, in repaying to the members the amounts paid up (as to nominal value) on the shares held by them respectively, and the balance (if any) shall be distributed among the members in proportion to the number of shares held by them respectively. Provided always that the provisions of the Article shall be subject to the rights of the holders of shares (if any) issued upon special conditions.

6.6 Variation of Share Rights

- 6.6.1 Subject to the Companies Act, rights attached to any class of shares may be varied with the written consent of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of those shares. At every such separate general meeting (except an adjourned meeting) the quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of the class (calculated excluding any shares held as treasury shares).
- 6.6.2 The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* with them or by the purchase or redemption by the Company of any of its own shares.

6.7 Transfer of shares

The shares are in registered form. Any shares in the Company may be held in uncertificated form and, subject to the Articles, title to uncertificated shares may be transferred by means of a relevant system. Provisions of the Articles do not apply to any uncertificated shares to the extent that such provisions require the effecting of a transfer by an instrument in writing or the production of a certificate for the share to be transferred.

Any member may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form permitted by the Stock Transfer Act 1963 or which the Directors may approve. The instrument of transfer must be signed by or on behalf of the transferor and (in the case of a partly paid share) the transferee.

The transferor of a share is deemed to remain the holder until the transferee's name is entered in the register.

The Directors can decline to register any transfer of any share which is not a fully paid share. The Directors may also decline to register a transfer of a certificated share unless the instrument of transfer:

- is duly stamped or certified or otherwise shown to the satisfaction of the Directors to be exempt from stamp duty, is deposited at the registered office of the Company or such other place as the Directors may appoint and is accompanied by the relevant share certificate and such other evidence of the right to transfer as the Directors may reasonably require;
- is in respect of only one class of share; and

- if to joint transferees, is in favour of not more than four such transferees.

Registration of a transfer of an uncertificated share may be refused in the circumstances set out in the CREST Rules or where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.

The Directors may decline to register a transfer of any of the Company's certificated shares by a person who is interested in or appears to the Company to be interested in at least 0.25 per cent. of the issued shares of the relevant class if such a person has been served with a s. 793 notice (as defined in the Articles) after failure to provide the Company with information concerning interests in those shares required to be provided under the Companies Act.

If it comes to the notice of the Directors that any shares are owned directly, indirectly, or beneficially by a Non-Qualified Holder, the Directors may give notice to such person requiring him either to:

- provide the Directors within 30 days of receipt of such notice with sufficient satisfactory documentary evidence to satisfy the Directors that such person is not a Non-Qualified Holder; or
- sell or transfer his shares to a person who, in the sole and conclusive determination of the Directors, is not a Non-Qualified Holder within 30 days and within such 30 days to provide the Directors with satisfactory evidence of such sale or transfer.

If any person upon whom such a notice is served pursuant to the Articles does not within 30 days after such notice either:

- sell or transfer his shares to a person who is not a Non-Qualified Holder and establish to the satisfaction of the Directors (whose judgment shall be final and binding) that such a sale or transfer has occurred; or
- establish to the satisfaction of the Directors (whose judgment shall be final and binding) that he is not a Non-Qualified Holder;

then:

- such person shall be deemed upon the expiration of such 30 days to have forfeited his shares and the Directors shall be empowered at their discretion to follow the forfeiture procedure as laid down in the Articles; or
- if the Directors in their absolute discretion so determine, to the extent permitted under the Rules, the Directors may arrange for the Company to sell the shares at the best price reasonably obtainable to any other person so that the shares will cease to be held by a Non-Qualified Holder, in which event the Company may, to the extent permitted under the Rules, take any action that the Directors consider necessary in order to effect the transfer of such shares by the holder of such share and the Company shall pay the net proceeds of sale to the former holder upon its receipt of the sale proceeds and the surrender by him of the relevant share certificate or, if no certificate has been issued, such evidence as the Directors may reasonably require to satisfy themselves as to his former entitlement to the shares and to such net proceeds of sale and the former holder shall have no further interest in the relevant shares or any claim against the Company in respect thereof, and no trust will be created and no interest will be payable in respect of such net proceeds of sale.

6.8 Forfeiture of Shares and Liens

Forfeiture of Shares

If any member fails to pay in full any call or instalment of a call on the day appointed for payment, the Directors may, after that day, while any part of the call or instalment remains

unpaid, give notice to him requiring him to pay so much of the call or instalment as is unpaid, together with interest accrued and any expenses incurred by reason thereof.

The notice shall specify a further day (not being earlier than 14 clear days from the date of the notice) on or before which such unpaid call or instalment and all interest accrued and expenses incurred by reason of non-payment are to be paid, and the place where payment is to be made. The notice shall state that, in the event of non-payment at or before such time at the place specified, the shares in respect of which such call or instalment is payable will be liable to forfeiture.

If the requirements of any such notice are not complied with, any shares in respect of which such notice has been given may be forfeited by a resolution of the Directors, and any such forfeiture shall extend to all dividends declared and other moneys payable in respect of the shares so forfeited but not actually paid before such forfeiture.

The Directors may accept surrender of any share liable to be forfeited.

If the Directors have served a notice upon a Non-Qualified Holder pursuant to the Articles and such holder has not sold or transferred his shares to a person qualified to own the same within the required period, such shares shall be deemed forfeited.

When any share has been forfeited, notice of the forfeiture shall be given to the person who was before forfeiture the holder of the share or the person entitled to such share by transmission (as the case may be). An entry of such notice having been given and of the forfeiture with the date thereof shall forthwith be made in the Register in respect of such share. No forfeiture shall be invalidated by any omission or neglect to give such notice or to make such entry.

Subject to statute, any share forfeited or surrendered shall be deemed to be the property of the Company, no voting rights shall be exercised in respect of it and the Directors may cancel the same or, within three years of such forfeiture or surrender, sell, re-allot or otherwise dispose of the same in such manner as they think fit either to the person who was before the forfeiture or surrender the holder of it, or to any other person, and either with or without any past or accruing dividends and, in the case of re-allotment, with or without any money paid on it by the former holder being credited as paid up on it.

The Directors may annul the forfeiture of a share at any time before the forfeited share has been cancelled or sold, re-allotted or otherwise disposed of, on the terms that payment shall be made of all calls and interest due on it and all expenses incurred in respect of the share and on such further terms (if any) as the Directors see fit.

Any share not disposed of in accordance with the Articles within a period of three years from the date of its forfeiture or surrender shall be automatically cancelled.

Any person whose shares have been forfeited or surrendered shall cease to be a member in respect of those shares and, in the case of a holder of certificated shares, shall surrender to the Company for cancellation the certificate for the forfeited shares, but shall remain liable to pay to the Company all moneys which at the date of the forfeiture or surrender were presently payable by him to the Company in respect of the shares, together with interest on such moneys.

Liens

The Company shall have a lien upon all the shares, other than fully paid shares, registered in the name of each member for any amount payable in respect of such shares, whether presently payable or not, and such lien shall apply to all dividends from time to time declared or other moneys payable in respect of such shares. The Directors may at any time, either generally or in a particular case, waive any lien that has arisen or declare any share to be wholly or in part exempt from the provisions of the Articles.

Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the Company's lien, if any, on such share.

For the purpose of enforcing such lien, the Directors may, subject (in the case of uncertificated shares) to the provisions of the uncertificated securities rules, sell the shares subject to such lien, in such manner as they think fit, but no such sale shall be made until all or any part of the sum outstanding on the shares shall have become payable and until notice in writing stating, and demanding payment of, the sum payable and giving notice of the intention to sell in default of such payment shall have been given to such member and default shall have been made by him in the payment of the sum payable for 14 clear days after such notice.

6.9 Changes in share capital

- 6.9.1 Subject to statute and to any rights conferred on the holders of any existing shares or of any class of shares, any shares may be issued on terms that they are to be redeemed, or may be redeemed at the option of the Company or the shareholder, on such terms and conditions and in such manner as provided for in the Articles or as the Directors may determine.
- 6.9.2 Notwithstanding anything contained in the Articles, but subject to any rights specifically conferred on the holders of any class of shares, the rights attached to any class of shares shall be deemed not to be varied or abrogated by anything done by the Company pursuant to the Articles.
- 6.9.3 The Company has the power to offer, allot, issue, grant options over or otherwise deal with shares in the capital of the Company and to grant rights to subscribe for, or to convert any security into, shares in the capital of the Company to such persons, at such times and upon such terms as the Directors may decide.
- 6.9.4 If on any consolidation (or any consolidation and sub-division, or sub-division) of shares any Shareholders would become entitled to any fractions of a share, the Directors may, on behalf of those holders, deal with the fractions in any manner they think fit.

6.10 Unclaimed dividends

- 6.10.1 In the event that a holder does not specify an address, or does not specify an account of a type prescribed by the Directors, or other details necessary in order to make a payment of a dividend or other distribution by the means by which the Directors have decided that a payment is to be made, or by which the holder has validly elected to receive payment, and such address or details are necessary in order for the Company to make the relevant payment in accordance with such decision, or if payment cannot be made by the Company using the details provided by the holder, then the dividend or other distribution shall be treated as unclaimed.
- 6.10.2 The Company may cease to send any cheque or similar financial instrument (or to use any other method of payment including payment by means of a relevant system) for any dividend payable in respect of a share if, in respect of at least two consecutive dividends payable on that share, the cheque or similar financial instrument has been returned undelivered or remains uncashed (or that other method of payment has failed), or after only one occasion if reasonable enquiries by the Company have failed to establish any new address of the registered holder, but, subject to the provisions of the Articles, shall recommence sending cheques or similar financial instruments (or using another method of payment) for dividends payable on that share if the person entitled so requests.
- 6.10.3 All dividends or other moneys payable on or in respect of a share which remain unclaimed may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. Payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate

account shall not constitute the Company a trustee in respect of it and the Company will not be liable to pay interest on it. Any dividend unclaimed after a period of 12 years from the date of declaration of such dividend, or from the date such dividend becomes due for payment, shall be forfeited and shall revert to the Company unless the Directors decide otherwise.

6.11 **Untraced Shareholders**

Subject to statute, the Company may sell at the best price reasonably obtainable at the time of sale any share of a Shareholder or any share to which a person is entitled by transmission on death or bankruptcy or otherwise by operation of law, if and provided that:

- during a period of 12 years immediately prior to the publication by the Company of newspaper advertisements (as referred to in the third bullet, below), at least three cash dividends (whether interim or final) have become payable in respect of the share to be sold and have been sent by the Company;
- during that period of 12 years no cash dividend payable in respect of the share has been claimed, or other payment for a dividend has been cashed, no dividend sent by means of a funds transfer system has been paid and, as far as any director of the Company at the end of that period of 12 years is aware, no communication has been received by the Company from the Shareholder entitled by transmission to the share;
- after the expiration of that period of 12 years, the Company has sent a notice to the registered address or last known address of the member or other person entitled, stating that it intends to sell the shares, and before sending such a notice to the member or other person entitled, the Company made tracing enquiries for the purpose of contacting that member or other person which the Directors consider to be reasonable and appropriate in the circumstances;
- the Company has given notice of its intention to sell such share by advertisement in one national daily newspaper and in one local newspaper circulating in the area in which the last known address of the Shareholder or by transmission at the last service address of the Shareholder; and
- the Company has not, during the period of three months after the date of the advertisements (or, if published on different dates, the later of them) and the notice and prior to the exercise of the power of sale, received any communication from the Shareholder.

The Company's power of sale shall extend to any further share which, on or before the date of publication of the first of any advertisements, is issued in respect of a share if the conditions set out in the bullet points above are satisfied in relation to the further share.

In order to give effect to any such sale, the Directors may, subject (in the case of uncertificated shares) to the provisions of the uncertificated securities rules and the facilities and requirements of CREST, authorise some person to transfer any such shares to the purchaser of them and may enter the name of the transferee in respect of the transferred shares in the Company's register even if no share certificate has been lodged for such shares and may issue a new certificate to the transferee.

The net proceeds of such sale shall be a permanent debt of the Company and the Company shall be deemed to be a debtor and not a trustee in respect of them for such Shareholder or other person. If no valid claim has been received by the Company during a period of six years from the date on which the relevant shares were sold by the Company under the Articles, the money shall be forfeited and shall belong to the Company and the former member or other previously entitled person shall no longer be a creditor for such an amount.

6.12 General meetings

- 6.12.1 The Articles rely on the Companies Act provisions dealing with the calling of general meetings. The Companies Act provides that a general meeting (other than an adjourned meeting) must be called by notice of at least 21 days in the case of an annual general meeting and at least 14 days in any other case. Notice of a general meeting must be given in hard copy form, in electronic form or by means of a website and must be sent to every member and every Director. It must state the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting. A notice calling an annual general meeting must state that the meeting is an annual general meeting.
- 6.12.2 Each Director shall be entitled to attend and speak at any general meeting. The chair of the meeting may invite any person to attend and speak at any general meeting.

6.13 Directors

6.13.1 *Number*

The number of directors shall be not less than two nor more than 15. The Company may by ordinary resolution vary the minimum and/or maximum number of directors.

6.13.2 *Directors' shareholding qualification*

A director need not be a shareholder. A director who is not a shareholder shall nevertheless be entitled to attend and speak at general meetings.

6.13.3 *Restrictions on voting*

A director shall not vote on, nor be counted in the quorum in relation to, any resolution of the directors relating to any transaction or arrangement with the Company, or which has been entered into by the Company, in respect of which he is required to make a declaration of interest, or such other issue in which he has an interest.

This prohibition shall not apply to any resolution relating to any transaction, arrangement or matter in respect of which the interest of the director in question arises only from:

- his interest in shares or debentures or other securities in the Company;
- his interest in any other company attributable to his interest in shares or debentures or other securities in the Company;
- any proposal to give him any security, guarantee or indemnity in respect of money lent or obligations incurred by him for the benefit of the Company or any subsidiary;
- any proposal to give a third party any security, guarantee or indemnity in respect of a debt or obligation of the Company or any subsidiary for which he has assumed responsibility under a guarantee or indemnity or by the giving of security;
- his entitlement as a holder of shares or other securities to participate in an offer for subscription or purchase of shares or other securities in the Company or in any subsidiary;
- his interest in any capacity in any arrangement which the Company has in place, or proposes to put in place, for the benefit of its employees or persons

that provide services to it or any subsidiary provided that the arrangement does not award him any benefit not generally awarded to the persons to whom such arrangement relates;

- his interest in any pension fund, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which relates to directors and employees of the Company;
- any proposal for the Company to give him an indemnity (other than as described above) where all other directors are also being offered indemnities on substantially the same terms;
- his interest as an insured under any insurance policy which the Company proposes to purchase for the benefit of any or all directors;
- any proposal for the Company to fund expenditure incurred by him in as referred to in s.205 of the Companies Act 2006; and/or
- his interest, direct or indirect and whether as an officer, employee, shareholder, creditor or otherwise, in any other company with which the Company proposes to enter into any transaction or arrangement (save that any such company shall not include any company in which he, so far as he is aware, holds an interest in shares representing one per cent. or more of the issued equity share capital of such company (or of any other company through which such interest is derived) or of the voting rights available to members of the relevant company) and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

For these purposes any interest of a person connected with the director shall be treated as his interests (other than the Company itself).

A director cannot vote or be counted in the quorum on a resolution relating to his own appointment or the settlement or variation of the terms of his appointment to an office or place of profit with the Company or any other company in which the Company has an interest.

If any question shall arise at any meeting as to whether a director is required to declare an interest or is entitled or prohibited to vote, and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chair of the meeting.

6.13.4 *Remuneration*

The remuneration of the directors for their services in the office of director shall in the aggregate not exceed £500,000 per annum or such higher figure as the Company may determine by ordinary resolution.

The directors may also be paid by way of additional remuneration such further sums as the Company in general meeting may from time to time determine.

The Company may repay to any director all such reasonable expenses as he may properly incur in or about the business of the Company or in the discharge of his duties as a director.

6.13.5 *Rotation and appointment of directors*

The directors may appoint any other person to be a director of the Company, either to fill a vacancy or as an addition to the board of directors, provided the total number of directors does not exceed 15. Any director so appointed shall

hold office only until the next following annual general meeting, when he shall retire but shall be eligible for re-election.

At every annual general meeting, any director who has been appointed by the board since the last annual general meeting occurring after the date of adoption of the Articles or who held office at the time of the two preceding annual general meetings each occurring after the date of adoption of the Articles and who did not retire at either of them who at the date of the meeting has held office with the Company, other than employment or executive office, for a continuous period of nine years or more from the date of adoption of the Articles, shall retire and may seek re-election.

At each of the first two annual general meetings occurring after the date of adoption of the Articles one third of the directors holding office shall retire.

6.13.6 *Alternate directors*

Any director (other than an alternate director) may appoint another director, or any other person approved by the directors and willing to act, to be an alternate director of the Company and may at any time remove any alternate director appointed by him from office.

An alternate director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a director but shall not be entitled to receive any remuneration in respect of his services as an alternate director except such part (if any) of the remuneration otherwise payable to his appointor as such appointor may direct by notice in writing.

An alternate director shall not be counted in reckoning the maximum and minimum number of directors allowed or required by the Articles.

