

Secure Income REIT

Result of Court and General Meeting

RNS Number : 8329P

Secure Income REIT PLC

22 June 2022

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

22 June 2022

RECOMMENDED SHARE OFFER WITH A PARTIAL CASH ALTERNATIVE

FOR

SECURE INCOME REIT PLC

BY

LXI REIT PLC

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

**RESOLUTIONS PASSED WITH OVER 99.99% OF VOTES CAST IN FAVOUR AT THE COURT MEETING
AND THE SIR GENERAL MEETING**

Secure Income REIT plc ("**SIR**") announces that at the Court Meeting and the SIR General Meeting held earlier today in connection with the recommended merger of LXi REIT plc ("**LXi**") and SIR (the "**Merger**"), all resolutions were duly passed with over 99.99% support from shareholders on each resolution.

As previously announced, the Merger is to be implemented by means of a scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Scheme**") and today:

- (i) a majority in number of Scheme Shareholders who voted and were entitled to vote, either in person or by proxy, who together represented not less than 75 per cent. in value of the Scheme Shares voted, voted in favour of the Scheme at the Court Meeting; and
- (ii) the requisite majority of SIR Shareholders voted to pass each of the resolutions required to be approved at the SIR General Meeting.

Details of the resolutions passed are set out in the notices to the Court Meeting and the SIR General Meeting contained in Part 9 and Part 10 respectively of the scheme document published by SIR on 1 June 2022 in connection with the Merger (the "**Scheme Document**").

SIR is also pleased to note that the Merger has been approved by LXi shareholders at the LXi shareholder meeting as announced by LXi today, also with strong support at over 99.93% votes cast being in favour of the resolution.

Completion of the Merger remains subject to the satisfaction, or, if applicable, the waiver of the other Conditions set out in the Scheme Document, including the Court sanctioning the Scheme at the Court Hearing. The Court Hearing is expected to be held on Monday 4 July 2022 with the Scheme becoming effective thereafter on Wednesday 6 July 2022.

At the Scheme Voting Record Time, SIR had 322,850,595 Scheme Shares in issue, representing the total number of voting rights in SIR for the purposes of the Court Meeting at the Scheme Voting Record Time.

Voting results of the Court Meeting

The table below sets out the results of the poll at the Court Meeting. Each Scheme Shareholder, present in person or by proxy, was entitled to one vote per Scheme Share held at the Scheme Voting Record Time.

Vote	Number of Scheme Shares voted as a % of the total number of Scheme Shares	Number of Scheme Shareholders who voted	% of the voting Scheme Shareholders	Number of Scheme Shares voted	% of Scheme Shares which were voted
For*	74.44	149	97.39	240,335,755	99.99
Against	0.01	4	2.61	26,931	0.01
Total	74.45	153	100	240,362,686	100

* Includes discretionary votes

Voting results of the SIR General Meeting

The table below sets out the results of the poll at the SIR General Meeting. Each SIR Shareholder, present in person or by proxy and entitled to vote, was entitled to one vote per SIR Share held at the Scheme Voting Record Time. At the Scheme Voting Record Time, SIR had 324,035,146 ordinary shares in issue, representing the total number of voting rights in SIR for the purposes of the SIR General Meeting.

Resolution	Total votes validly cast	Total votes validly cast as % of issued share capital	Number of votes "For"*	% of votes validly cast "For"	Number of votes "Against"	% of votes validly cast "Against"	Vote Withheld**
Resolution 1	242,378,651	74.80	242,354,949	99.99	23,702	0.01	5,956

Resolution 2	242,145,051	74.72	242,121,349	99.99	23,702	0.01	239,556
Resolution 3	203,357,420	62.76	203,333,718	99.99	23,702	0.01	239,556

* Includes discretionary votes

** A vote withheld is not a vote in law and is not counted in the calculation of the proportion of votes 'For' or 'Against' the SIR Resolutions.

Effective Date and Timetable

Completion of the Merger remains subject to the satisfaction, or, if applicable, the waiver of the other Conditions set out in the Scheme Document, including the Court sanctioning the Scheme at the Court Hearing.

The expected timetable of principal events for the implementation of the Scheme remains as set out on page 15 of the Scheme Document. These times and dates are indicative only and will depend, among other things, on the date upon which the Court sanctions the Scheme and the date on which the Conditions are satisfied or, if capable of waiver, waived. The Court Hearing is expected to be held on Monday 4 July 2022 with the Scheme becoming effective thereafter on Wednesday 6 July 2022. The Merger is conditional on the Scheme becoming effective. If any of the dates and/or times in the expected timetable change, the revised dates and/or times will be notified to SIR Shareholders by announcement through a Regulatory Information Service.

General

Unless otherwise defined, all capitalised terms in this announcement shall have the same meaning given to them in the Scheme Document, a copy of which is available on the SIR website at <https://www.SecureIncomeREIT.co.uk/>.

Certain figures included in this announcement have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Enquiries

Secure Income REIT Plc

Nick Leslau

Sandy Gumm

Mike Brown

+44 20 7647 7647

Rothschild & Co (lead financial adviser and joint Rule 3 adviser to SIR)

+44 20 7280 5000

Alex Midgen

Sam Green

Jake Shackleford

Stifel (joint financial adviser, joint Rule 3 adviser and nominated adviser to SIR)

+44 20 7710 7100

Mark Young

Stewart Wallace

FTI Consulting (communications adviser to SIR)

Dido Laurimore

Eve Kirmatzis

+44 20 3727 1000

Bryan Cave Leighton Paisner LLP is acting as legal adviser to SIR in connection with the Merger.

NOTICES

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

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Overseas Shareholders

This announcement has been prepared in accordance with, and for the purpose of complying with, the laws of England and Wales and the Takeover Code, and information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England.

