

RNS Miscellaneous



SCHEME OF ARRANGEMENT BECOMES EFFECTIVE

SECURE INCOME REIT PLC

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

6 July 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

SCHEME OF ARRANGEMENT BECOMES EFFECTIVE

On 22 June 2022, the Board of Secure Income REIT plc ("**SIR**") announced the passing of resolutions by overwhelming majorities, at a Court Meeting and General Meeting of SIR Shareholders held on the same date as the announcement, approving the recommended merger of LXI REIT plc ("**LXi**") and SIR (the "**Merger**") to be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Scheme**"), the terms of which are set out in the scheme document published by SIR on 1 June 2022 (the "**Scheme Document**").

On 22 June 2022, the Board of LXI announced the passing of the resolution, also by an overwhelming majority, at the LXI General Meeting, held on the same date as the announcement, approving the Merger and certain related matters.

Further to SIR's announcement on 4 July 2022 that the Court had sanctioned the Scheme, the Boards of SIR and LXI

Further to SIR's announcement on 4 July 2022 that the Court had sanctioned the Scheme, the Boards of SIR and LXI announce that the Court Order has been delivered to the Registrar of Companies today and, accordingly, **the Scheme has now become effective** in accordance with its terms. The entire issued ordinary share capital of SIR is therefore now owned by LXI.

Scheme Shareholders on the register at the Scheme Record Time, being 6.00 p.m. yesterday, 5 July 2022, will receive, in respect of their Scheme Shares for which no valid election for the Partial Cash Alternative was made (a "**Cash Election**"), 3.32 New LXI Shares for each Scheme Share held. Holders of approximately 44.6 per cent. of the total number of Scheme Shares at the Scheme Record Time have not elected to participate in the Partial Cash Alternative and will therefore receive all of their consideration in the form of New LXI Shares.

Cash Elections were made in aggregate in respect of 179,442,647 Scheme Shares, representing approximately 55.4 per cent. of the total number of Scheme Shares as at the Scheme Record Time.

Cash Elections for the basic entitlement of 118.88 pence per Scheme Share were made in respect of 134,238,303 Scheme Shares. Pursuant to the terms of the Scheme, Scheme Shareholders who made valid Cash Elections for the basic entitlement have had such elections satisfied in full and will receive the basic entitlement of 118.88 pence in cash per SIR Share together with 2.488 New LXI Shares for each SIR Share.

Scheme Shareholders who made valid Cash Elections for less than their basic entitlement have had such elections satisfied in full.

Elections for cash in excess of the basic entitlement will be scaled back pro rata in accordance with the terms of the Scheme in order that the aggregate cash consideration does not exceed the maximum amount of cash consideration under the terms of the Scheme. Accordingly, Scheme Shareholders who made valid Cash Elections for more than their basic entitlement will receive their basic entitlement of 118.88 pence per Scheme Share together with approximately 62.2 per cent of the cash consideration amount they requested in excess of their basic entitlement.

Admission of the SIR Shares to trading on AIM will be cancelled with effect from 7.00 am on 7 July 2022.

It is expected that 802,903,495 New LXI Shares will be issued pursuant to the Scheme and that the admission to listing of the New LXI Shares and re-admission to listing of the existing LXI Shares (911,569,741 ordinary shares), in each case on the premium listing segment of the FCA's Official List, and the admission to trading of the New LXI Shares and the re-admission to trading of the existing LXI Shares, in each case on the London Stock Exchange's main market for listed securities, will take place at 8.00 am on 7 July 2022.

LXI's issued share capital will therefore consist of 1,714,473,236 ordinary shares, each with equal voting rights. LXI holds no shares in treasury. This figure may be used by LXI Shareholders as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, LXI under the Disclosure Guidance and Transparency Rules.

LXI will despatch share certificates in respect of New LXI Shares and cheques in respect of the cash consideration pursuant to the Partial Cash Alternative, or effect settlement through CREST, as appropriate, within 14 days of the Effective Date, being today, 6 July 2022, as set out in the Scheme Document.

All consents required from the lenders to the SIR group in connection with the Merger have been obtained and hence the Backstop Facility described in the Scheme Document will not be utilised.

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/> and on the LXI website at <https://www.LXiREIT.com>.

All references in this announcement to times are to times in London.

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Stephenson Harwood LLP is acting as legal adviser to LXI in connection with the Merger.

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