An alternate director shall be entitled to receive notices of all meetings of the directors or committees of the directors of which his appointor is a member and to attend and vote as a director at any such meetings at which the director appointing him is not personally present, and generally to exercise and discharge all the functions, powers, rights and duties of his appointor as a director at such meeting.

A director acting as an alternate for one or more other directors shall be counted only once for the purpose of determining the presence of a quorum and shall have, in addition to his own vote, one vote for each director for whom he acts as alternate.

An alternate director shall cease to be an alternate director if his appointor ceases for any reason to be a director (except for that director's retirement and subsequent re-election during a single meeting).

6.13.7 *Proceedings of the Board*

The Board may meet for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The quorum necessary for the transaction of the business of the directors may be fixed by the directors and unless so fixed shall be two. A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions exercisable by the directors.

Any director or their alternate may participate in a meeting of the Board or of a committee of the directors by means of conference telephone or any form of communications equipment or by electronic means, provided that all the directors participating in the meeting can communicate simultaneously and in an interactive manner with each other, or by a series of telephone calls from the

chair of the meeting or by exchange of communication in electronic form addressed to the chair of the meeting. The directors participating in this manner shall be deemed to be present in person at such meeting and shall accordingly be counted in the quorum and entitled to vote. Subject to statute, all business transacted in such manner by the Board or a committee of the Board shall, for the purpose of the Articles, be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that fewer than two directors or alternate directors are physically present at the same place. Such a meeting shall be deemed to take place at such place as the directors shall at such meeting resolve or, in the absence of any such resolution, where the largest group of those participating is assembled or, if there is no such group, where the chair of the meeting then is.

The Board may appoint a director to be the chair or a deputy chair and may at any time remove him from that office. Questions arising at any meeting of the Board shall be determined by a majority of votes. In the case of an equality of votes the chair of the meeting shall have a second or casting vote.

The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) to any committee, consisting of such person or persons as it thinks fit, provided that the presence of at least one director shall be required for a quorum at any meeting of such committee or sub-committee and no resolution of any such committee or sub-committee shall be effective unless approved by a majority of the directors present. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in the Articles for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board.

6.13.8 *Borrowing powers*

Under the Articles, the directors may exercise all the powers of the Company to borrow money or raise money, to guarantee, to indemnify and to mortgage or charge all or any part of its undertaking, property and assets (present and future) and uncalled capital and to issue debentures and other securities whether outright or as security (principal or collateral) for any debt, liability or obligation of the Company or any third party.

6.13.9 *Indemnities*

To the extent permitted by statute, the Company may indemnify any director or former director or other officer of the Company or associated company, or the trustee of any pension fund or employee benefits trust for the benefit of any employee of the Company against all costs, charges, losses, expenses, damages and liabilities incurred by him for negligence, default, breach of duty, breach of trust or otherwise in relation to the affairs of the Company or of an associated company, or in connection with the activities of the Company, or of an associated company, or as a trustee of an occupational pension scheme (as defined in the Companies Act).

The Company may purchase and maintain insurance against any liability for any director or former director or other officer of the Company or an associated company or trustee of any pension fund or employee benefits trust for the benefit of any employee of the Company.

No director or former director or other officer of the Company or an associated company shall be accountable to the Company or the members for any benefit provided pursuant to the Articles and the receipt of any such benefit shall not disqualify any person from being or becoming a director. This is without prejudice to any indemnity to which any person may otherwise be entitled.

6.13.10 *Directors' interests*

A director who is in any way, whether directly or indirectly, interested in any proposed transaction or arrangement with the Company, or which has been entered into by the Company, shall declare the nature and extent of his interest to the other directors.

A director shall be deemed interested in any transaction or arrangement in which any person connected with him is interested, whether directly or indirectly.

A director need not declare an interest:

- if he is not aware of it or if he is not aware of the transaction or arrangement in question (for these purposes a director is treated as being aware of matters of which he ought reasonably to be aware);
- if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
- if, or to the extent that, the other directors are already aware of it (for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware); or
- if, or to the extent that, it concerns terms of his service contract that have been or are to be considered:
 - by a meeting of the directors; or
 - by a committee of the directors appointed for the purpose under the Articles.

6.14 **Communication of documents and information**

Any notice, document (including a share certificate) or other information may be served on or sent or supplied to any Shareholder by the Company personally, by post, by means of a relevant system, by sending or supplying it in electronic form to an address notified by the Shareholder to the Company for that purpose, where appropriate, by making it available on the Company's website and notifying the Shareholder of its availability, or by any other means authorised in writing by the Shareholder.

6.15 **Restrictions on transfers**

- 6.15.1 Any instruments of transfer which are registered shall be retained by the Company for six years following registration, but any instrument of transfer which the directors refuse to register shall (except in any case of fraud) be returned to the persons depositing the same.
- 6.15.2 The directors may also refuse to register any transfer of a certificated share unless the duly-stamped instrument of transfer is deposited at the office or such other place as the directors may appoint, accompanied by the relevant share certificate (if issued), and such other evidence of the transferor's ownership as the directors may reasonably require.
- 6.15.3 The directors may refuse to register any transfer of an uncertificated share where permitted or required by law.
- 6.15.4 The directors may refuse to register any transfer of shares unless it is in respect of only one class of shares.
- 6.15.5 If the directors refuse to register a transfer they shall send to the transferee notice of the refusal as soon as practicable and in any event within two months.

- 6.15.6 The directors may, in their absolute discretion and without giving a reason, decline to transfer or register any transfer of any certificated share or (to the extent permitted by the Rules) uncertificated share which is not fully paid or on which the Company has a lien provided, or if, the transfer is in favour of any Non-Qualified Holder or it would cause the Company to fail Condition D (not a close company) in section 528 of the Corporation Tax Act 2010, provided in the case of a listed share such refusal to register a transfer would not prevent dealings in the share from taking place on an open and proper basis on the relevant stock exchange. In the event that any holder becomes, or holds shares on behalf of, a Non-Qualified Holder, such holder shall be required to notify the Investment Adviser immediately.

6.16 **Substantial Shareholders**

The Articles contain provisions relating to substantial shareholders. The Company intends to become a REIT. As a REIT, under Part 12 CTA 2010 a tax charge may be levied on the Company if it makes a distribution to a company beneficially entitled (directly or indirectly) to 10 per cent. or more of the ordinary shares or dividends of the Company or which controls (directly or indirectly) 10 per cent. or more of the voting rights of the Company. If, however, the Company has taken “reasonable steps” to prevent the possibility of such a distribution being made, then this tax charge may not arise. The Articles:

- provide the directors with powers to identify substantial shareholders (including giving notice to a shareholder requiring him to provide such information as the Directors may require to establish whether or not he is a Substantial Shareholder);
- provide the directors with powers to prohibit the payment of dividends on ordinary shares that form part of a substantial shareholding, if certain conditions are met;
- allow dividends to be paid on ordinary shares that form part of a substantial shareholding where the shareholder has disposed of its rights to dividends on its ordinary shares;
- seek to ensure that if a dividend is paid on ordinary shares that form part of a substantial shareholding and arrangements of the kind referred to above are not met, the substantial shareholder concerned does not become beneficially entitled to that dividend; and
- provide the directors with powers if certain conditions are met, to require (1) a substantial shareholder; or (2) a shareholder who has not complied with a notice served in accordance with the power referred to in the first bullet point above; or (3) a shareholder who has provided materially inaccurate or misleading information in relation to the substantial shareholder provisions of the Articles, to dispose of such number of their shares as the directors may specify, or to take such other steps as will cause the directors to believe the shareholder is no longer a substantial shareholder.

6.17 **Continuation Vote**

Under the Articles, the Company is required to offer a continuation vote to Shareholders at the annual general meeting of the Company following the fifth anniversary of Initial Admission and at every fifth annual general meeting thereafter. If there is no continuation vote passed at such annual general meeting, the directors will cause a general meeting of the Company to be convened for a date not later than 120 days after the date of the annual general meeting at which such resolution was not passed. At a general meeting of the Company so convened by the directors, the directors will cause a special resolution to be proposed instructing the directors to implement proposals for the voluntary liquidation or other reconstruction or reorganisation of the Company.

7 **MANDATORY BIDS**

- 7.1 The Takeover Code applies to the Company. The Takeover Code is issued and administered by the Takeover Panel.

- 7.2 Under Rule 9 of the Takeover Code, (i) where a person acquires an interest in shares which (taken together with the shares in which he and persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of the Company or (ii) where a person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of the Company, but does not hold shares carrying more than 50 per cent. of the voting rights of the Company, and such person, or any persons acting in concert with him, acquires an interest in any other shares which increases the percentage of the shares carrying voting rights in the Company in which he is interested, then in either case that person, together with the persons acting in concert with him, is normally required (except with the consent of the Takeover Panel) to extend offers in cash, at the highest price paid by him (or any persons acting in concert with him) for shares in the Company within the preceding 12 months, to the holders of any class of equity share capital of the Company, whether voting or not, and also to the holders of any other transferable securities carrying voting rights.

8 SQUEEZE-OUT AND SELL-OUT RULES

- 8.1 Under the Companies Act, an offeror in respect of a takeover offer for the Company has the right to buy out minority shareholders where he has acquired (or unconditionally contracted to acquire) 90 per cent in value of the shares to which the offer relates and not less than 90 per cent. of the voting rights carried by those shares. The notice to acquire shares from minority shareholders must be sent within three months of the last day on which the offer can be accepted. The squeeze out of minority shareholders can be completed at the end of six weeks from the date the notice has been given.
- 8.2 In addition, where there has been a takeover offer for the Company, minority shareholders can require the offeror to purchase the remaining shares provided that any time before the end of the period within which the offer can be accepted, the offeror can be accepted, the offeror has acquired (or contracted to acquire) at least 90 per cent. in value of all voting shares in the Company, which carry not less than 90 per cent. of the voting rights. A minority shareholder can exercise this right at any time until three months after the period within which the offer can be accepted. An offeror shall give the remaining shareholders notice of their rights within one month from the end of the period in which the offer can be accepted.

9 MATERIAL CONTRACTS OF THE COMPANY

The following are all of the contracts, not being contracts entered into in the ordinary course of business that have been entered into by the Company since incorporation and are, or may be, material or contain any provision under which the Company has any obligation or entitlement which is or may be material to it as at the date of this Prospectus:

9.1 Placing Agreement

- 9.1.1 The Placing Agreement dated 12 September 2022 between the Company, the Investment Adviser, the Directors, and RBC, pursuant to which RBC has undertaken, as agent for the Company, to use its reasonable endeavours to procure subscribers for Ordinary Shares under the Initial Placing and under the Placing Programme at the applicable Issue Price.
- 9.1.2 In the event of oversubscription of the Initial Issue, applications under the Initial Placing, Offer for Subscription and/or the Intermediaries Offer will be scaled back at the discretion of RBC (in consultation with the Company).
- 9.1.3 The Placing Agreement is subject to, *inter alia*, the Ordinary Shares to be issued pursuant to the Initial Issue being admitted to the premium segment of the Official List and to trading on the premium segment of the London Stock Exchange's main market by 8.00 a.m. on 4 October 2022 (or such later date and time as the Company, the Investment Adviser, and RBC may agree but not later than 8.00 a.m. on 30 November 2022).

- 9.1.4 Conditional upon completion of the Initial Issue and each Subsequent Placing, RBC will be paid a commission by the Company in consideration for its services in relation to the Initial Issue or the relevant Subsequent Placing, as applicable.
- 9.1.5 Under the Placing Agreement, which may be terminated by RBC in certain circumstances prior to Initial Admission and any Subsequent Admission, the Company and the Investment Adviser have given certain warranties and indemnities to RBC and the Directors have given certain warranties to RBC. These warranties and indemnities are customary for an agreement of this nature.
- 9.1.6 Under the Placing Agreement, RBC may at its discretion and out of its own resources at any time rebate to some or all investors, or to other parties, part or all of its fees relating to the Initial Issue and any Subsequent Placing. RBC is also entitled under the Placing Agreement to retain agents and may pay commission in respect of the Initial Issue and any Subsequent Placing to any or all of those agents out of its own resources.
- 9.1.7 The Placing Agreement is governed by English law.

9.2 **AIFM Agreement**

- 9.2.1 The AIFM Agreement dated 12 September 2022 between the Company and the AIFM, pursuant to which JTC Global AIFM Solutions Limited was appointed as the alternative investment fund manager of the Company, as defined in the UK AIFMD Laws and the EU AIFM Directive and the AIFM Regulations.
- 9.2.2 Pursuant to the AIFM Agreement, the AIFM is entitled to the fees set out in paragraph 6.2.1 of Part 3 (*Directors, Management and Administration*).
- 9.2.3 The AIFM Agreement shall continue in force for an initial term of one year from the date of Initial Admission and, thereafter, shall be terminable by either the AIFM or the Company giving to the other not less than 6 months' written notice. If the AIFM Agreement is terminated prior to the second anniversary of Initial Admission, the AIFM will receive an additional termination fee of £5,000.
- 9.2.4 The AIFM Agreement may be terminated earlier by either party with immediate effect in certain circumstances, including if the other party shall go into liquidation or an order shall be made or a resolution shall be passed to put the other party into liquidation, or if the other party has committed a material breach of any obligation under the AIFM Agreement, and in the case of a breach which is capable of remedy fails to remedy it within 30 days.
- 9.2.5 The Company has given certain market standard indemnities in favour of the AIFM in respect of the AIFM's potential losses in carrying on its responsibilities under the AIFM Agreement. The maximum aggregate liability of the AIFM under the AIFM Agreement is the lesser of £5 million or an amount equal to ten times the annual fee payable to the AIFM.
- 9.2.6 The AIFM Agreement is governed by the laws of England and Wales.

9.3 **Investment Advisory Agreement**

- 9.3.1 The Investment Advisory Agreement dated 12 September 2022 between the Company, Midco, the AIFM and the Investment Adviser pursuant to which the Investment Adviser is appointed to provide certain services to the Company and Midco in relation to the Company and its portfolio (the Company and the Investment Adviser being the "**Primary Parties**"). In addition, the Investment Adviser will provide certain administrative services under the Investment Advisory Agreement, including the calculation of the Company's Net Asset Value and the NAV per Ordinary Share and preparation of the Company's financial statements.

- 9.3.2 The Investment Advisory Agreement shall continue in force for an initial period of five years from the date of the Initial Admission (the “**Initial Term**”). Following the expiry of the Initial Term, the Investment Advisory Agreement will continue in full force and effect unless and until terminated by either of the Primary Parties on not less than 12 months’ written notice to the other Primary Party. The Investment Advisory Agreement may be immediately terminated by either of the Primary Parties in certain circumstances, such as insolvency of the other Primary Party or material breach by the other Primary Party which is not remedied. The Investment Advisory Agreement may be immediately terminated by the AIFM if it is required to so in order to comply with applicable laws.
- 9.3.3 The Investment Advisory Agreement shall terminate six months after the Primary Parties agree that individuals providing the relevant services under the Investment Advisory Agreement are to become an internal resource of the Company (an “**Internalisation**”). On an Internalisation, the Investment Adviser will not be entitled to any additional termination fee.
- 9.3.4 In consideration for its services, the Investment Adviser is entitled to the fees described under the heading “*Ongoing annual expenses*” in Part 3 (*Directors, Management and Administration*) of this Prospectus.
- 9.3.5 In the event that a Third Party Offer becomes unconditional and, as a result, the right to cast a majority of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in a third party offeror (and/or any persons acting in concert with it) and, following such Third Party Offer becoming unconditional, notice to terminate the Investment Advisory Agreement is given by the Company, in addition to the fees described in Part 3 (*Directors, Management and Administration*) of this Prospectus, the Investment Adviser shall be entitled to receive a fee (the “**Change of Control Fee**”) equal to the lower of:
- 9.3.5.1 an amount equal to two years of Monthly Advisory Fees and Semi-Annual Advisory Fees (in each case by reference to the Adjusted NAV had it been calculated by reference to the NAV as at the date of the last Monthly Advisory Fee and Semi-Annual Advisory Fee paid by the Company prior to the termination of the Investment Advisory Agreement); and
 - 9.3.5.2 the amount (if any) by which the total Third Party Offer price for the Shares which are the subject of the Third Party Offer exceeds an amount equal to 108 per cent. of the NAV for such Shares on the date the Third Party Offer is announced.
- 9.3.6 Payment of the Change of Control Fee shall be conditional on the annualised NAV Total Return per Ordinary Share for the 3 years prior to the announcement of the Third Party Offer or, if the Third Party Offer is announced prior to the third anniversary of Initial Admission, the annualised NAV Total Return per Ordinary Share for such shorter period, exceeding 8 per cent. An equivalent provision for payment of a Change of Control Fee exists where the Company disposes of all or substantially all of the portfolio properties (other than in an orderly winding up or on the advice of the Investment Adviser) and returns the proceeds of such disposal to Shareholders to the extent that the Company’s NAV is consequently reduced to £200 million or less.
- 9.3.7 The Company has also agreed to indemnify the Investment Adviser for losses that the Investment Adviser may incur in the performance of its duties pursuant to the Investment Advisory Agreement or otherwise in connection with the Company’s activities that are not attributable to, among other things, a material breach of the Investment Advisory Agreement by, or the negligence, fraud, or wilful misconduct of, the Investment Adviser (in each case as finally determined in a decision on the merits in any action, suit or proceeding, or on a formal admission).