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

In connection with the Merger, SIR Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions.. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Merger disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders are contained in the Scheme Document.

Unless otherwise determined by LXi or required by the Takeover Code, and permitted by applicable law and regulation, the Merger will not be made available, in whole or in part, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction. Copies of this announcement and any formal documentation relating to the Merger are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Merger. If the Merger is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electrc

transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

The Merger is subject to the applicable requirements of the Takeover Code, the Panel, the Listing Rules, the AIM Rules and the London Stock Exchange.

Notice to US investors in SIR

US holders of SIR Shares should note that the Merger relates to the shares of an English company and is being made by means of a scheme of arrangement provided for under English company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Merger is subject to the disclosure and procedural requirements and practices applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of United States tender offer and proxy solicitation rules.

The financial information included in this announcement and the Scheme Document (or, if the Merger is implemented by way of a Takeover Offer, the Offer Document) has been or will have been prepared in accordance with International Financial Reporting Standards and thus may not be comparable to the financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The New LXi Shares to be issued under the Scheme have not been and will not be registered under the US Securities Act or under any laws or with any securities regulatory authority of any state or other jurisdiction of the United States and may only be offered or sold in the United States in reliance on an exemption from the registration requirements of the US Securities Act and applicable US state securities laws. The New LXi Shares are expected to be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof.

For the purposes of qualifying for the exemption from the registration requirements of the US Securities Act afforded by Section 3(a)(10) thereunder, SIR will advise the Court that its sanctioning of the Scheme will be relied on by LXi as an approval of the Scheme following a hearing on the fairness of the terms and conditions of the Scheme to SIR Shareholders, at which Court hearing all SIR Shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all such holders.

None of the securities referred to in this announcement have been approved or disapproved by the SEC or any US state securities commission, nor have any such authorities passed judgment upon the fairness or the merits of the Merger or determined if this announcement is accurate or complete. Any representation to the contrary is a criminal offence in the United States.

However, if, in the future, LXi exercises the right to implement the Merger by way of a Takeover Offer and determines to extend the offer into the United States, the Takeover Offer will be made in compliance with applicable United States tender offer and securities laws and regulations and the requirements of US state securities laws, in each case, to the extent any exemptions thereunder are not applicable.

Under US federal securities laws, a SIR Shareholder who is an "affiliate" of LXi within 90 days prior to, or at any time following, the date upon which the Court Order is filed at U.K. Companies House will be subject to certain US transfer restrictions relating to the New LXi Shares received in connection with the Merger pursuant to a scheme of arrangement under the laws of England and Wales. The New LXi Shares held by such affiliates may not be sold without registration under the Securities Act, except pursuant to the applicable resale provisions of Rule 144 under the Securities Act or another available exemption from the registration requirements of the Securities Act, including transactions conducted pursuant to Regulation S under the Securities Act. Whether a person is an "affiliate" of a company for such purposes depends upon the circumstances, but affiliates of a company can include certain officers, directors and significant shareholders. A person who believes that he or she may be an affiliate of LXi should consult his, her or its own legal advisers prior to any sale of any New LXi Shares.

A US holder of SIR Shares should be aware that the transactions contemplated herein may have tax consequences for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each SIR Shareholder is therefore urged to consult with legal, tax and financial advisers in connection with making a decision regarding the Merger.

It may be difficult for US holders of SIR Shares to enforce their rights and any claims arising out of US federal laws, since each of LXi and SIR are located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US holders of SIR Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

To the extent permitted by applicable law, in accordance with normal UK practice, LXi, certain affiliated companies and their nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, SIR Shares outside of the US, other than pursuant to the Merger, until the date on which the Merger and/or Scheme becomes Effective, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and comply with applicable law, including the US Exchange Act. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at www.LondonStockExchange.com.

Further details in relation to US holders of SIR Shares are contained in the Scheme Document.

Forward-Looking Statements

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

The forward-looking statements contained in this announcement include statements relating to the expected effects of the Merger on LXi and SIR, the expected timing and scope of the Merger and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; and (ii) business and management strategies and the expansion and growth of LXi's or SIR's or the Combined Group's operations and potential synergies resulting from the Merger.

Although LXi and SIR believe that the expectations reflected in such forward-looking statements are reasonable, neither LXi nor SIR can give assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future.

There is a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to: the ability to complete the Merger; the satisfaction of other Conditions on the proposed terms; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; the anticipated benefits from the Merger not being realised as a result of changes in general economic and market conditions in the countries in which LXi or SIR or the Combined Group operate; weak, volatile or illiquid capital and/or cr

markets; changes in the degree of competition in the geographic and business areas in which LXi or SIR or the Combined Group operate; and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors.

Neither LXi nor SIR, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Given the risks and uncertainties, you are cautioned not to place any reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations, neither LXi nor SIR is under any obligation, and each of LXi and SIR expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.TheTakeoverPanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

No profit forecasts or estimates

No statement in this announcement is intended as a profit forecast or profit estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for LXi or SIR for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for LXi or SIR.

Publication on a website

In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on SIR's website at <https://www.SecureIncomeREIT.co.uk/> and LXi's website at <https://www.LXiREIT.com/> by no later than 12 noon (London time) on the first Business Day following the date of this announcement.

For the avoidance of doubt, neither the contents of these websites nor the contents of any websites accessible from any hyperlinks is incorporated into or forms part of this announcement.

Requesting hard copy documents

In accordance with Rule 30.3 of the Takeover Code, SIR Shareholders may request a hard copy of this announcement (and any information incorporated by reference in this announcement), free of charge, by contacting Link Group during business hours on 0371 664 0321 (from within the United Kingdom) and +44 (0) 371 664 0321 (from outside the United Kingdom) or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales.

For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Merger should be in hard copy form.

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