9.3.8 The Investment Adviser's maximum liability under the Investment Advisory Agreement is limited to £10 million. The Company, AIFM and the Investment Adviser agree that this amount ought to be increased if the Company's net assets grow above £1 billion. The Company, AIFM and the Investment Adviser will seek to agree such increases when appropriate.

9.3.9 The Investment Advisory Agreement is governed by the laws of England and Wales.

9.4 Company Secretarial Services Agreement

9.4.1 The Company Secretarial Services Agreement dated 11 August 2022 between the Company and Sanne Group Secretaries (UK) Limited pursuant to which the Company appoints Sanne Group Secretaries (UK) Limited to perform certain company secretarial services to the Company and its subsidiaries.

9.4.2 The Company Secretarial Services Agreement may be terminated on not less than 3 months' prior written notice by either party, or immediately in the case of certain specified circumstances, including material and continuing breach or insolvency.

9.4.3 The Company Secretarial Services Agreement contains certain customary undertakings and indemnities by the Company in favour of the Company Secretary.

9.4.4 Under the terms of the Company Secretarial Services Agreement, Sanne Group Secretaries (UK) Limited is entitled to receive a company secretarial fee of £75,000 per annum for the provision of certain company secretarial services to the Company.

9.4.5 Sanne Group Secretaries (UK) Limited is entitled to additional fees for providing any additional services to the Company which are outside the scope of the company secretarial services covered by the company secretarial fees referred to above.

9.4.6 The Company Secretarial Services Agreement is governed by the laws of England and Wales.

9.5 Registrar Agreement

9.5.1 The Registrar Agreement dated on or around 12 September 2022 between the Company and the Registrar pursuant to which the Company appoints the Registrar as registrar to the Company from Initial Admission.

9.5.2 The Registrar Agreement is for an initial period of 3 years from the date of Initial Admission and thereafter shall automatically renew for successive periods of twelve months unless and until terminated by either party on not less than 6 months' notice. The agreement is also subject to immediate termination on the occurrence of certain events, including material and continuing breach or insolvency.

9.5.3 The Registrar Agreement contains certain customary undertakings and indemnities by the Company in favour of the Registrar.

9.5.4 Under the terms of the Registrar Agreement, the Registrar is entitled to customary fees. The Registrar Agreement is governed by English law.

9.6 Receiving Agent Agreement

9.6.1 The Receiving Agent Agreement dated 12 September 2022 between the Company and the Receiving Agent, pursuant to which the Receiving Agent has

agreed to provide receiving agent duties and services to the Company in respect of the Initial Issue.

9.6.2 The Receiving Agent Agreement contains certain customary undertakings and indemnities by the Company in favour of the Receiving Agent.

9.6.3 Under the terms of the Receiving Agent Agreement, the Receiving Agent is entitled to customary fees.

9.6.4 The Receiving Agent Agreement is governed by English law.

9.7 Introductory Services Engagement Letter

9.7.1 The Introductory Services Engagement Letter dated 12 September 2022 between the Company and the Investment Adviser pursuant to which the Investment Adviser agrees to use reasonable endeavours, as a non-exclusive independent marketer, to introduce to the Company those prospective investors which the Company and the Investment Adviser have agreed in writing that it may approach.

9.7.2 The Investment Adviser will be paid a commission of one per cent. of the aggregate subscription price for Ordinary Shares for which prospective investors introduced by the Investment Adviser subscribe (or such other commission as may be agreed between the Company and the Investment Adviser in writing).

9.7.3 Any payment to the Investment Adviser under the Introductory Services Engagement Letter shall not, when aggregated with any other transaction or arrangement entered into by the Investment Adviser or any of its associates (as defined in the Listing Rules) with the Company or any of its subsidiaries in the 12 month period before the date of such payment, exceed a percentage ratio (as defined in the Listing Rules) of 4.99 per cent. on any of the class tests set out in Annex 1 to Chapter 10 of the Listing Rules.

9.7.4 The Introductory Services Engagement Letter contains customary indemnities in favour of the Company.

9.7.5 The Introductory Services Engagement Letter is governed by English law.

10 RELATED PARTY TRANSACTIONS

Save for the entry into of the Directors' appointment letters, the AIFM Agreement, the Investment Advisory Agreement and the Introductory Services Engagement Letter, the Company has not entered into any transactions which, following Initial Admission, would be considered to be a related party transaction at any time during the period from incorporation to the date of this Prospectus.

11 LITIGATION

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the Company and/or the Group's financial position or profitability.

12 WORKING CAPITAL

12.1 The Company is of the opinion that, taking into account the Minimum Net Initial Proceeds, the working capital available to the Group is sufficient for the Group's present requirements, that is for at least 12 months from the date of this Prospectus.

12.2 If the Minimum Net Initial Proceeds are not raised, the Initial Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised

minimum net proceeds figure) has been prepared in relation to the Company and approved by the FCA.

13 **NO SIGNIFICANT CHANGE**

There has been no significant change in the financial position of the Group since 14 July 2022, being the date of the Company's incorporation.

14 **CAPITALISATION AND INDEBTEDNESS**

As at the date of this Prospectus, the Group has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness and there have been no material changes to the Group's capitalisation from the date of incorporation to the date of this Prospectus.

15 **INVESTMENT RESTRICTIONS**

For so long as they remain requirements of the FCA:

- 15.1 neither the Company nor any of its subsidiaries will conduct any trading activity which is significant in the context of the Company's group as a whole;
- 15.2 the Company will, at all times, invest and manage its assets in a way which is consistent with its objective of spreading investment risk and in accordance with the published investment policy as set out in Part 1 (*The Company*) of this Prospectus; and
- 15.3 not more than 10 per cent. of the Gross Asset Value at the time of investment is made will be invested in other closed-ended investment funds which are listed on the Official List.

16 **GENERAL**

- 16.1 No Director has any interest in the promotion of, or in any property acquired or proposed to be acquired by, the Company.
- 16.2 The Ordinary Shares being issued in connection with the Initial Issue are being issued at 100 pence per Ordinary Share of which 99 pence per Ordinary Share constitutes share premium.
- 16.3 No application is being made for the Ordinary Shares to be issued pursuant to the Initial Issue and the Placing Programme to be dealt with in or on any stock exchange or investment exchange other than the premium segment of the Main Market of the London Stock Exchange.
- 16.4 RBC is acting a placing agent to the Initial Placing and the Placing Programme and has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear.
- 16.5 The AIFM has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear.
- 16.6 The Intermediaries Offer Adviser has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear.
- 16.7 The Investment Adviser has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which such references appear. The Investment Adviser has given and not withdrawn its (a) written consent to the inclusion in this Prospectus of the information and opinions contained in and (b) authorisation of the content of this Prospectus contained in: (i) the "Risk Factors" - sections A to E; (ii) Important Information - "Target Market Assessment"; (iii) Part 1 (*The Company*) - sections 1 to 9 (inclusive) and section 17; (iv) Part 2 (*Market Background, Investment Opportunity, Investment Approach and Pipeline*); (v) Part 3 (*Directors, Management and Administration*) -

section 3 “Investment Adviser”, section 6.2.2 “Fees and Expenses, Investment Adviser” and section 7 “Conflicts of Interest” as it relates to the Investment Adviser; and (vi) Part 4 (*Sustainability*) of this Prospectus, together with those sections of the Summary as they relate to the aforementioned content (the “**Investment Adviser Sections**”) and the references to it in the form and context in which they appear.

16.8 The Investment Adviser has authorised and accepts responsibility, in accordance with Prospectus Regulation Rule 5.3.2(2)(f), for the information and opinions contained in the Investment Adviser Sections. To the best of the knowledge of the Investment Adviser, the information contained in the Investment Adviser Sections is in accordance with the facts and the Investment Adviser Sections make no omission likely to affect their import.

16.9 Where third party information has been referenced in this Prospectus, the source of that third party information has been disclosed. All information in this Prospectus that has been sourced from third parties has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

16.10 Shareholders are obliged to comply, from Initial Admission, with the shareholding notification and disclosure requirements set out in Chapter 5 of the Disclosure Guidance and Transparency Rules. A Shareholder is required pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules to notify the Company if, as a result of an acquisition or disposal of shares or financial instruments, the Shareholder’s percentage of voting rights of the Company reaches, exceeds or falls below, three per cent. of the Company’s voting rights or any one per cent. threshold above that.

17 **AUDITOR**

The proposed auditor is BDO LLP. BDO LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

18 **INTERMEDIARIES**

As at the date of this Prospectus, the Company has consented to the following intermediaries using the prospectus: AJ Bell Securities Limited, Hargreaves Lansdown Asset Management Limited, Interactive Investor Services Limited, Jarvis Investment Management Limited, Pello Capital Limited and Redmayne-Bentley LLP.

Information with respect to intermediaries appointed after the date of this Prospectus will be made available on the Company’s website at www.independentlivingreit.com.

19 **DOCUMENTS AVAILABLE FOR INSPECTION**

19.1 The following documents will be available for inspection at the Company’s website (www.independentlivingreit.com) from the date of this Prospectus until the Final Closing Date:

19.1.1 this Prospectus; and

19.1.2 the Company’s memorandum of association and the Articles.

19.2 A copy of this Prospectus has been submitted to the National Storage Mechanism and is available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

Dated: 12 September 2022

PART 9

TERMS AND CONDITIONS OF THE INITIAL PLACING AND EACH SUBSEQUENT PLACING

1 INTRODUCTION

- 1.1 Ordinary Shares are available under the Initial Placing at the Initial Issue Price (being 100 pence per Ordinary Share) and Ordinary Shares will be available under the Placing Programme at the applicable Placing Programme Price. Participation in the Initial Placing or any Subsequent Placing is only available to persons who are invited to participate by RBC.
- 1.2 Each Placee which confirms its agreement to RBC to subscribe for Issue Shares under the Initial Placing and/or a Subsequent Placing under the Placing Programme will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.3 The Company and/or RBC may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as they (in their absolute discretion) see fit.
- 1.4 The commitment to acquire Issue Shares under the Initial Placing and/or a Subsequent Placing will be agreed orally with RBC as agent for the Company and further evidenced in a contract note ("**Contract Note**") or placing confirmation ("**Placing Confirmation**").

2 AGREEMENT TO SUBSCRIBE FOR ISSUE SHARES AND CONDITIONS

- 2.1 A Placee agrees to become a member of the Company and agrees to subscribe for those Issue Shares allocated to it by RBC at the applicable Issue Price, conditional on, amongst other things:
 - 2.1.1 the Placing Agreement becoming unconditional in respect of the Initial Placing or the relevant Subsequent Placing, as the case may be, (save for any condition relating to the relevant Admission) and not having been terminated on or before the date of Admission of the relevant Issue Shares being issued;
 - 2.1.2 in the case of the Initial Issue, the Minimum Net Initial Proceeds being raised;
 - 2.1.3 Admission of the relevant Issue Shares being issued occurring and becoming effective, in the case of Initial Admission by no later than 8.00 a.m. (London time) on 4 October 2022 (or such later date as the Company, the Investment Adviser, and RBC may agree and, in any event, no later than 30 November 2022), and in the case of any Subsequent Admission by no later than such dates as may be agreed between the Company, the Investment Adviser and RBC in relation to each Subsequent Placing, not being later than the Final Closing Date;
 - 2.1.4 in the case of any Subsequent Placing, a valid supplementary prospectus being published by the Company if such is required; and
 - 2.1.5 in the case of any Subsequent Placing, the applicable Placing Programme Price being determined by the Directors.
- 2.2 In the event that the Company, in consultation with RBC and the Investment Adviser, wishes to waive the condition referred to in paragraph 2.1.2 above, the Company will be required to publish a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure).
- 2.3 If any of the conditions set out in the Placing Agreement is not fulfilled or, where permitted, waived to the extent permitted by law or regulation in accordance with the Placing Agreement, or the Placing Agreement is terminated in accordance with its terms, the Initial Placing or the relevant Subsequent Placing, as applicable, will lapse and each Placee agrees that no claim

can be made by or on behalf of the Placee (or any person on whose behalf the Placee is acting) in respect thereof.

- 2.4 To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

3 PAYMENT FOR ISSUE SHARES

- 3.1 Each Placee undertakes to pay in full the applicable Issue Price for the Issue Shares issued to the Placee in the manner and by the time directed by RBC. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee's application for Issue Shares may, at the discretion of RBC, either be rejected or accepted and, in the latter case, paragraph 3.2 of these terms and conditions shall apply.

- 3.2 Each Placee is deemed to agree that if it does not comply with its obligation to pay the applicable Issue Price for the Issue Shares allocated to it in accordance with paragraph 3.1 of these terms and conditions and RBC elects to accept that Placee's application, RBC may sell all or any of the Issue Shares allocated to the Placee on such Placee's behalf and retain from the proceeds, for RBC's own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such Issue Shares on such Placee's behalf and shall indemnify RBC and its Affiliates on demand in respect of any liability for stamp duty and/or stamp duty reserve tax or any other liability whatsoever arising in respect of any such sale or sales.

4 REPRESENTATIONS AND WARRANTIES

- 4.1 By agreeing to subscribe for Issue Shares, each Placee which enters into a commitment to subscribe for Issue Shares will (for itself and any person(s) procured by it to subscribe for Issue Shares and any nominee(s) for any such person(s)) be deemed to represent, warrant, undertake, agree and acknowledge to each of the Company, RBC, the Investment Adviser, the AIFM and the Registrar that:

4.1.1 in agreeing to subscribe for Issue Shares under the Initial Placing and/or under a Subsequent Placing, it is relying solely on this Prospectus and any supplementary prospectus issued by the Company prior to Admission of the relevant Issue Shares and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the Issue Shares, the Initial Placing and/or any Subsequent Placing. It agrees that none of the Company, RBC, the Investment Adviser, the AIFM and the Registrar, nor any of their respective officers, agents, employees or Affiliates, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;

4.1.2 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Issue Shares under the Initial Placing and/or under a Subsequent Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any such territory or jurisdiction and that it has not taken any action or omitted to take any action which will or might reasonably be expected to result in the Company, RBC, the Investment Adviser, the AIFM or the Registrar or any of their respective officers, agents, employees or Affiliates acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Initial Placing or the relevant Subsequent Placing;

- 4.1.3 it has carefully read and understands this Prospectus and any supplementary prospectus issued by the Company prior to Admission of the relevant Issue Shares in its entirety and acknowledges that it is acquiring Issue Shares on the terms and subject to the conditions set out in this Part 9 (*Terms and Conditions of the Initial Placing and each Subsequent Placing*) of this Prospectus and the Articles as in force at the date of the relevant Admission of the relevant Issue Shares;
- 4.1.4 it makes the representations, warranties, undertakings, agreements and acknowledgements set out in this Prospectus, including (unless otherwise expressly agreed with the Company and RBC) those set out in the paragraph entitled “*Representations, Warranties and Undertakings*” in Part 5 (*The Initial Issue*) or Part 6 (*The Placing Programme*), as applicable, of this Prospectus;
- 4.1.5 either:
- 4.1.5.1 it is not a US Person, is not located within the United States, is acquiring the Issue Shares in an “offshore transaction” as defined in and meeting the requirements of Regulation S and is not acquiring the Issue Shares for the account or benefit of a US Person;
- 4.1.5.2 it is a dealer or other professional fiduciary organized or incorporated in the United States acting for a discretionary account (other than an estate or trust) held for the benefit or account of a non US Person in reliance on Regulation S; or
- 4.1.5.3 it is a “qualified institutional buyer” (as the term is defined in Rule 144A under the US Securities Act) that is also a “qualified purchaser” within the meaning of Section 2(a)(51) of the US Investment Company Act, and the related rules thereunder and is acquiring the Issue Shares for its own account or for the account of one or more “qualified institutional buyers” that are also “qualified purchasers” for which it is acting as a duly authorised agent or for a discretionary account with respect to which it exercises sole investment discretion and not with a view to any resale, distribution or other disposition of any such securities in violation of any US federal or state securities laws and it has signed a US investor letter in a form satisfactory to the Company;
- 4.1.6 the content of this Prospectus and any supplementary prospectus issued by the Company is exclusively the responsibility of the Company and its Directors (and in respect of certain sections of this Prospectus, the Investment Adviser) and apart from the liabilities and responsibilities (if any) which may be imposed on RBC by FSMA or the regulatory regime established thereunder, neither RBC, any person acting on its behalf, nor any of their Affiliates are responsible for or shall have any liability for any information, representation or statement contained in this Prospectus, any such supplementary prospectus or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Initial Placing or any Subsequent Placing based on any information, representation or statement contained in this Prospectus, such supplementary prospectus or otherwise;
- 4.1.7 it has not relied on RBC or any person affiliated with RBC in connection with any investigation or accuracy of any information contained in this Prospectus or any supplementary prospectus issued by the Company;
- 4.1.8 no person is authorised in connection with the Initial Placing and/or any Subsequent Placing to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus issued

by the Company prior to Admission of the relevant Issue Shares and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, RBC, the Investment Adviser or the AIFM;

- 4.1.9 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services);
- 4.1.10 if it is within the United Kingdom, it is (a) (i) a qualified investor within the meaning of Article 2(e) of the UK Prospectus Regulation, and (ii) a person who falls within Articles 49(2)(a) to (d) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or it is a person to whom the Issue Shares may otherwise lawfully be offered under such Order and/or is a person who is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook or, (b) if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, it is a person to whom the Issue Shares may be lawfully offered under that other jurisdiction's laws and regulations;
- 4.1.11 if it is a resident in an EEA Member State: (i) it is a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation; and (ii) if that EEA Member State has implemented the EU AIFM Directive, that it is a person to whom the Issue Shares may lawfully be marketed under the EU AIFM Directive or under the applicable implementing legislation (if any) of that EEA Member State;
- 4.1.12 in the case of any Issue Shares acquired by a Placee as a financial intermediary within the EEA as that term is used in the EU Prospectus Regulation or within the United Kingdom as that term is used in the UK Prospectus Regulation: (i) the Issue Shares acquired by it in the Initial Placing or any Subsequent Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any EEA Member State or the United Kingdom other than qualified investors (as that term is defined in Article 2(e) of the EU Prospectus Regulation or the UK Prospectus Regulation (as applicable)) and where marketing is permitted under the EU AIFM Directive or the UK AIFMD Laws, as applicable, or in circumstances in which the prior consent of RBC has been given to the offer or resale; or (ii) where Issue Shares have been acquired by it on behalf of persons in any EEA Member State or the United Kingdom other than qualified investors and where marketing is permitted under the EU AIFM Directive or the UK AIFMD Laws (as applicable), the offer of those Issue Shares to it is not treated under the EU Prospectus Regulation or the UK Prospectus Regulation (as applicable) as having been made to such persons;
- 4.1.13 it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the relevant Issue Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and acknowledges and agrees that no document is being issued by RBC in connection with the Initial Issue and/or the Placing Programme in its capacity as an authorised person under section 21 of FSMA and it may not therefore be subject to the controls which would apply if they were made or approved as a financial promotion by an authorised person;
- 4.1.14 it is aware of and acknowledges that it is required to comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Issue Shares, from or otherwise involving, the United Kingdom;

- 4.1.15 it is aware of the provisions regarding insider dealing in the United Kingdom under the Criminal Justice Act 1993 and the UK MAR and confirms that it has and will continue to comply with any obligations imposed by such statutes;
- 4.1.16 no action has been taken or will be taken in any jurisdiction other than the United Kingdom that would permit a public offering of the Issue Shares or possession of this Prospectus (and any supplementary prospectus issued by the Company prior to the relevant Admission), in any country or jurisdiction where action for that purpose is required;
- 4.1.17 if it is acting as a “distributor” (for the purposes of the relevant MiFID II Product Governance Requirements):
- 4.1.17.1 it acknowledges that the Target Market Assessment undertaken by RBC and the Investment Adviser does not constitute: (A) an assessment of suitability or appropriateness for the purposes of the UK MiFID Laws and EU MiFID II; or (B) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Issue Shares and each distributor is responsible for undertaking its own target market assessment in respect of the Issue Shares and determining appropriate distribution channels;
 - 4.1.17.2 notwithstanding any Target Market Assessment undertaken by RBC and the Investment Adviser, it confirms that it has satisfied itself as to the appropriate knowledge, experience, financial situation, risk tolerance and objectives and needs of the investors to whom it plans to distribute the Issue Shares and that it has considered the compatibility of the risk/reward profile of such Issue Shares with the end target market;
 - 4.1.17.3 it acknowledges that the price of the Issue Shares may decline and investors could lose all or part of their investment; the Issue Shares offer no guaranteed income and no capital protection; and an investment in the Issue Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom; and
 - 4.1.17.4 it agrees that if so required by RBC, it shall provide aggregate summary information on sales of the Issue Shares as contemplated under rule 3.3.30(R) of the PROD Sourcebook and information on the reviews carried out under rules 3.3.26(R) to 3.3.28(R) of the PROD Sourcebook;
- 4.1.18 save in the event of fraud on the part of RBC, neither RBC, its ultimate holding company nor any direct or indirect subsidiary undertakings of such holding company, nor any of their respective directors, members, partners, officers and employees shall be responsible or liable to such Placee or any of its clients for any matter arising out of RBC’s role as placing agent or otherwise in connection with the Initial Issue and/or the Placing Programme (and any Subsequent Placing thereunder) and that where any such responsibility or liability nevertheless arises as a matter of law such Placee and, if relevant, its clients, will immediately waive any claim against any of such persons which such investor or any of its clients may have in respect thereof;
- 4.1.19 it is aware of, has complied with and will at all times comply with its obligations in connection with money laundering under the Proceeds of Crime Act 2002;

- 4.1.20 in the event that a supplementary prospectus is required to be produced pursuant to Article 23 of the UK Prospectus Regulation (as amended) and in the event that it chooses to exercise any right of withdrawal pursuant to Article 23 of the UK Prospectus Regulation (as amended), such Placee will immediately re-subscribe for the Issue Shares previously comprising its Placing commitment;
- 4.1.21 the commitment to subscribe for Issue Shares on the terms set out in these terms and conditions will continue notwithstanding any amendment that may in the future be made to the terms of the Placing Programme and that it will have no right to be consulted or require that its consent be obtained with respect to the Company's conduct of the Placing Programme;
- 4.1.22 it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Issue Shares and it is not acting on a non-discretionary basis for any such person;
- 4.1.23 if it is outside the United Kingdom, neither this Prospectus nor any other offering, marketing or other material in connection with the Initial Placing or any Subsequent Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Issue Shares pursuant to the Initial Placing or any Subsequent Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or material could lawfully be provided to it or such person and Issue Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- 4.1.24 if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such Placee's agreement to subscribe for Issue Shares under the Initial Placing or under any Subsequent Placing and will not be any such person on the date any such agreement to subscribe under the Initial Placing or any Subsequent Placing is accepted;
- 4.1.25 it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other offering materials concerning the Initial Placing or any Subsequent Placing or the Issue Shares to any persons within the United States (subject to certain limited exceptions), nor will it do any of the foregoing;
- 4.1.26 neither RBC nor any of its Affiliates, nor any person acting on its or their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Initial Placing or any Subsequent Placing or providing any advice in relation to the Initial Placing or any Subsequent Placing and participation in the Initial Placing or any Subsequent Placing is on the basis that it is not and will not be a client of RBC and that RBC has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Initial Placing or any Subsequent Placing nor in respect of any representations, warranties, undertakings or indemnities otherwise required to be given by it in connection with its application under the Initial Placing or any Subsequent Placing;
- 4.1.27 where it is subscribing for Issue Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account:
- 4.1.27.1 to subscribe for the Issue Shares for each such account;
- 4.1.27.2 to make on each such account's behalf the undertakings, acknowledgements, representations, warranties and agreements set out in this Prospectus; and

4.1.27.3 to receive on behalf of each such account any documentation relating to the Initial Placing or the relevant Subsequent Placing in the form provided by the Company and/or RBC,

and it agrees that the provisions of this paragraph shall survive any resale of the Issue Shares by or on behalf of any such account;

- 4.1.28 it irrevocably appoints any director of the Company and any director of RBC to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Issue Shares for which it has given a commitment under the Initial Placing or any Subsequent Placing, in the event of its own failure to do so;
- 4.1.29 it accepts that if the Initial Placing or the relevant Subsequent Placing does not proceed or the conditions to the Placing Agreement are not satisfied or the Issue Shares for which valid applications are received and accepted are not admitted to trading on the premium segment of the Main Market and to listing on the premium listing segment of the Official List for any reason whatsoever then none of the Company, RBC, the Investment Adviser and the AIFM nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- 4.1.30 in connection with its participation in the Initial Placing or any Subsequent Placing it has observed all relevant legislation and regulations;
- 4.1.31 RBC and the Company are entitled to exercise any of their rights under the Placing Agreement or any other right in their absolute discretion without any liability whatsoever to it;
- 4.1.32 the representations, undertakings and warranties contained in this Prospectus are irrevocable. It acknowledges that RBC and the Company and their respective Affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of the Issue Shares are no longer accurate, it shall promptly notify RBC and the Company;
- 4.1.33 where it or any person acting on behalf of it is dealing with RBC, any money held in an account with RBC on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require RBC to segregate such money, as that money will be held by RBC under a banking relationship and not as trustee;
- 4.1.34 any of its clients, whether or not identified to RBC, will remain its sole responsibility and will not become clients of RBC for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- 4.1.35 it accepts that the allocation of Issue Shares shall be determined by the Company in its absolute discretion (in consultation with RBC) and that the Company may scale down any commitments for this purpose on such basis as it may (in consultation with RBC) determine;
- 4.1.36 time shall be of the essence as regards its obligations to settle payment for the Issue Shares and to comply with its other obligations under the Initial Placing or the relevant Subsequent Placing;
- 4.1.37 its commitment to acquire Issue Shares will be agreed orally with RBC as agent for the Company and that a Contract Note or Placing Confirmation will be issued by RBC as soon as possible thereafter. That oral confirmation will constitute an

irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and RBC to subscribe for the number of Issue Shares allocated to it at the Initial Issue Price or the Placing Programme Price, as applicable, on the terms and conditions set out in this Part 9 (*Terms and Conditions of the Initial Placing and each Subsequent Placing*) and, as applicable, in the Contract Note or Placing Confirmation. Except with the consent of RBC, such oral commitment will not be capable of variation or revocation after the time at which it is made;

4.1.38 its allocation of Issue Shares under the Initial Placing and any Subsequent Placing will be evidenced by the Contract Note or Placing Confirmation, as applicable, confirming:

4.1.38.1 the number of Issue Shares that such Placee has agreed to subscribe for;

4.1.38.2 the aggregate amount that such Placee will be required to pay for such Issue Shares; and

4.1.38.3 settlement instructions to pay RBC as agent for the Company. The terms of this Part 9 (*Terms and Conditions of the Initial Placing and each Subsequent Placing*) will be deemed to be incorporated into that Contract Note or Placing Confirmation; and

4.1.39 for the avoidance of doubt, nothing in these terms and conditions is intended to exclude the liability of any person for fraud or fraudulent misrepresentation made by that person.

4.2 The Company reserves the right to reject all or part of any offer to purchase Issue Shares for any reason. The Company also reserves the right to sell fewer than all of the Issue Shares offered by this Prospectus or to sell to any purchaser fewer than all of the Issue Shares a purchaser has offered to purchase.

5 MONEY LAUNDERING

5.1 Each Placee acknowledges and agrees that:

5.1.1 its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied for Issue Shares. In addition, it warrants that it is a person:

5.1.1.1 subject to the UK Money Laundering Regulations 2017 in force in the United Kingdom; or

5.1.1.2 subject to the EU Money Laundering Directive; or

5.1.1.3 acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the UK Money Laundering Regulations 2017;

5.1.2 due to anti-money laundering requirements, RBC and/or the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, RBC and/or the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify RBC and the Company against any liability, loss or cost ensuing due to the failure to process

such application, if such information as has been required has not been provided by it; and

- 5.1.3 it is aware of, has complied with and will at all times comply with its obligations in connection with the UK Money Laundering Regulations 2017.

6 DATA PROTECTION

- 6.1 Each Placee acknowledges that it has been informed that, pursuant to applicable data protection legislation (including the UK GDPR and the EU GDPR) and regulatory requirements in the United Kingdom and/or the EEA, as appropriate ("**DP Legislation**") the Company, the Company Secretary and/or the Registrar hold their personal data. Personal data will be retained on record for a period exceeding six years after which it is no longer used (subject always to any limitations on retention periods set out in the DP Legislation). The Registrar and the Company Secretary will process such personal data at all times in compliance with DP Legislation and shall only process such information for the purposes set out in the Company's privacy notice (the "**Purposes**") which is available for consultation on the Company's website www.independentlivingreit.com (the "**Privacy Notice**").
- 6.2 Where necessary to fulfil the Purposes, the Company will disclose personal data to:
- 6.2.1 third parties located either within, or outside of the EEA, for the Registrar and the Company Secretary to perform their respective functions, or when it is within its legitimate interests, and in particular in connection with the holding of Issue Shares; or
- 6.2.2 its Affiliates, the Registrar, the Company Secretary, the Investment Adviser or the AIFM and their respective associates, some of which are located outside of the UK and EEA.
- 6.3 Any sharing of personal data between parties will be carried out in compliance with DP Legislation and as set out in the Company's Privacy Notice.
- 6.4 In providing the Registrar with personal data, the Placee hereby represents and warrants to the Company, the Registrar and the Company Secretary that: (1) it complies in all material aspects with its data controller obligations under DP Legislation, and in particular, it has notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Company's Privacy Notice to such relevant data subjects; and (2) where consent is legally competent and/or required under DP Legislation, the Placee has obtained the consent of any data subject to the Company, the Company Secretary and the Registrar and their respective Affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes).
- 6.5 Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is a natural person it (as the case may be) represents and warrants that (as applicable) it has read and understood the terms of the Company's Privacy Notice.
- 6.6 Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is not a natural person it represents and warrants:
- 6.6.1 it has brought the Company's Privacy Notice to the attention of any underlying data subjects on whose behalf or account the Placee may act or whose personal data will be disclosed to the Company and the Company Secretary as a result of the Placee agreeing to subscribe for Issue Shares under the Initial Placing or any Subsequent Placing; and

- 6.6.2 the Placee has complied in all other respects with all applicable data protection legislation in respect of disclosure and provision of personal data to the Company.
- 6.7 Where the Placee acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, it shall, in respect of the personal data it processes in relation to or arising in relation to the Initial Placing or any Subsequent Placing:
 - 6.7.1 comply with all applicable data protection legislation;
 - 6.7.2 take appropriate technical and organisational measures against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of or damage to the personal data;
 - 6.7.3 if required, agree with the Company and the Registrar the responsibilities of each such entity as regards relevant data subjects' rights and notice requirements; and
 - 6.7.4 immediately on demand, fully indemnify the Company and the Registrar and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), losses (including indirect losses and loss of profits, business and reputation), actions, proceedings and liabilities of whatsoever nature arising from or incurred by the Company and/or the Registrar in connection with any failure by the Placee to comply with the provisions set out above.

7 **SUPPLY AND DISCLOSURE OF INFORMATION**

If RBC, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for Issue Shares under the Initial Placing or any Subsequent Placing, such Placee must promptly disclose it to them.

8 **NON UNITED KINGDOM INVESTORS**

- 8.1 If the Placee is outside the United Kingdom, neither this Prospectus nor any other offering, marketing or other material in connection with the Initial Placing and/or the Placing Programme constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Issue Shares pursuant to the Initial Placing or any Subsequent Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Issue Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements.
- 8.2 None of the Issue Shares has been or will be registered under the laws of the United States, Canada, Australia, the Republic of South Africa or Japan. Accordingly, the Issue Shares may not be offered, sold, issued or delivered, directly or indirectly, within any of the United States, Canada, Australia, the Republic of South Africa or Japan or to any national, resident or citizen of Canada, Australia, the Republic of South Africa or Japan unless an exemption from any registration or prospectus requirement is available.

9 **MISCELLANEOUS**

- 9.1 The rights and remedies of the Company, RBC, the Investment Adviser, the AIFM and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 9.2 On application, if a Placee is an individual, that Placee may be asked to disclose in writing or orally his nationality. If a Placee is a discretionary fund manager, that Placee may be asked

to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Initial Placing or any Subsequent Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

- 9.3 Each Placee agrees to be bound by the Articles once the Issue Shares, which the Placee has agreed to subscribe for pursuant to the Initial Placing or any Subsequent Placing, have been acquired by the Placee. The contract to subscribe for Issue Shares under the Initial Placing or any Subsequent Placing and the appointments and authorities mentioned in this Prospectus and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the Company, RBC, the Investment Adviser, the AIFM and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction.
- 9.4 In the case of a joint agreement to subscribe for Issue Shares under the Initial Placing or any Subsequent Placing, references to a "Placee" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.
- 9.5 RBC and the Company expressly reserve the right to modify the Initial Placing or any Subsequent Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined. RBC and the Company expressly reserve the right to require any Placee to agree to such further (or modified) terms and/or conditions and/or give such additional (or modified) warranties and/or representations as they (in their absolute discretion) see fit and/or may require any such Placee to execute a separate placing letter and/or other documentation. The Initial Placing and any Subsequent Placing are subject to the satisfaction of the conditions contained in the Placing Agreement and the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained paragraph 9.1 of Part 8 (*Additional Information*) of this Prospectus.

PART 10

TERMS AND CONDITIONS OF THE OFFER FOR SUBSCRIPTION

If you apply for Ordinary Shares under the Offer, you will be agreeing with the Company, the Registrar and the Receiving Agent to the terms and conditions of application set out below. Potential investors should note the section entitled “*Notes on how to complete the Application Form for the Offer*” in Appendix 1 to this Prospectus.

1 OFFER TO SUBSCRIBE FOR ORDINARY SHARES

1.1 Your application must be made on the Application Form attached at Appendix 2 to this Prospectus or as may be otherwise published by the Company. By completing and delivering an Application Form, you, as the applicant, and, if you sign the Application Form on behalf of another person or a corporation, that person or corporation:

1.1.1 offer to subscribe for such number of Ordinary Shares at 100 pence per Ordinary Share as may be specified in Box 1 on your Application Form (being a minimum investment amount of £1,000 and thereafter in multiples of £1,000) on the terms, and subject to the conditions, set out in this Prospectus, including these Terms and Conditions of the Offer for Subscription, and the Articles (as amended from time to time);

1.1.2 agree that in respect of any Ordinary Shares for which you wish to subscribe under the Offer you will submit payment in Sterling;

1.1.3 agree that, in consideration of the Company agreeing that it will not, prior to the date of Initial Admission, offer for subscription any Ordinary Shares to any person other than by means of the procedures referred to in this Prospectus, your application may not be revoked (subject to any legal right to withdraw your application which arises as a result of any supplementary prospectus being published by the Company subsequent to the date of this Prospectus and prior to Initial Admission) and that this section shall constitute a collateral contract between you and the Company which will become binding upon dispatch by post to the Receiving Agent of your Application Form;

1.1.4 undertake to pay the amount specified in Box 1 on your Application Form in full on application and warrant that the remittance accompanying your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured, you will not be entitled to receive the share certificates for the Ordinary Shares applied for in certificated form or be entitled to commence dealing in the Ordinary Shares applied for in uncertificated form or to enjoy or receive any rights in respect of such Ordinary Shares unless and until you make payment in cleared funds for such Ordinary Shares and such payment is accepted by the Receiving Agent (which acceptance shall not constitute an acceptance of your application under the Offer and shall be in its absolute discretion and on the basis that you indemnify the Company, the Registrar, the Receiving Agent, RBC and their respective Affiliates against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) void the agreement to allot the Ordinary Shares and may allot them to some other person, in which case you will not be entitled to any refund or payment in respect thereof (other than the refund by way of a cheque, in your favour, at your risk, for an amount equal to the proceeds of the remittance which accompanied your Application Form, without interest);

1.1.5 agree that where on your Application Form a request is made for Ordinary Shares to be deposited into a CREST account on a DvP basis, the Receiving Agent may in its absolute discretion amend the Application Form so that such Ordinary Shares may be issued in certificated form registered in the name(s) of

the applicant(s) specified in your Application Form (and recognise that the Receiving Agent will so amend the form if there is any delay in satisfying the identity of the applicant or the owner of the CREST account or in receiving your remittance in cleared funds as approved by both the Company and RBC);

- 1.1.6 agree, in respect of applications for Ordinary Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph 1.1.5 above to issue Ordinary Shares in certificated form), that any share certificate to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled or pursuant to paragraph 1.1.5 above (and any monies returnable to you) may be retained by the Receiving Agent:
- 1.1.6.1 pending clearance of your remittance;
- 1.1.6.2 pending investigation of any suspected breach of the warranties contained in paragraph 5 of this Part 10 (*Terms and Conditions of the Offer for Subscription*) of this Prospectus or any other suspected breach of these Terms and Conditions of the Offer for Subscription; or
- 1.1.6.3 pending any verification of identity which is, or which the Receiving Agent considers may be, required for the purpose of any anti-money laundering requirements;
- 1.1.7 agree, on the request of the Receiving Agent, to disclose promptly in writing to it such information as the Receiving Agent may request in connection with your application and authorise the Receiving Agent to disclose any information relating to your application which it may consider appropriate;
- 1.1.8 agree that, if evidence of identity satisfactory to the Receiving Agent is not provided to the Receiving Agent within a reasonable time (in the opinion of the Receiving Agent and/or the Company) following a request therefor, the Company may terminate the agreement with you to allot Ordinary Shares and, in such case, the Ordinary Shares which would otherwise have been allotted to you may be re-allotted or sold to some other party and the lesser of your application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned in the same method that the payment was received by the Receiving Agent, on which the payment accompanying the application was first drawn without interest and at your risk;
- 1.1.9 agree that you are not applying on behalf of a person engaged in money laundering, drug trafficking or terrorism, or any sanctioned individual or entity;
- 1.1.10 undertake to ensure that, in the case of an Application Form signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) is enclosed with your Application Form together with full identity documents for the person so signing;
- 1.1.11 authorise the Receiving Agent to procure that there be sent to you definitive certificates in respect of the number of Ordinary Shares for which your application is accepted or if you have completed Section 2B on your Application Form, but subject to paragraph 1.1.5 above, to deliver the number of Ordinary Shares for which your application is accepted into CREST on a DvP basis only, and/or to return any monies returnable to you in the manner in which your investment was received by the Receiving Agent without interest and at your risk;
- 1.1.12 confirm that you have read and complied with paragraph 7 of this Part 10 (*Terms and Conditions of the Offer for Subscription*) of this Prospectus;

- 1.1.13 agree that all subscription cheques and bankers' draft payments will be processed through a bank account in the name of **Link Market Services Ltd**
Re: Independent Living REIT plc – OFS CHQ a/c opened with the Receiving Agent;
 - 1.1.14 agree that all subscription payments made by Electronic Bank Transfer will be processed through a bank account in the name of **Link Market Services Ltd**
Re: Independent Living REIT plc – OFS CHAPS a/c opened with the Receiving Agent;
 - 1.1.15 agree that your Application Form is addressed to the Receiving Agent on behalf of the Company; and
 - 1.1.16 for any Applications for Ordinary Shares required to be in CREST, you agree that the Application Form must be completed and signed by the named CREST holder, rather than any underlying beneficial investor and payment must be made in CREST on a DvP method in CREST.
- 1.2 Any application may be rejected in whole or in part at the sole discretion of the Company.

2 **ACCEPTANCE OF YOUR OFFER**

- 2.1 The Receiving Agent may, on behalf of the Company, accept your offer to subscribe (if your application is received, valid (or treated as valid), processed and not rejected) for Ordinary Shares either:
- 2.1.1 by informing RBC and the Company so they may notify the FCA of the basis of allocation (in which case the acceptance will be on that basis); or
 - 2.1.2 by notifying acceptance to the Company.
- 2.2 The basis of allocation will be determined by the Directors (following consultation with RBC). The right is reserved notwithstanding the basis as so determined to reject in whole or in part and/or scale back any application on such basis as they may determine. The right is reserved to treat as valid any application not complying fully with these Terms and Conditions of the Offer for Subscription or not in all respects completed or delivered in accordance with the instructions accompanying the Application Form. In particular, but without limitation, the Company may accept an application made otherwise than by completion of an Application Form where you have agreed with the Company in some other manner to apply in accordance with these Terms and Conditions of the Offer for Subscription. The Company and Receiving Agent reserve the right (but shall not be obliged) to accept Application Forms and accompanying remittances which are received otherwise than in accordance with these Terms and Conditions of the Offer for Subscription.
- 2.3 The Receiving Agent will present all cheques and bankers' drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful applicants' payments. The right is also reserved to reject in whole or in part, or to scale down or limit, any application.
- 2.4 The Company reserves the right in its absolute discretion (but shall not be obliged) to accept applications for less than the minimum subscription.

3 **CONDITIONS**

- 3.1 The contracts created by the acceptance of applications (in whole or in part) under the Offer will be conditional on, among other things:
- 3.1.1 Initial Admission becoming effective by not later than 8.00 a.m. (London time) on 4 October 2022 (or such later time and/or date, not being later than 8.00 a.m. on 30 November 2022, as the Company, the Investment Adviser, and RBC may agree); and

- 3.1.2 the Placing Agreement becoming otherwise unconditional in all respects, and not being terminated in accordance with its terms before Initial Admission becomes effective.
- 3.2 You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other rights you may have.

4 **RETURN OF APPLICATION MONIES**

Where application monies have been banked and/or received, if any application is not accepted in whole, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest and after the deduction of any applicable bank charges to you in the manner in which your investment was received by the Receiving Agent at the risk of the person(s) entitled thereto. In the meantime, application monies will be retained by the Receiving Agent in a separate non-interest bearing account.

5 **WARRANTIES**

- 5.1 By completing an Application Form, you:
- 5.1.1 warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person and that such other person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions of the Offer for Subscription and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;
- 5.1.2 make the representations, warranties, undertakings, agreements and acknowledgements set out in this Prospectus, including (unless otherwise expressly agreed with the Company) those set out in the paragraph entitled "Representations, Warranties and Undertakings" in Part 5 (*The Initial Issue*) of this Prospectus;
- 5.1.3 represent, warrant, undertake, agree and acknowledge that, unless otherwise agreed in writing with the Company, you are (x) not a US Person, are not located within the United States, are acquiring the Issue Shares in an "offshore transaction" as defined in and meeting the requirements of Regulation S and are not acquiring the Issue Shares for the account or benefit of a US Person or (y) a dealer or other professional fiduciary organized or incorporated in the United States acting for a discretionary account (other than an estate or trust) held for the benefit or account of a non US Person in reliance on Regulation S;
- 5.1.4 warrant, if the laws of any territory or jurisdiction other than the United Kingdom are applicable to your application, that you have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company, the Receiving Agent, RBC or any of their respective Affiliates, officers, agents or employees, acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Offer in respect of your application;
- 5.1.5 warrant that you are entitled to acquire the Ordinary Shares under the applicable laws of all relevant jurisdictions, you have fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and you have paid or will pay all

issue, transfer or other taxes due in connection with your acceptance in any jurisdiction of the Ordinary Shares and that you have not taken any action, or omitted to take any action, which may result in the Company or RBC, or their respective directors, officers, agents, employees and advisers, being in breach of the laws of any jurisdiction in connection with the Initial Issue or your acceptance of participation in the Initial Issue;

- 5.1.6 have received, carefully read and understand this Prospectus and, unless otherwise expressly agreed with the Company, you have not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other offering materials or publicity relating to the Ordinary Shares into or within Australia, Canada, Japan, the Republic of South Africa or the United States, nor will you do any of the foregoing;
- 5.1.7 warrant that you do not have a registered address in, and are not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Ordinary Shares and you are not acting on a non-discretionary basis for any such person;
- 5.1.8 confirm that in making an application you are not relying on any information or representations in relation to the Company and the Ordinary Shares other than those contained in this Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus and prior to Initial Admission (on the basis of which alone your application is made) and accordingly you agree that no person responsible solely or jointly for this Prospectus, any such supplementary prospectus or any part thereof shall have any liability for any such other information or representation and any information relating to the exchange of tax information;
- 5.1.9 agree that, having had the opportunity to read this Prospectus, you shall be deemed to have had notice of all information and representations contained herein;
- 5.1.10 acknowledge that no person is authorised in connection with the Offer to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus and prior to Initial Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the Receiving Agent, RBC or any of their respective Affiliates;
- 5.1.11 warrant that you are not under the age of 18 on the date of your application;
- 5.1.12 agree that all documents and monies sent by post to, by or on behalf of the Company, or the Receiving Agent, will be sent at your risk and, in the case of documents and returned application cheques and payments to be sent to you, may be sent to you at your address (or, in the case of joint applicants, the address of the first-named applicant) as set out in your Application Form;
- 5.1.13 confirm that you have reviewed the restrictions contained in paragraph 7 of this Part 10 (*Terms and Conditions of the Offer for Subscription*) of this Prospectus and warrant, to the extent relevant, that you (and any person on whose behalf you apply) comply or have complied with the provisions therein;
- 5.1.14 agree that, in respect of those Ordinary Shares for which your Application Form has been received and processed and not rejected, acceptance of your Application Form shall be constituted by the Company instructing the Registrar to enter your name on the Register;
- 5.1.15 agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer and any non-contractual obligations arising in

connection therewith shall be governed by and construed in accordance with the laws of England and Wales and that you submit to the jurisdiction of the English courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;

- 5.1.16 irrevocably authorise the Company, the Receiving Agent, RBC or any other person authorised by any of them, as your agent, to do all things necessary to effect registration of any Ordinary Shares subscribed by or issued to you into your name and authorise any representatives of the Company, the Receiving Agent and RBC to execute any documents required thereafter and to enter your name on the Register;
- 5.1.17 warrant that you (i) are: highly knowledgeable and experienced in business and financial matters as to be capable of evaluating the merits and risks of an investment in the Ordinary Shares; (ii) fully understand the risks associated with such investment; and (iii) are able to bear the economic risk of your investment in the Company and are currently able to afford the complete loss of such investment;
- 5.1.18 acknowledge that the KID relating to the Ordinary Shares to be issued pursuant to the Offer in connection with the Ordinary Shares pursuant to the UK PRIIPs Laws can be provided to you in paper form or by means of a website, but that where you are applying under the Offer directly and not through an adviser or other intermediary, unless requested in writing otherwise, the lodging of an Application Form represents your consent to being provided the KID via the website at www.independentlylivingreit.com or on such other website as has been notified to you. Where your application is made on an advised basis or through another intermediary, the terms of your engagement should address the means by which such KID will be provided to you;
- 5.1.19 acknowledge and agree that the procedures for calculating the risks, costs and potential returns as set out in the KID relating to the Ordinary Shares are prescribed by the UK PRIIPs Laws and the information contained in the KID may not reflect the expected returns for the Company, and that anticipated performance returns cannot be guaranteed;
- 5.1.20 agree to provide the Company and Receiving Agent with any information which they may request in connection with your application or to comply with any other relevant legislation (as the same may be amended from time to time) including without limitation satisfactory evidence of identity to ensure compliance with anti-money laundering requirements;
- 5.1.21 agree that each of the Receiving Agent and RBC is acting for the Company in connection with the Offer and for no-one else and that they will not treat you as their customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of Ordinary Shares or concerning the suitability of Ordinary Shares for you or be responsible to you for providing the protections afforded to their customers; and
- 5.1.22 warrant that the information contained in your Application Form is true and accurate.

6 MONEY LAUNDERING

- 6.1 You agree that, in order to ensure compliance with the UK Money Laundering Regulations 2017 (where applicable), the Receiving Agent may respectively at its absolute discretion require verification of identity from any person lodging an Application Form.

- 6.2 The Receiving Agent may undertake electronic searches for the purposes of verifying your identity. To do so the Receiving Agent may verify the details against your identity, but may also request further proof of your identity. The Receiving Agent reserves the right to withhold any entitlement (including any refund cheque) until such verification of identity is completed to its satisfaction.
- 6.3 Payments being made by cheque or banker's draft must be made in Sterling drawn on a United Kingdom branch of a bank or building society. Cheques, which must be drawn on your personal account where you have sole or joint title to the funds, should be made payable to **Link Market Services Ltd Re: Independent Living REIT plc – OFS CHQ a/c**. Third-party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has inserted the full name of the account holder and has added the building society or bank branch stamp by stamping or endorsing the cheque/banker's draft by following the instructions in paragraph 6.7 below.
- 6.4 The name on the bank account must be the same as that shown on the Application Form.
- 6.5 Where you appear to the Receiving Agent to be acting on behalf of some other person, certifications of identity of any persons on whose behalf you appear to be acting may be required.
- 6.6 Failure to provide the necessary evidence of identity may result in application(s) being rejected or in delays in the dispatch of documents.
- 6.7 In all circumstances, verification of the identity of applicants will be required. If you use a building society cheque, banker's draft or money order, you should ensure that the bank or building society enters the name, address and account number of the person whose account is being debited on the reverse of the cheque, banker's draft or money order and adds its stamp.

7 DATA PROTECTION

- 7.1 Each applicant acknowledges that it has been informed that, pursuant to applicable data protection legislation (including the UK GDPR and the EU GDPR) and regulatory requirements in the United Kingdom and/or the EEA, as appropriate ("**DP Legislation**") the Company, the Company Secretary and/or the Registrar hold their personal data. Personal data will be retained on record for a period exceeding six years after which it is no longer used (subject always to any limitations on retention periods set out in the DP Legislation). The Registrar and the Company Secretary will process such personal data at all times in compliance with DP Legislation and shall only process such information for the purposes set out in the Company's privacy notice (the "**Purposes**") which is available for consultation on the Company's website www.independentlivingreit.com (the "**Privacy Notice**").
- 7.2 Where necessary to fulfil the Purposes, the Company will disclose personal data to:
- 7.2.1 third parties located either within or outside of the EEA, for the Registrar and the Company Secretary to perform their respective functions, or when it is within its legitimate interests, and in particular in connection with the holding of Ordinary Shares; or
 - 7.2.2 its Affiliates, the Registrar, the Company Secretary, the Investment Adviser or the AIFM and their respective associates, some of which are located outside of the UK and EEA.
- 7.3 Any sharing of personal data between parties will be carried out in compliance with DP Legislation and as set out in the Company's Privacy Notice.
- 7.4 In providing the Registrar with personal data, each applicant hereby represents and warrants to the Company, the Registrar and the Company Secretary that: (a) it complies in all material aspects with its data controller obligations under DP Legislation, and in particular, it has notified any data subject of the Purposes for which personal data will be used and by which

parties it will be used and it has provided a copy of the Company's Privacy Notice to such relevant data subjects; and (b) where consent is legally competent and/or required under DP Legislation, the applicant has obtained the consent of any data subject to the Company, the Company Secretary and the Registrar and their respective Affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes).

7.5 Each applicant acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the applicant is a natural person it represents and warrants that (as applicable) it has read and understood the terms of the Company's Privacy Notice.

7.6 Each applicant acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the applicant is not a natural person it represents and warrants:

7.6.1 it has brought the Company's Privacy Notice to the attention of any underlying data subjects on whose behalf or account the applicant may act or whose personal data will be disclosed to the Company and the Company Secretary as a result of the applicant agreeing to subscribe for Ordinary Shares under the Offer; and

7.6.2 the applicant has complied in all other respects with all applicable data protection legislation in respect of disclosure and provision of personal data to the Company.

7.7 Where the applicant acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, it shall, in respect of the personal data it processes in relation to or arising in relation to the Offer:

7.7.1 comply with all applicable data protection legislation;

7.7.2 take appropriate technical and organisational measures against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of or damage to the personal data;

7.7.3 if required, agree with the Company and the Registrar the responsibilities of each such entity as regards relevant data subjects' rights and notice requirements; and

7.7.4 immediately on demand, fully indemnify the Company and the Registrar and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), losses (including indirect losses and loss of profits, business and reputation), actions, proceedings and liabilities of whatsoever nature arising from or incurred by the Company and/or the Registrar in connection with any failure by the applicant to comply with the provisions set out above.

8 OVERSEAS PERSONS

The attention of potential investors who are not resident in, or who are not citizens of, the United Kingdom, Guernsey and Jersey is drawn to this paragraph 8:

8.1 The offer of Ordinary Shares under the Offer to persons who are resident in, or citizens of, countries other than the United Kingdom (**Overseas Persons**) may be affected by the law of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to subscribe for Ordinary Shares under the Offer. It is the responsibility of all Overseas Persons receiving this Prospectus and/or wishing to subscribe to the Ordinary Shares under the Offer, to satisfy themselves as to full observance of the laws of any relevant territory or jurisdiction in connection therewith, including obtaining all necessary

governmental or other consents that may be required and observing all other formalities required to be observed and paying any issue, transfer or other taxes due in such territory.

- 8.2 No person receiving a copy of this Prospectus in any territory other than the United Kingdom may treat the same as constituting an offer or invitation to him, unless in the relevant territory such an offer can lawfully be made to him without compliance with any further registration or other legal requirements.
- 8.3 Unless otherwise expressly agreed with the Company, persons (including, without limitation, custodians, nominees and trustees) receiving this Prospectus should not distribute or send it in or into the United States, Australia, Canada, Japan or the Republic of South Africa, their respective territories or possessions or any other jurisdiction, or to any other person, where to do so would or might contravene local securities laws or regulations.
- 8.4 The Company reserves the right to treat as invalid any agreement to subscribe for Ordinary Shares pursuant to the Offer if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

9 MISCELLANEOUS

- 9.1 The rights and remedies of the Company, the Receiving Agent and RBC under these Terms and Conditions of the Offer for Subscription are in addition to any rights and remedies which would otherwise be available to any of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 9.2 The Company reserves the right to shorten or extend the closing time and/or date of the Offer from 11.00 a.m. (London time) on 29 September 2022 (provided that if the closing time is extended this Prospectus remains valid at the closing time as extended) by giving notice to the London Stock Exchange. The Company will notify investors via an RIS and any other manner, having regard to the requirements of the London Stock Exchange.
- 9.3 The Company may terminate the Offer, in its absolute discretion, at any time prior to Initial Admission. If such right is exercised, the Offer will lapse and any monies will be returned in the same way they were received at your own risk and without interest.
- 9.4 The dates and times referred to in these Terms and Conditions of the Offer for Subscription may be altered by the Company, including but not limited to so as to be consistent with the Placing Agreement (as the same may be altered from time to time in accordance with its terms).
- 9.5 Save where the context requires otherwise, terms used in these Terms and Conditions of the Offer for Subscription bear the same meaning as used elsewhere in this Prospectus.

PART 11 DEFINITIONS

The following definitions apply in this Prospectus unless the context otherwise requires:

Acquisition Notice	has the meaning given in paragraph 7 of Part 8 (<i>Additional Information</i>) of this Prospectus
Adjusted Gross Asset Value	has the meaning given in paragraph 3.10.2 of Part 1 (<i>The Company</i>) of this Prospectus
Adjusted NAV	(i) in relation to the Monthly Advisory Fee, the last published NAV (subject to adjustment for material changes); and (ii) in relation to the Semi-Annual Advisory Fee, the published NAV relating to the last day of the six month period to which the Semi-Annual Advisory Fee relates
Admission	the Initial Admission or any Subsequent Admission, as the context requires
AEOI	Automatic Exchange of Information
Affiliate	an affiliate of, or person affiliated with, a specified person including a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified
AIC	the Association of Investment Companies
AIC Code	the AIC's Code of Corporate Governance for investment companies (February 2019), as amended from time to time
AIF	an alternative investment fund, within the meaning of the EU AIFM Directive or the UK AIFMD Laws (as applicable)
AIFM	JTC Global AIFM Solutions Limited and/or such other person or persons from time to time appointed by the Company as its alternative investment fund manager, within the meaning of the UK AIFMD Laws (as applicable)
Application Form	the application form for the Offer set out as Appendix 2 to this Prospectus
Articles	the articles of association of the Company, as amended from time to time
Atrato Group	Atrato Group Limited and all its Affiliates
Audit Committee	the committee of this name established by the Board and having the duties described in the section entitled "Committees: Audit Committee" in Part 3 (<i>Directors, Management and Administration</i>) of this Prospectus
Business Day	a day on which the London Stock Exchange and banks in London generally are open for the transaction of normal business
Care Provider	as described in paragraph 1.2.1 of Part 2 (<i>Market Background, Investment Opportunity, Investment Approach and Pipeline</i>) of this Prospectus

certificated or in certificated form	not in uncertificated form
Change of Control Fee	has the meaning given in paragraph 9.3 of Part 8 (<i>Additional Information</i>) of this Prospectus
Common Reporting Standard or CRS	the global standard for the automatic exchange of financial information between tax authorities developed by the OECD
Companies Act	the Companies Act 2006, as amended
Company	Independent Living REIT plc, an investment company incorporated in England and Wales under the Companies Act on 14 July 2022 with registered number 14235035 whose registered office is at 6 th Floor, 125 London Wall, London EC2Y 5AS
Company Secretarial Services Agreement	the company secretarial services agreement between the Company and the Company Secretary, a summary of which is set out in paragraph 9.4 of Part 8 (<i>Additional Information</i>) of this Prospectus
Company Secretary	Sanne Group Secretaries (UK) Limited, a private limited company registered in England and Wales with company number 08334728 and with registered office at 6 th Floor, 125 London Wall, London, EC2Y 5AS
Compliant Providers	Registered any Registered Provider which has not been deemed to be non-compliant by the Regulator of Social Housing
Compliant Tenants	Compliant Registered Providers and Permitted Housing Providers
Continuation Resolution	has the meaning set out in paragraph 12 of Part 1 (<i>The Company</i>) of this Prospectus
Conversion Asset	a property used for an alternative property use (for example, office or retail) that is capable of being physically converted so that it can be used for Supported Housing
Corporation Taxes Act or CTA 2010	the Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force
COVID-19	a novel coronavirus disease, which originally surfaced in Wuhan, China in late 2019
CREST	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations, in accordance with which Ordinary Shares may be held in uncertificated form
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI No. 2001/3755), as amended from time to time
CTA 2010	the Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force
Development Asset	a site on which a new build development can be built for the purposes of Supported Housing

Direct Development	development which is managed by the Company without the appointment of a third party developer responsible for the development
Directors or Board	the board of directors of the Company, as constituted from time to time
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules made by the FCA pursuant to FSMA
Discontinuation Resolution	has the meaning set out in paragraph 12 of Part 1 (<i>The Company</i>) of this Prospectus
DvP	delivery versus payment
EEA	the European Economic Area
EEA Member State	each member state of the EEA
EPRA	the European Public Real Estate Association
ERISA	the US Employee Retirement Income Security Act of 1974, as amended from time to time, and the applicable regulations thereunder
ESG	environmental, social and governance
EU	the European Union
EU AIFM Delegated Regulation	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
EU AIFM Directive	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
EU GDPR	the General Data Protection Regulation (EU) 2016/679
EU Market Abuse Regulation	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
EU MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (MiFID) and Regulation (EU) No 600/2014 of the European Parliament and the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (MiFIR and together with MiFID, MiFID II)
EU Money Laundering Directive	Directive (2018/843/EU) of the European Parliament and of the EC Council of 26 October 2018 on the prevention of the use of the

	financial system for the purpose of money laundering and terrorist financing
EU PRIIPs Regulation	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) and its implementing and delegated acts (as amended or supplemented from time to time)
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
Euroclear	Euroclear UK & International Limited with registered number 02878738, the operator of CREST
Exempt Accommodation	as described in paragraph 1.2.5 of Part 2 (<i>Market Background, Investment Opportunity, Investment Approach and Pipeline</i>) of this Prospectus
Exempt Rents	as described in paragraph 1.2.5 of Part 2 (<i>Market Background, Investment Opportunity, Investment Approach and Pipeline</i>) of this Prospectus
Extra Care	as described in paragraph 1.1.1 of Part 2 (<i>Market Background, Investment Opportunity, Investment Approach and Pipeline</i>) of this Prospectus
FATCA	sections 1471 to 1474 of the US Tax Code, known as the US Foreign Account Tax Compliance Act of 2010 (together with any regulations, rules and other guidance implementing such US Tax Code sections and any applicable intergovernmental agreement or information exchange agreement and related statutes, regulations, rules and other guidance thereunder)
Final Closing Date	the earliest of (i) 11 September 2023; (ii) the date on which all of the Ordinary Shares available for issue under the Placing Programme have been issued; and (iii) such other date as may be agreed between RBC and the Company (such agreed date to be announced by way of an RIS announcement)
Financial Conduct Authority or FCA	the Financial Conduct Authority
Fit For Purpose	appropriately designed to address specific needs with a view to enabling independent living
FSMA	the Financial Services and Markets Act 2000, as amended
Governance Code	the UK Corporate Governance Code as published by the Financial Reporting Council
Gross Asset Value	the total value of the assets of the Group as determined by the Directors in their absolute discretion in accordance with the accounting policies adopted by the Directors
Gross Initial Proceeds	the aggregate value of the Ordinary Shares issued under the Initial Issue at the Initial Issue Price

Group	the Company, Midco and any other direct or indirect subsidiaries of either of them
HMRC	HM Revenue and Customs
Homeless Accommodation	as described in paragraph 1.1.1 of Part 2 (<i>Market Background, Investment Opportunity, Investment Approach and Pipeline</i>) of this Prospectus
IFRS	International Financial Reporting Standards as adopted by the United Kingdom
Impact Objectives	has the meaning given in paragraph 2.2 of Part 4 (<i>Sustainability</i>) of this Prospectus
Initial Admission	the admission of the Ordinary Shares to be issued pursuant to the Initial Issue to the premium listing segment of the Official List and to trading on the premium segment of the Main Market
Initial Issue	the Initial Placing, the Offer and the Intermediaries Offer
Initial Issue Price	100 pence per Ordinary Share
Initial Placing	the placing conducted in connection with the Initial Issue
Intermediaries Booklet	the booklet entitled “Independent Living REIT plc Intermediaries Offer: Information for Intermediaries” and containing, among other things, the Intermediaries Terms and Conditions
Intermediaries Offer	the offer in the UK of Ordinary Shares by Intermediaries to retail investors as described in Part 5 (<i>The Initial Issue</i>) of this Prospectus
Intermediaries Offer Adviser	Solid Solutions Associates (UK) Limited, a private limited company registered in England and Wales with company number 07166589 and with registered office at 1 Forest Lane, Hightown Hill, Ringwood, England, BH24 3HF
Intermediaries Terms and Conditions	the terms and conditions agreed between the Intermediaries Offer Adviser, the Company, the AIFM, the Investment Adviser and the Intermediaries in relation to the Intermediaries Offer and contained in the Intermediaries Booklet
Intermediaries	any intermediary that is appointed by the Company in connection with the Intermediaries Offer after the date of this Prospectus and “Intermediary” shall mean any one of them
Introductory Engagement Letter	Services the introductory services engagement letter between the Company and the Investment Adviser, a summary of which is set out in paragraph 9.7 of Part 8 (<i>Additional Information</i>) of this Prospectus
Investment Adviser	Atrato Partners Limited
Investment Agreement	Advisory the investment advisory agreement between the Company, Midco, the AIFM and the Investment Adviser (as amended from time to time), a summary of which is set out in paragraph 9.3 of Part 8 (<i>Additional Information</i>) of this Prospectus

Investment Committee	the investment committee of the Investment Adviser, details of which are set out in paragraph 3 of Part 3 (<i>Directors, Management and Administration</i>)
ISA	an individual savings account
ISIN	International Securities Identification Number
Issue Price	the Initial Issue Price or the Placing Programme Price, as applicable
Issue Shares	the Ordinary Shares to be issued pursuant to the Initial Issue and/or the Ordinary Shares to be issued pursuant to a Subsequent Placing, or any of them as the context may require
JCT Contract	Joint Contracts Tribunal
LEI	Legal Entity Identifier
Listing Rules	the listing rules made by the FCA pursuant to Part VI of FSMA
Local Housing Allowance	as described in paragraph 1.2.5 of Part 2 (<i>Market Background, Investment Opportunity, Investment Approach and Pipeline</i>) of this Prospectus
London Stock Exchange or LSE	London Stock Exchange Group plc
Long Lease Model	as described in paragraph 1.3.4 of Part 2 (<i>Market Background, Investment Opportunity, Investment Approach and Pipeline</i>) of this Prospectus
Main Market	the London Stock Exchange's main market for listed securities
Management Team	the core management team of the Investment Adviser who will be responsible for executing the Company's investment strategy, details of which are set out on pages 81 to 83 of this Prospectus
Midco	Independent Living Midco Limited, a wholly-owned subsidiary of the Company incorporated and registered under the Companies Act
Midco Board	the board of directors of Midco
MiFID II Product Governance Requirements	has the definition given in the section entitled "Information to Distributors" in the Part entitled "Important Information" of this Prospectus
Minimum Gross Initial Proceeds	the minimum gross proceeds of the Initial Issue, being £100 million (or such lesser amount as the Company and RBC may determine and notify to investors via an RIS announcement and a supplementary prospectus)
Minimum Net Initial Proceeds	the minimum net proceeds of the Initial Issue, being £97.75 million (or such lesser amount as the Company and RBC may determine and notify to investors via an RIS announcement and a supplementary prospectus)

Monthly Advisory Fee	has the meaning given under the heading “Ongoing annual expenses” in Part 3 (<i>Directors, Management and Administration</i>) of this Prospectus
Net Asset Value or NAV	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 reporting date, determined in accordance with the accounting policies adopted by the Company from time to time
NAV Total Return	<p>for any period, $(A + B) / C$ expressed as a percentage where:</p> <p>A is (i) the NAV per Ordinary Share at the end of such period less (ii) the NAV per Ordinary Share at the start of such period;</p> <p>B is the amount of any capital or income distributions (e.g. dividends) made per Ordinary Share during the period with all such distributions deemed to have been reinvested in the Ordinary Shares as at the closing market price for such Ordinary Shares on the ex-dividend or settlement date of the relevant distribution; and</p> <p>C is the NAV per Ordinary Share upon Initial Admission</p>
Net Asset Value per Ordinary Share or NAV per Ordinary Share	the Net Asset Value of the assets attributable to the Ordinary Shares divided by the number of Ordinary Shares
Net Initial Proceeds	the Gross Initial Proceeds less the fees, commissions and expenses of the Initial Issue (which are expected to be approximately 2 per cent. of the Gross Initial Proceeds)
Non-Qualified Holder	any person whose ownership of Ordinary Shares: (i) may cause the Company’s assets to be deemed “plan assets” for the purpose of ERISA or purposes of the US Tax Code; (ii) may cause the Company to be required to register as an “investment company” under the US Investment Company Act (including because the holder of the Ordinary Shares is not a “qualified purchaser” as defined in the US Investment Company Act); (iii) may cause the Company to register under the US Exchange Act, the US Securities Act or any similar legislation or the Company or the Investment Adviser to register under the US Investment Advisers Act, the US Exchange Act or any similar legislation; (iv) may cause the Company not to be considered a “foreign private issuer” as such term is defined in rule 3b-4(c) under the US Exchange Act; (v) may result in the Company being disqualified from issuing securities pursuant to Rule 506 of Regulation D under the US Securities Act; (vi) result in a person holding ordinary shares (for the purposes of this definition of Non-Qualified Holder, an ordinary share being defined as an ordinary share of no par value in the capital of the Company issued and designated as an ordinary share of such class as may be determined by the Directors at the time of issue) in violation of the transfer restrictions put forth in any prospectus published by the Company, from time to time; (vii) may cause the Company to be a “controlled foreign corporation” for the purposes of section 957 of the US Tax Code, or may cause the Company to suffer any pecuniary or tax disadvantage (which will include any excise tax, penalties or liabilities under ERISA or the US Tax Code including as a result of the Company’s failure to comply with FATCA as a result of a Non-Qualified Holder failing to provide information as requested by the Company in

accordance with the Articles); or (viii) may cause the Company (including for such purposes, its subsidiaries) to lose the benefit of, or suffer pecuniary disadvantage as a result of not being able to take advantage of, any applicable withholding tax treaty or similar arrangement

OECD	Organisation for Economic Co-operation and Development
Offer or Offer for Subscription	the offer for subscription of Ordinary Shares at the Initial Issue Price pursuant to this Prospectus
Official List	the list maintained by the FCA pursuant to Part VI of FSMA
Ordinary Share	an ordinary share of £0.01 in the capital of the Company, having such rights and being subject to such restrictions as are contained in the Articles
PCA	person closely associated
PDMM	person discharging managerial responsibilities
Permitted Housing Provider	any housing provider to which none of the following apply: <ul style="list-style-type: none"> - net assets of less than £1.5m (including any grant reported on the balance sheet at the same date) - common directorships with Supported Housing property developers - relevant operating track record of fewer than 3 years
Placee	a person subscribing for Ordinary Shares pursuant to the Initial Placing or any Subsequent Placing
Placing	a conditional placing of Ordinary Shares by RBC on behalf of the Company in connection with the Initial Issue or the Placing Programme pursuant to the terms of the Placing Agreement
Placing Agreement	the conditional agreement between the Company, the Investment Adviser, the Directors and RBC, a summary of which is set out in paragraph 9.1 of Part 8 (<i>Additional Information</i>) of this Prospectus
Placing Programme	the proposed programme of placings of Ordinary Shares to be carried out by RBC on behalf of the Company pursuant to the Placing Agreement, commencing immediately following Initial Admission and closing on the Final Closing Date
Placing Programme Price	the price at which Ordinary Shares will be issued pursuant to the Placing Programme to Placees from time to time
PROD	Product Intervention and Product Governance Sourcebook made by the FCA
Property Rental Business	the qualifying property rental business in the UK and elsewhere of a REIT or REIT Group
Proposed Auditors	BDO LLP

Prospectus	this document which is a prospectus prepared in accordance with the UK Prospectus Regulation and the Prospectus Regulation Rules
Prospectus Regulation Rules	the prospectus regulation rules made by the FCA under section 73(A) of FSMA
RBC	RBC Europe Limited (trading as RBC Capital Markets), the Company's sole sponsor, broker and bookrunner
Receiving Agent	Link Group (the trading name of Link Market Services Limited) or such other person or persons from time to time appointed by the Company
Receiving Agent Agreement	the agreement between the Company and the Receiving Agent, a summary of which is set out in paragraph 9.6 of Part 8 (<i>Additional Information</i>) of this Prospectus
Redeemable Preference Shares	redeemable preference shares of £1.00 each in the capital of the Company held, at the date of this Prospectus, by Atrato Group Limited
Refurbishment Asset	an existing residential asset that is capable of being refurbished so that it can be used for Supported Housing
Register	the register of Shareholders
Registered Providers	a local authority entered on the register pursuant to section 114 of the Housing and Regeneration Act 2008 or a body entered on the register as a non-profit organisation or a profit-making organisation (as such terms are defined in section 115 of the Housing and Regeneration Act 2008) and regulated by the Regulator of Social Housing
Registrar	Link Market Services Limited, trading as Link Group or such other person or persons from time to time appointed by the Company
Registrar Agreement	the agreement between the Company and the Registrar, a summary of which is set out in paragraph 9.5 of Part 8 (<i>Additional Information</i>) of this Prospectus
Regulation S	Regulation S under the US Securities Act
Regulatory Service or RIS	Information a regulatory information service
REIT	a company or group to which Part 12 CTA 2010 applies
REIT Group	a group to which Part 12 of the CTA 2010 applies
Rent Standard	the Rent Standard published by the Regulator of Social Housing in April 2020
Rule 144A	Rule 144A under the US Securities Act
SDRT	UK Stamp Duty Reserve Tax
SEC	the US Securities and Exchange Commission
SEDOL	the Stock Exchange Daily Official List

Semi-Annual Advisory Fee	has the meaning given under the heading “Ongoing annual expenses” in Part 3 (<i>Directors, Management and Administration</i>) of this Prospectus
Shareholder	a holder of Ordinary Shares, from time to time
SIPP	a self-invested personal pension
Specialised Housing	Supported as described in paragraph 1.1.1 of Part 2 (<i>Market Background, Investment Opportunity, Investment Approach and Pipeline</i>) of this Prospectus
SPV	special purpose vehicle
SSAS	a small self-administered scheme
Standing Asset	an existing residential asset which is leased, or able to be leased with no capital expenditure, to a Compliant Tenant for use as Supported Housing
Sterling or £	the lawful currency of the United Kingdom
Subsequent Admission	the admission of the Ordinary Shares to be issued pursuant to any Subsequent Placing to the premium listing segment of the Official List and to trading on the premium segment of the Main Market
Subsequent Admission Date	the date of Admission of Ordinary Shares issued under any Subsequent Placing
Subsequent Placing	any placing under the Placing Programme
Subsidiaries	the direct and indirect subsidiaries of the Company
Supported Housing	any housing scheme where housing and support services (which may include care services) are provided
Takeover Code	the City Code on Takeovers and Mergers, as amended from time to time
Target Market Assessment	has the definition given in the section entitled “Information to Distributors” in the Part entitled “Important Information” of this Prospectus
Terms and Conditions of the Offer	the terms and conditions of application in respect of the Offer for Subscription as set out in Part 10 (<i>Terms and Conditions of the Offer for Subscription</i>) of this Prospectus
Third Party Offer	an offer governed by the Takeover Code which is made by a third party offeror (for the avoidance of doubt, not being the Investment Adviser and/or any of its associates) to all Shareholders (or all Shareholders other than the third party offeror and/or any persons acting in concert (as defined in the Takeover Code) with such third party offeror) to acquire the whole of the issued share capital of the Company that is not owned by the third party offeror and persons acting in concert with it (and a scheme of arrangement under sections 895 to 901 of the Companies Act providing for the acquisition by any person of the whole or any part of the issued share capital of the Company shall be deemed to be the making of an offer for these purposes)

UK or United Kingdom

the United Kingdom of Great Britain and Northern Ireland

UK AIFMD Laws

(i) the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) and any other implementing measure which operated to transpose EU AIFM Directive in to 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

(ii) 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) Instrument 2019 (FCA 2019/25)

UK GDPR

the UK version of the EU GDPR (2016/679) 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 Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019

UK MAR

the UK version of the EU Market Abuse Regulation (2014/596) 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

UK MiFID Laws

(i) the Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2017 (SI 2017/701), the Data Reporting Services Regulations 2017 (SI 2017/699) and the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2017 (SI 2017/488), and any other implementing measure which operated to transpose EU MiFID II in to UK law before 31 January 2020 (as amended and supplemented from time to time including by: (1) Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018; (2) the Financial Regulators' Powers (Technical Standards etc.) and Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2019 (SI 2019/576); (3) the Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019; and (4) the Financial Services (Electronic Money, Payment Services and Miscellaneous Amendments) (EU Exit) Regulations 2019; and

(ii) the UK version of Regulation (EU) No 600/2014 of the European Parliament, 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: (a) Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018; (b) the Financial Regulators' Powers (Technical Standards etc.) and Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2019 (SI 2019/576); (c) the Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019; and

	(d) the Financial Services (Electronic Money, Payment Services and Miscellaneous Amendments) (EU Exit) Regulations 2019
UK Money Laundering Regulations 2017	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (SI 2017/692) as amended and supplemented from time to time including by the Money Laundering and Transfer of Funds (Information) (Amendment) (EU Exit) Regulations 2019
UK PRIIPs Laws	the UK version of the EU PRIIPs 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 Packaged Retail and Insurance-based Investment Products (Amendment) (EU Exit) Regulations 2019 (February 2019); and the Cross-Border Distribution of Funds, Proxy Advisors, Prospectus and Gibraltar (Amendment) (EU Exit) Regulations 2019 (as amended or supplemented from time to time)
UK Property Rental Business	the Property Rental Business of the UK members of a REIT Group and the Property Rental Business in the UK of the non-UK members of a REIT Group
UK Prospectus Amendment Regulations 2019	the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234
UK Prospectus Regulation	the UK version of the EU Prospectus 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 but, not limited to, by the UK Prospectus Amendment Regulations 2019 and The Financial Services and Markets Act 2000 (Prospectus) Regulations 2019))
UN	United Nations
uncertificated or uncertificated form	in a unit of a security title to which is recorded on the register of securities as being held in uncertificated form in CREST and title to which may be transferred by means of CREST, or any other Uncertificated System
Uncertificated System	the CREST UK system and any relevant system or other computer based system and its related facilities and procedures by means of which title to units of a security (including shares) can be endowed and transferred without a written certificate of instrument, as determined from time to time by the Directors
Underlying Applicant	a subscriber for Ordinary Shares pursuant to the Intermediaries Offer
US or United States	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
US Exchange Act	the US Securities Exchange Act of 1934, as amended
US Investment Advisers Act	the US Advisers Company Act of 1940, as amended
US Investment Company Act	the US Investment Company Act of 1940, as amended
US Person	a US Person within the meaning of Regulation S
US Securities Act	the US Securities Act of 1933, as amended

US Tax Code

the US Internal Revenue Code of 1986, as amended

APPENDIX 1

NOTES ON HOW TO COMPLETE THE OFFER FOR SUBSCRIPTION APPLICATION FORM

Applications should be returned to the Receiving Agent, Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received by the Receiving Agent by no later than 11.00 a.m. (London time) on 29 September 2022.

HELP DESK: If you have a query concerning completion of this Application Form, please call the Receiving Agent on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. until 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

1 APPLICATION

Fill in (in figures) in Box 1 the total consideration payable in respect of the Ordinary Shares you wish to subscribe for, which is calculated by the number of Ordinary Shares multiplied by the Initial Issue Price of 100 pence per Ordinary Share (i.e. £1.00 per 1 Ordinary Share). The amount of Ordinary Shares being subscribed for must be a minimum of £1,000, and thereafter in multiples of £1,000. Your investment amount must be for whole pounds as fractions of shares will not be issued.

2 2A - HOLDER DETAILS

Fill in (in block capitals) in Box 2A the full name and address of each holder. Applications may only be made by persons aged 18 or over. In the case of joint holders only the first named may bear a designation reference and the address given for the first named will be entered as the registered address for the holding on the share register and used for all future correspondence. A maximum of four joint holders is permitted. All holders named must sign the Application Form at Section 3.

2B - CREST

For any Applications for Ordinary Shares required to be in CREST, the Application Form must be completed and signed by the named CREST holder, rather than any underlying beneficial investor and payment must be made in CREST on a DvP method; Section 2B should be fully completed with the CREST Participant ID and CREST Member Account ID of the valid CREST account. If you are not a CREST Participant or CREST Sponsored Member, you should leave Section 2B blank and you will automatically receive a share certificate for your Ordinary Shares in your full name as given in section 2A on your completed Application Form, subject to full payment being received by the Receiving Agent with your duly completed Application Form by no later than 11.00 a.m. on 29 September 2022.

3 SIGNATURE

All holders named in Section 2A must sign Section 3 and insert the date. The Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor or a bank) must be enclosed for inspection (which originals will be returned by post at the addressee's risk). A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

4 SETTLEMENT

4.1 Cheque/banker's draft

Payments by cheque or banker's draft must be made in Sterling drawn on a branch in the United Kingdom of a bank or building society which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or bankers' drafts to be cleared through the facilities provided for members of any of these companies. Such cheques or bankers' drafts must bear the appropriate sort code in the top right-hand corner.

Cheques, which must be drawn on the personal account of the individual investor where they have a sole or joint title to the funds, should be made payable to **Link Market Services Ltd Re: Independent Living REIT plc – OFS CHQ a/c**. Third-party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping and endorsing the cheque/banker's draft to such effect. The account name should be the same as that shown on the application.

For payments by cheque, please tick the box in Section 4.1.

4.2 Electronic bank transfers

For applicants sending subscription monies by electronic bank transfer (CHAPS) payment must be made for value by no later than 11.00 a.m. on 29 September 2022. Applicants should send payment to the relevant bank account as detailed on the Application Form. Applicants must ensure that they remit sufficient funds to cover any charges incurred by their bank.

The payment instruction relating to the electronic transfer must also include a unique reference comprising your name and a contact telephone number which should be entered in the reference field on the payment instruction, for example: MJ Smith 01234 567890. The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference nor where a payment has been received without an accompanying Application Form.

The account name for any electronic payment should be in the name that is given on your Application Form and payments must relate solely to your application. It is recommended that such transfers are actioned within 24 hours of posting your application, so as to be received by the Receiving Agent by no later than 11.00 a.m. on 29 September 2022.

For payments by CHAPS, please tick the box in Section 4.2.

4.3 CREST settlement

The Company will apply for the Ordinary Shares issued pursuant to the Offer in uncertificated form to be enabled for CREST transfer and settlement with effect from Initial Admission (the **Settlement Date**). Accordingly, settlement of transactions in the Ordinary Shares will normally take place within the CREST system.

Applicants choosing to have their shares registered in CREST, must settle via CREST on a DvP method and will need to input their instructions in favour of the Receiving Agent's Participant Account RA06 by no later than 1.00 p.m. on 3 October 2022, for the Receiving Agent to match in CREST, allowing for the delivery and acceptance of Ordinary Shares to be made against payment of the Initial Issue Price per Ordinary Share in Sterling through the CREST system on the Settlement Date, following the CREST matching criteria set out below and in the Application Form in Appendix 2, Section 4.3.

If you do not provide any CREST details or if you provide insufficient CREST details for the Receiving Agent to match to your input CREST account instruction, the Receiving Agent will deliver your Ordinary Shares in certificated form provided payment has been made in terms satisfactory to the Company.

The right is reserved to issue your Ordinary Shares in certificated form should the Company, having consulted with the Receiving Agent, consider this to be necessary or desirable. This right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST or any part of CREST or on the part of the facilities and/or system operated by Euroclear in connection with CREST.

The person named for registration purposes in your Application Form must be the registered named CREST holder and the Application Form must be signed by the named CREST holder, rather than any underlying beneficial investor. Neither the Receiving Agent nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement.

By returning the Application Form to the Receiving Agent you agree that you will do all things necessary to ensure that you or your settlement agent/custodian's CREST account allows for the delivery and acceptance of Ordinary Shares to be made prior to 8.00 a.m. on 4 October 2022 against payment of the Initial Issue Price per Ordinary Share.

To ensure that you fulfil this requirement it is essential that you or your settlement agent/custodian follow the CREST matching criteria set out below:

Trade Date:	30 September 2022
Settlement Date:	4 October 2022
Company:	Independent Living REIT plc
Security Description:	Ordinary Shares of £0.01 each
SEDOL:	BPLHRL4
ISIN:	GB00BPLHRL49
CREST message type:	DEL

Should you wish to settle by DvP, you will need to input your CREST DEL instructions in favour of the Receiving Agent's Participant Account RA06 by no later than 1.00 p.m. on 3 October 2022. You must also ensure that you or your settlement agent/custodian has a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

Applicants wishing to settle by DvP will still need to complete and submit a valid Application Form so as to be received by the Receiving Agent by no later than 11.00 a.m. on 29 September 2022. You should tick the relevant payment method box in Section 4.3.

The Receiving Agent will not take any action until a valid DEL message has been alleged to the Participant Account RA06 by the applicant. No acknowledgement of receipt or input will be provided.

In the event of late CREST settlement, the Company, after having consulted with the Receiving Agent, reserves the right to deliver Ordinary Shares outside CREST in certificated form provided payment has been made in terms satisfactory to the Company and all other conditions in relation to the Offer for Subscription have been satisfied.

5 **CONTACT DETAILS**

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person who may be contacted by the Receiving Agent with any enquiries concerning your application. Ordinarily this contact person should be the person signing in Section 3 on behalf of the first named holder.

6 INSTRUCTIONS FOR DELIVERY OF COMPLETED APPLICATION FORMS

Completed Application Forms should be returned, by post to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received by the Receiving Agent no later than 11.00 a.m. (London time) on 29 September 2022, together in each case with payment in full in respect of the application (unless paying by CHAPS or via DvP in CREST). If you post your Application Form, you are recommended to use first class post and to allow at least two days for delivery. Application Forms received after this date may be returned.

7 ANTI-MONEY LAUNDERING

Anti-money laundering checks are required by law to be performed on certain financial transactions. The checks are undertaken to make sure investors are genuinely who they say they are and that any application monies have not been acquired illegally or that the Receiving Agent is not being used as part of criminal activity, most commonly the placement, layering and integration of illegally obtained money.

Whilst the Receiving Agent may carry out checks on any application, they are usually only performed when dealing with application values above a certain threshold, commonly referred to as the anti-money laundering threshold which is €15,000 (or the Sterling equivalent).

The Receiving Agent may make enquiries to credit reference agencies to meet its anti-money laundering obligations and the applicant may be required to provide an original or certified copy of their passport, driving licence and recent bank statements to support such enquiries. The Receiving Agent will confirm if any supporting documentation is required.

Anti-money laundering checks do not mean the investor is suspected of anything illegal and there is nothing to worry about. The checks made at credit reference agencies leave an 'enquiry footprint' – an indelible record so that the investor can see who has checked them out. The enquiry footprint does not have any impact on their credit score or on their ability to get credit. Anti-money laundering checks appear as an enquiry/soft search on the applicant's credit report. The report may contain a note saying "Identity Check to comply with Anti Money Laundering Regulations".

The Receiving Agent reserves the right to request any further additional information it deems necessary to confirm the identity, address, source of funds and wealth of all parties, and further it reserves the right to decline an application for any individual or business where it considers that the information available is unsuitable or unreliable.

If at any time the Company has reasonable grounds for suspecting that the funds contributed to the Company may represent the proceeds of crime, it reserves the right to refuse to issue Ordinary Shares or pay income or dividends on Ordinary Shares to the applicant or investor until sufficient information has been supplied to satisfy the Receiving Agent's anti-money laundering requirements.

To the extent that the applicant or, where relevant, the beneficial owner has been identified as a politically exposed person or an associate of a politically exposed person, the Receiving Agent may request additional information. These requirements apply both at the time of investment and on an ongoing basis.

APPENDIX 2 APPLICATION FORM FOR THE OFFER FOR SUBSCRIPTION

Please send this completed form by post to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received by the Receiving Agent by no later than 11.00 a.m. (London time) on 29 September 2022.

The Directors may, with the prior approval of RBC, alter such date and thereby shorten or lengthen the Offer period. In the event that the Offer period is altered, the Company will notify investors of such change through a Regulatory Information Service.

Important: Before completing this form, you should read the prospectus dated 12 September 2022 (the Prospectus) and the Terms and Conditions of Application set out in Part 10 (*Terms and Conditions of the Offer for Subscription*) of the Prospectus and the accompanying notes on how to complete this form.

To: Link Group on behalf of Independent Living REIT plc

1 APPLICATION

I/We the person(s) detailed in Section 2A below offer to subscribe the amount shown in Box 1 (subject to a minimum investment amount of £1,000 and thereafter in multiples of £1,000) for Ordinary Shares subject to the Terms and Conditions of the Offer for Subscription set out in Part 10 (*Terms and Conditions of the Offer for Subscription*) of the Prospectus and subject to the articles of association of the Company in force from time to time.

2 2A - DETAILS OF HOLDER(S) IN WHOSE NAME(S) ORDINARY SHARES WILL BE ISSUED

(BLOCK CAPITALS)

1 st named Shareholder:	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Date of birth (for individual investors only):		
Address (in full):		Postcode:
Designation (if any):		

2nd named Shareholder:

Mr, Mrs, Ms or Title:

Forenames (in full):

Surname/Company name:

Date of birth (for individual investors only):

Address (in full):

Postcode:

3rd named Shareholder:

Mr, Mrs, Ms or Title:

Forenames (in full):

Surname/Company name:

Date of birth (for individual investors only):

Address (in full):

Postcode:

4th named Shareholder:

Mr, Mrs, Ms or Title:

Forenames (in full):

Surname/Company name:

Date of birth (for individual investors only):

Address (in full):

Postcode:

**2B CREST ACCOUNT DETAILS INTO WHICH ORDINARY SHARES ARE TO BE DEPOSITED
(IF APPLICABLE)**

Only complete this Section if Ordinary Shares allotted are to be deposited in a CREST account on a DvP basis. The below CREST account details, must be those of the named holder(s) given in Section 2A.

(Block capitals) CREST Participant ID:

--	--	--	--	--	--

CREST Member Account ID:

--	--	--	--	--	--	--	--

3 SIGNATURE(S): ALL HOLDERS MUST SIGN

By completing the signature/execution boxes below you are deemed to have read the Prospectus and agreed to the Terms and Conditions in Part 10 (*Terms and Conditions of the Offer for Subscription*) of the Prospectus and to have given the warranties, representations and undertakings set out therein.

First Applicant Signature:		Date:	
Second Applicant Signature:		Date:	
Third Applicant Signature:		Date:	
Fourth Applicant Signature:		Date:	

Execution by a Company

Executed by (Name of Company)			Date:	
Name of Director:		Signature:	Date:	
Name of Director:		Signature:	Date:	
If you are affixing a company seal, please mark a cross:		Affix Company Seal here:		

4 SETTLEMENT

Please tick the relevant box confirming your method of payment.

4.1 Cheque/banker's Draft ☐

If you are subscribing for Ordinary Shares and paying by cheque or banker's draft, pin or staple to this form your cheque or banker's draft for the exact amount shown in Box 1 (being a minimum investment amount of £1,000 and thereafter in multiples of £1,000) made payable to Link Market Services Ltd Re: Independent Living REIT plc – OFS CHQ a/c. Cheques and bankers' drafts must be in Sterling and drawn on an account at a branch of a clearing bank in the United Kingdom or the Channel Islands and must bear a United Kingdom bank sort code number in the top right hand corner.

4.2 Electronic Bank Transfer ☐

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 11.00 a.m. on 29 September directly into the bank account detailed below. The payment instruction must also include a unique reference comprising your name and a contact telephone number which should be entered in the reference field on the payment instruction, for example, MJ SMITH 01234 567 8910.

Bank: Lloyds Bank plc
Sort Code: 30-80-12
Account No: 24125168
Account name: Link Market Services Limited Re: Independent Living REIT plc – OFS CHAPs a/c
IBAN: GB20LOYD30801224125168
SWIFT: LOYDGB21F09

Electronic payments must be made from a UK bank account and from a personal account in the name of the individual applicant where they have sole or joint title to the funds. The account name should be the same as that inserted in section 2A of the Application Form and payments must relate solely to your Application. It is recommended that such transfers are actioned within 24 hours of posting your application.

Evidence of the source of funds may also be required. Typically, this would be a copy of the remitting bank account statement clearly identifying the applicant's name, the value of the debit (equal to the application value) and the crediting account details or application reference. If further documentation to confirm the source of funds is required, the Receiving Agent will request the relevant information.

Any delay in providing monies may affect acceptance of the application. If the Receiving Agent is unable to match your application with a bank payment, there is a risk that your application could be delayed or will not be treated as a valid application and may be rejected by the Company.

You should check with your bank regarding any limits imposed on the level and timing of transfers allowed from your account (for example, some banks apply a maximum transaction or daily limit, and you may need to make the transfer as more than one payment).

The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference or where a payment has been received but without an Application Form.

4.3 **CREST Settlement** ☐

If you so choose to settle your commitment within CREST, that is DvP, you or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares to be made against payment of the Initial Issue Price per Ordinary Share, following the CREST matching criteria set out below:

Trade Date:	30 September 2022
Settlement Date:	4 October 2022
Company:	Independent Living REIT plc
Security Description:	Ordinary Shares of £0.01 each
SEDOL:	BPLHRL4
ISIN:	GB00BPLHRL49
CREST message type:	DEL

You will need to input your CREST DEL instructions in favour of the Receiving Agent's Participant Account RA06 by no later than 1.00 p.m. on 3 October 2022. You must also ensure that you or your settlement agent/custodian has a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

Applicants wishing to settle by DvP will still need to complete and submit a valid Application Form in the CREST holder's name (which must be signed by the named CREST holder and not any underlying beneficial holder) to be received by the Receiving Agent by no later than 11.00 a.m. on 29 September 2022.

The Receiving Agent will not take any action until a valid DEL message has been alleged to the Participant Account RA06 by the applicant. No acknowledgement of receipt or input will be provided.

In the event of late/non settlement, the Company reserves the right to deliver Ordinary Shares outside of CREST in certificated form provided that payment has been made in terms satisfactory to the Company and all other conditions of the Offer for Subscription have been satisfied.

5 **CONTACT DETAILS**

To ensure the efficient and timely processing of this application please enter below the contact details of a person the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the person signing in Section 3 on behalf of the first named holder. Any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact name:

E-mail address:

Contact address:

Postcode:

Telephone No:

APPENDIX 3

TAX RESIDENCY SELF CERTIFICATION FORM (INDIVIDUALS)

Tax Residency Self-Certification Form (Individuals) <i>A separate form is required for each holder</i>	
Company that shares are held in:*	Independent Living REIT plc
Investor code – please leave this field blank for Link Group to complete	
Name: *	
Registered Address: * <i>If your address has changed, then you will need to notify us separately. See the questions and answers.</i>	
Tax Residence Address <i>Only if different to your registered address above.</i>	
Date of Birth * <i>(DD/MM/YYYY)</i>	
Country/Countries of Residence for Tax Purposes	
Country of residence for tax purposes	Tax Identification Number <i>In the UK this would be your NI number</i>
1 *	1 *
2	2
3	3
4	4
US Citizen Please mark the box ONLY if you are a US Citizen (see Definitions) <input style="float: right;" type="checkbox"/>	
Declarations and Signature I acknowledge that the information contained in this form and information regarding my shares may be reported to the local tax authority and exchanged with tax authorities of another country or countries in which I may be tax resident where those countries have entered into Agreements to exchange Financial Account information. I undertake to advise the Company within 30 days of any change in circumstances which causes the information contained herein to become incorrect and to provide the Company with a suitably updated Declaration within 30 days of such change in circumstances. I certify that I am the shareholder (or I am authorised to sign for the shareholder**). If this relates to a joint holding, I also acknowledge that as a joint holder I may be reported to the relevant tax authority if all the other holders do not provide a Tax Residency Self-Certification. I declare that all statements made in this declaration are, to the best of my knowledge and belief, correct and complete.	

Signature: *	
Print Name: *	
Date: *	
Daytime telephone number/email address***	

* Mandatory field

** If signing under a power of attorney, please also attach a certified copy of the power of attorney.

***We will only contact you if there is a question around the completion of the self- certification form.

INTRODUCTION

The law requires that Financial Institutions collect, retain and report certain information about their account holders, including the account holders tax residency.

Please complete the form above and provide any additional information requested.

If your declared country/countries of residence for tax purposes is not the same as that of the Financial Institution and is either the US or is on the OECD list of countries which have agreed to exchange information (<http://www.oecd.org/tax/transparency/AEOI-commitments.pdf>), the Financial Institution will be obliged to share this information with its local tax authority who may then share it with other relevant local tax authorities.

Failure to validly complete and return this form will result in you being reported onwards to the relevant local tax authority. Additionally, if this form has been issued in conjunction with an application for a new holding, then your application may be adversely impacted.

Definitions of terms used in this form can be found below.

If your registered address (or name) has changed, then you must advise us separately. Any details you enter in the "Tax Residence Address" will be used for tax purposes only and will not be used to update your registered details.

If any of the information about your tax residency changes, you are required to provide the Company with a new, updated, self-certification form within 30 days of such change in circumstances.

JOINT HOLDERS (IF RELEVANT)

All joint holders are treated as separate holders for these tax purposes and every joint holder is required to give an Individual Tax Residency Self-Certification. If any one or more is reportable, the value of the whole shareholding will be reported for all joint shareholder(s).

If we do not receive the self-certification form from each joint shareholder, then the whole holding will be treated as undocumented and all holders (including those who have completed the self-certification form) will be reported to the relevant tax authorities.

If you have any remaining questions about how to complete this form or about how to determine your tax residency status you should contact your tax adviser.

DEFINITIONS

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (**The Common Reporting Standard**) <http://www.oecd.org/tax/automatic-exchange/common-reporting-standard/> contains definitions for the terms used within it. However, the following definitions are for general guidance only to help you in completing this form.

"Account Holder"

The Account Holder is either the person(s) whose name(s) appears on the share register of a Financial Institution. Or where Link Group holds the shares on your behalf, the person whose name appears on the register of entitlement that Link Group maintains.

"Country/Countries of residence for tax purposes"

You are required to list the country or countries in which you are resident for tax purposes, together with the tax reference number which has been allocated to you, often referred to as a **tax identification number (TIN)**. Special circumstances (such as studying abroad, working overseas, or extended travel) may cause you to be resident elsewhere or resident in more than one country at the same time (dual residency). The country/countries in which you might be obliged to submit a tax return are likely to be

your country/countries of tax residence. If you are a US citizen or hold a US passport or green card, you will also be considered tax resident in the US even if you live outside the US.

“Tax Identification Number or TIN”

The number used to identify the shareholder in the country of residence for tax purposes.

Different countries (or jurisdictions) have different terminology for this and could include such as a National Insurance number, social security number or resident registration number. Some jurisdictions that do issue TINs have domestic law that does not require the collection of the TIN for domestic reporting purposes so that a TIN is not required to be completed by a shareholder resident in such jurisdictions. Some jurisdictions do not issue a TIN or do not issue a TIN to all residents.

“US Citizen”

All US citizens. An individual is a citizen if that person was born in the United States or if the individual has been naturalized as a US citizen.

You can also be a US citizen, even if born outside the United States if one or both of your parents are US citizens.

If you have any questions about these definitions or require further details about how to complete this form then please contact your tax adviser.

NOTHING IN THIS DOCUMENT CAN BE CONSIDERED TO BE TAX ADVICE.

QUESTIONS & ANSWERS

Why are you writing to me and asking for a “Tax Residency Self Certification”?

The governments of more than 90 countries around the world have agreed to exchange tax related information. These governments have passed similar sets of laws to enable the Automatic Exchange of Information (**AEOI**). The full list of countries involved can be seen at: www.oecd.org/tax/transparency/AEOI-commitments.pdf

Additionally, the United States has over 100 similar agreements with many countries referred to as the ‘Foreign Account Tax Compliance Act’.

The legislation can vary slightly from jurisdiction to jurisdiction, but at a high level, it requires Financial Institutions to:

- Identify existing Holders that may be resident (for tax purposes) in other participating jurisdictions. Then contact any such Holders and request that they complete a “Tax Residency Self Certification” form.
- Obtain a “Tax Residency Self Certification” form for all new Holders.
- Identify holders who move from one jurisdiction to another and request that they complete a “Tax Residency Self Certification” form.
- Identify Holders who have payments sent to a different jurisdiction.
- Submit a return to the Financial Institution’s “local” tax authority on an annual basis. As an example for a company incorporated in the UK, then the local tax authority would be HM Revenue & Customs (HMRC).
- Follow up on any non-responders at least annually for at least 3 years.

The “local” tax authority will pass information onto the tax authority in the relevant jurisdiction. As an example the tax authority in the US is the Inland Revenue Service (IRS), so HMRC will exchange information with IRS.

Where can I find out more information about the legislation?

The legislation is quite complex and you may wish to speak to your tax adviser.

The web site of your local tax authority will contain more information e.g. HMRC for the UK; the IRS for the US; Jersey Income Tax Department for Jersey, etc.

Additionally, the web site of The Organisation for Economic Co-operation and Development (OECD) gives further information.

What happens if I do not complete the form?

In the annual report that the Financial Institution sends to their local tax authority you will be shown as ‘Undocumented’.

The local tax authority will collate the responses from all of its financial institutions and pass that information onto the relevant local tax authority for the jurisdictions identified.

Link Group is not able to comment on what action the tax authority for the jurisdiction will take.

What if I am a Tax Resident in 2 or more countries?

The self-certification form allows for up to 4 tax residencies to be recorded.

I do not pay tax or I do not know which country I am tax resident in

Please refer to your local tax authority or tax adviser.

I do not have a tax identification number

Please refer to your local tax authority or tax adviser.

Note that different countries call their tax identification numbers using alternative terminology. As an example in the UK it would be a National Insurance number.

I have already completed a W8 or W9 form. Do I still need to complete a “Tax Residency Self Certification”?

Yes. The US legislation governing W8/W9 forms overlaps with US FATCA legislation.

What is classed as my Tax Residence Address?

Please refer to your local tax authority or tax adviser.

In addition, you may wish to consider: Where you are a citizen with a passport; Your residential home address in a country and unrestricted right of entry back into that country once you depart.

Joint Holders

When there are multiple holders on an account, then every joint holder must complete a Tax Residency Self Certification and every joint holder will receive a letter in their own right. The letter will be sent to the registered address recorded for the holding.

Joint holders are treated as separate holders for these tax purposes. If any one of the joint holders is reportable, the value of the whole shareholding will be reported for all of the joint shareholder(s).

If we do not receive a validly completed self-certification for each joint shareholder, the whole shareholding will be treated as “undocumented” and all shareholders (including those who have completed the self-certification form) will be reported to the relevant tax authorities.

I have given a different address for tax purposes; will the registered address of my shareholding be altered?

No. The details on the Self Certification form are for tax purposes only. If you want to alter any of the registered details relating to your investment, then you need to call Link Group on 0371 664 0321; calls to the Helpline are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The Helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales.