

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART II (EXPLANATORY STATEMENT) OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006.

This Document contains a proposal which, if implemented, will result in the cancellation of the listing of St. Modwen Shares on the Official List and of trading of St. Modwen Shares on the London Stock Exchange's Main Market for listed securities.

If you are in any doubt as to the contents of this Document or the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.

If you sell or have sold or otherwise transferred all of your St. Modwen Shares, please send this Document together with the accompanying documents (other than documents or forms personal to you) at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into or from any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you sell or have sold or otherwise transferred only part of your holding of St. Modwen Shares, you should retain these documents and contact the bank, stockbroker or other agent through whom the sale or transfer was effected.

The release, publication or distribution of this Document and any accompanying documents (in whole or in part) in or into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Document comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Neither this Document nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Acquisition or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This Document is not a prospectus or prospectus equivalent document.

Recommended Cash Acquisition of
St. Modwen Properties PLC (“St. Modwen”)
by
Brighton Bidco Limited (“Bidco”)
a newly formed company indirectly owned by
investment funds advised by Blackstone

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

This Document (including all information incorporated into this Document by reference to another source) should be read as a whole and in conjunction with the Forms of Proxy. Your attention is drawn to Part I (*Letter from the Chair of St. Modwen*) of this Document, which contains the unanimous recommendation of the St. Modwen Directors that you vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting. A letter from Lazard, J.P. Morgan Cazenove and Numis explaining the Scheme appears in Part II (*Explanatory Statement*) of this Document.

Action to be taken by St. Modwen Shareholders is set out on pages 10 to 13 and in section 18 of Part II (*Explanatory Statement*). Whether or not they intend to attend the Court Meeting or the General Meeting, Scheme Shareholders and St. Modwen Shareholders are asked to appoint a proxy by following the instructions set out in this Document. St. Modwen Shareholders may request hard copy proxy forms by calling St. Modwen's registrars, Equiniti, between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK or by writing to 'Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA'. Proxies must be appointed so as to be received by Equiniti not later than 48 hours before the relevant Meeting (excluding any part of such 48 hour period falling on a non-working day) (or in the case of any adjournment, not later than 48 hours before the time fixed for the adjourned meeting). Scheme Shareholders may email the blue Form of Proxy for the Court Meeting to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting.

COVID-19 Restrictions

Notices of the Court Meeting and the General Meeting, each of which will be held at The Queen Elizabeth II Centre, Broad Sanctuary, Westminster, London SW1P 3EE on 21 July 2021, are set out in pages 111 to 119 of this Document. The Court Meeting will start at 12:00 p.m. on that date and the General Meeting at 12:15 p.m. or as soon thereafter as the Court Meeting is concluded or adjourned.

COVID-19 restrictions remain in place at the time of publication of this Document, and the UK Government has urged people to maintain social distancing and reduce time spent in crowded areas. Whilst St. Modwen anticipates that attendance in person will be legally permissible, **Scheme Shareholders and St. Modwen Shareholders are strongly encouraged not to attend the Meetings in person, and are instead encouraged to attend the Meetings remotely via the Virtual Meeting Platform and to transmit a proxy appointment and voting instruction in advance of the Meetings, appointing “the Chair of the meeting” as their proxy.**

Any changes to the arrangements for the Court Meeting and the General Meeting will be communicated to Scheme Shareholders and St. Modwen Shareholders before the Meetings through our website www.stmodwen.co.uk/investors and by announcement through a Regulatory Information Service.

Instructions for accessing the Virtual Meeting Platform

Scheme Shareholders and St. Modwen Shareholders will be given the opportunity to remotely attend, submit questions and/or any objections (in the case of the Court Meeting) and vote at the Court Meeting and the General Meeting via the Virtual Meeting Platform.

Scheme Shareholders and St. Modwen Shareholders can access the Virtual Meeting Platform using a web browser, on any PC or equivalent thereof or smartphone device. The web browser must be compatible with the latest browser versions of Chrome, Firefox, Internet Explorer 11 (Internet Explorer v. 10 and below are not supported), Edge and Safari. To remotely attend, submit questions and (in the case of the Court Meeting) objections and/or vote using this method, please go to <https://web.lumiagm.com>.

Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID which is 186-391-785. You will then be prompted to enter your unique Shareholder Reference Number (“SRN”) and PIN. Your SRN can be found on your share certificate and your PIN is the first two and last two digits of your SRN. If you are unable to access your SRN and PIN, please call Equiniti between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Equiniti cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Access to the Meetings via the Virtual Meeting Platform will be available from 11:45 a.m. on 21 July 2021, although the voting functionality will not be enabled until the Chair of the Court Meeting declares the poll open. Scheme Shareholders and St. Modwen Shareholders will be permitted to submit questions and (in the case of the Court Meeting) objections via the Virtual Meeting Platform to the St. Modwen Directors during the course of the Meetings. Scheme Shareholders and St. Modwen Shareholders may also submit questions and (in the case of the Court Meeting) objections in advance of the Meetings by email to co-sec@stmodwen.co.uk. Emails must be received no less than 48 hours before the start of the Meetings. The Chair of the relevant Meeting will ensure that relevant matters relating to the formal business of the Meeting are addressed in the Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair’s discretion, otherwise be undesirable in the interests of the Company or the good order of the Meeting.

During the Meetings, you must ensure you are connected to the internet at all times in order to submit questions and (in the case of the Court Meeting) objections and vote when the Chair commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the Meetings. The Virtual Meeting Guide contains further information on accessing and participating in the Meetings remotely via the Virtual Meeting Platform and is available on St. Modwen’s website at www.stmodwen.co.uk/investors.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of opinion of Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings (either in person or remotely), you are strongly advised to transmit a proxy appointment and voting instruction (online or through CREST) or complete, sign and return your blue Form of Proxy (by post or email) for the Court Meeting as soon as possible.

The transmission of a proxy appointment or voting instruction online, electronically through CREST, by post or by email or by any other procedure described in this Document will not prevent you from attending, submitting questions and/or any objections (in the case of the Court Meeting) and voting at the Court Meeting or the General Meeting, in each case either in person or remotely via the Virtual Meeting Platform as described above and in the Virtual Meeting Guide, if you are entitled to and wish to do so. If the blue Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting or handed to the Chair of the Court Meeting at the Court Meeting. However, if the yellow Form of Proxy for the General Meeting is not lodged by the relevant time, it will be invalid.

Certain terms used in this Document are defined in Part X (*Definitions*) of this Document. References to times in this Document are to London, United Kingdom time unless otherwise stated.

If you have any questions about this Document, the Court Meeting or the General Meeting, or are in any doubt as to how to submit your proxies online or to complete the Forms of Proxy, please call St. Modwen's registrars, Equiniti, between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Equiniti cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

N.M. Rothschild & Sons Limited ("**Rothschild & Co**"), which is authorised and regulated by the Financial Conduct Authority ("**FCA**") in the United Kingdom, is acting exclusively for Bidco and for no one else in connection with the subject matter of this Document and will not be responsible to anyone other than Bidco for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this Document.

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

J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove ("**J.P. Morgan Cazenove**"), is authorised in the United Kingdom by the Prudential Regulation Authority (the "**PRA**") and regulated in the United Kingdom by the PRA and the FCA. J.P. Morgan Cazenove is acting as financial adviser exclusively for St. Modwen and no one else in connection with the matters set out in this Document and will not regard any other person as its client in relation to the matters in this Document and will not be responsible to anyone other than St. Modwen for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to any matter referred to herein.

Numis Securities Limited ("**Numis**"), which is authorised and regulated in the United Kingdom by the FCA, is acting as financial adviser exclusively for St. Modwen and no one else in connection with the matters set out in this Document and will not regard any other person as its client in relation to the matters in this Document and will not be responsible to anyone other than St. Modwen for providing the protections afforded to clients of Numis, nor for providing advice in relation to any matter referred to herein.

IMPORTANT NOTICE

The release, publication or distribution of this Document in or into or from 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, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This Document does not constitute an offer or invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this Document or otherwise in any jurisdiction in which such offer or solicitation is unlawful.

Overseas Shareholders

This Document has been prepared in accordance with and for the purpose of complying with English law, the Code, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Listing Rules and information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws of jurisdictions outside England.

The release, publication or distribution of this Document 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 of, and observe, any applicable requirements of their jurisdictions.

The availability of the Acquisition to St. Modwen Shareholders who are not resident in and citizens of the UK 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 UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their St. Modwen Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. 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 Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Bidco or required by the Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from any Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or from within any Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this Document and any formal documentation relating to the Acquisition 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 this Document and all such documents relating to the Acquisition (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 Acquisition. If the Acquisition is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the 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 electronic 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 Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

The Acquisition shall be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FCA.

Notice to US investors in St. Modwen

The Acquisition relates to the shares of an English company and is being made by means of a scheme of arrangement provided for under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the US Exchange Act. Accordingly, the Acquisition 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 the US tender offer and proxy solicitation rules.

The financial information included in this Document (or, if the Acquisition is implemented by way of an Offer, the Offer Document) has been prepared in accordance with generally accepted accounting principles of the United Kingdom 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.

If, in the future, Bidco exercises its right to implement the Acquisition by means of an Offer which is to be made into the United States, such an Offer would be made in compliance with all applicable US laws and regulations, including any applicable exemptions under the US Exchange Act. Such an Offer would be made in the United States by Bidco and no one else.

In the event that the Acquisition is implemented by way of an Offer, in accordance with normal United Kingdom practice, Bidco or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of St. Modwen outside of the US, other than pursuant to such an Offer, during the period in which such an Offer would remain open for acceptances. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases or arrangements to purchase shall be disclosed as required in the United Kingdom, shall be reported to a Regulatory Information Service and shall be available on the London Stock Exchange website at www.londonstockexchange.com.

The receipt of consideration by a US holder for the transfer of its St. Modwen Shares pursuant to the Scheme may have tax consequences in the US and such consequences, if any, are not described herein. Each St. Modwen Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to them, including under applicable United States state and local, as well as overseas and other, tax laws.

St. Modwen is incorporated under the laws of England and Wales, and Bidco is incorporated under the laws of Jersey. Some or all of the officers and directors of Bidco and St. Modwen, respectively, are residents of countries other than the United States. In addition, some of the assets of Bidco and St. Modwen are located outside the United States. As a result, it may be difficult for US holders of St. Modwen Shares to enforce their rights and any claim arising out of the US federal laws or to enforce against them a judgment of a US court predicated upon the securities laws of the United Kingdom. US holders of St. Modwen Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the 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.

Forward-Looking Statements

This Document (including information incorporated by reference in this Document), oral statements made regarding the Acquisition, and other information published by Bidco and St. Modwen 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 the management of Bidco and St. Modwen 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 Document include statements relating to the expected effects of the Acquisition on Bidco and St. Modwen (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition 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 "prepares", "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "synergy", "strategy", "scheduled", "goal", "estimates", "forecasts", "intends", "cost-saving", "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 may 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; (ii)

business and management strategies and the expansion and growth of Bidco's, St. Modwen's, any member of the Bidco Group's or any member of St. Modwen Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Bidco's, St. Modwen's, any member of the Bidco Group's or any member of the St. Modwen Group's business.

Although Bidco and St. Modwen believe that the expectations reflected in such forward-looking statements are reasonable, Bidco and St. Modwen can give no 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 are 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 Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms and schedule; 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; changes in the anticipated benefits from the proposed transaction not being realised as a result of changes in general economic and market conditions in the countries in which Bidco and St. Modwen operate; weak, volatile or illiquid capital and/or credit markets; changes in the degree of competition in the geographic and business areas in which Bidco and St. Modwen 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 Bidco nor St. Modwen, 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 Document will actually occur. Given these risks and uncertainties, potential investors are cautioned not to place any reliance on these forward-looking statements.

Other than in accordance with their legal or regulatory obligations, neither Bidco nor St. Modwen is under any obligation, and Bidco and St. Modwen 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.

Dealing and Opening Position Disclosure Requirements

Under Rule 8.3(a) of the Code, any person who is interested in 1% 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 pm (London time) on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3:30 pm (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 Code, any person who is, or becomes interested in 1% 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, 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 pm (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 Disclosure 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 consult 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.

Publication on a website

In accordance with Rule 26.1 of the Code, a copy of this Document will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on St. Modwen's website at www.stmodwen.co.uk/investors and Bidco's website at www.publishdocuments.co.uk by no later than 12 noon (London time) on the first Business Day following the date of this Document. For the avoidance of doubt, neither the contents of these websites nor any website accessible from hyperlinks is incorporated into or forms part of this Document.

No profit forecasts, estimates or quantified benefits statements

Save as disclosed in relation to the St. Modwen Profit Forecasts set out in Part XIII (*St. Modwen Profit Forecasts*) of this Document, no statement in this Document is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this Document should be interpreted to mean that earnings or earnings per share for St. Modwen for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for St. Modwen.

Requesting hard copy documents

In accordance with Rule 30.3 of the Code, St. Modwen Shareholders, persons with information rights and participants in St. Modwen Share Plans may request a hard copy of this Document by contacting St. Modwen's registrars, Equiniti, between 8.30 a.m. to 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 if calling from the United Kingdom, or +44 333 207 6530 if calling from outside the United Kingdom or by submitting a request in writing to 'Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA'. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Please note that Equiniti cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. For persons who receive a copy of this Document in electronic form or via a website notification, a hard copy of this Document 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 Acquisition should be in hard copy form.

Electronic Communications

Please be aware that addresses, electronic addresses and certain other information provided by St. Modwen Shareholders, persons with information rights and other relevant persons for the receipt of communications from St. Modwen may be provided to Bidco during the offer period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

Rounding

Certain figures included in this Document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.

General

If the Acquisition is effected by way of an Offer, and such an Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the Companies Act so as to acquire compulsorily the remaining St. Modwen Shares in respect of which the Offer has not been accepted.

Investors should be aware that Bidco may purchase St. Modwen Shares otherwise than under any Offer or the Scheme, including pursuant to privately negotiated purchases.

If you are in any doubt about the contents of this Document or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor or independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom or, if not, from another appropriate authorised independent financial adviser.

This Document is dated 24 June 2021.

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ACTION TO BE TAKEN

For the reasons set out in this Document, the St. Modwen Directors, who have been so advised by Lazard, J.P. Morgan Cazenove and Numis as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their financial advice to the St. Modwen Directors, Lazard, J.P. Morgan Cazenove and Numis have taken into account the commercial assessments of the St. Modwen Directors. Lazard and Numis are providing independent financial advice to the St. Modwen Directors for the purposes of Rule 3 of the Code.

Accordingly, in order to implement the Acquisition, the St. Modwen Directors unanimously recommend that you vote in favour of the Scheme at the Court Meeting and the Special Resolution proposed at the General Meeting, as the St. Modwen Directors irrevocably have undertaken to do in respect of their own beneficial holdings of St. Modwen Shares (or those St. Modwen Shares over which they have control), and that you take the action described below.

This page should be read in conjunction with the rest of this Document, and in particular, section 10 of Part I (*Letter from the Chair of St. Modwen*) and section 18 of Part II (*Explanatory Statement*) of this Document and the notices of the Court Meeting and the General Meeting at the end of this Document.

1. Documents

Please check that you have received:

- a blue Attendance Card and Form of Proxy for use in respect of the Court Meeting on 21 July 2021;
- a yellow Attendance Card and Form of Proxy for use in respect of the General Meeting on 21 July 2021;
- a pre-paid envelope for use in the UK only for the return of the blue Form of Proxy and the yellow Form of Proxy; and
- the Virtual Meeting Guide.

If you have not received these documents, please contact the Shareholder Helpline operated by St. Modwen's registrars, Equiniti, between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Equiniti cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

2. Voting at the Court Meeting and the General Meeting

IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO TRANSMIT A PROXY APPOINTMENT AND VOTING INSTRUCTION ONLINE OR THROUGH THE CREST ELECTRONIC PROXY APPOINTMENT SERVICE (OR COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY BY POST OR EMAIL) AS SOON AS POSSIBLE.

The Scheme will require approval at a meeting of Scheme Shareholders convened with the permission of the Court to be held at 12:00 p.m. on 21 July 2021 at The Queen Elizabeth II Centre, Broad Sanctuary, Westminster, London SW1P 3EE. Implementation of the Scheme will also require approval of the Special Resolution relating to the Acquisition to be proposed at the General Meeting. The General Meeting will be held at the same place as the Court Meeting on 21 July 2021 at 12:15 p.m. (or as soon thereafter as the Court Meeting concludes or is adjourned).

As set out in the opening pages of this Document and in Part XI (*Notice of Court Meeting*) and Part XII (*Notice of General Meeting*) of this Document, **Scheme Shareholders and St. Modwen Shareholders are strongly encouraged not to attend the Meetings in person, and are instead encouraged to**

attend the Meetings remotely via the Virtual Meeting Platform, as described in the opening pages of this Document and the Virtual Meeting Guide. Any changes to the arrangements for the Court Meeting and the General Meeting will be communicated to St. Modwen Shareholders and Scheme Shareholders before the Meetings through our website www.stmodwen.co.uk/investors and by announcement through a Regulatory Information Service.

Scheme Shareholders and St. Modwen Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting and the General Meeting as soon as possible, using any of the methods (online, electronically through CREST, by post or by email) set out below. Scheme Shareholders and St. Modwen Shareholders are also strongly encouraged to appoint “the Chair of the meeting” as their proxy, in particular given the ongoing uncertainties associated with the COVID-19 pandemic.

Scheme Shareholders and St. Modwen Shareholders are required to cast or amend proxy voting instructions in respect of the relevant Meeting not later than 48 hours before the relevant Meeting (excluding any part of such 48 hour period falling on a non-working day) (or in the case of any adjournment, not later than 48 hours before the time fixed for the adjourned meeting). In the case of the Court Meeting only, Scheme Shareholders who have not cast or amended their proxy voting instructions by this time may email a scanned copy of the blue Form of Proxy to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting or any adjournment thereof or hand the blue Form of Proxy to the Chair of the Court Meeting at the Court Meeting.

St. Modwen Shareholders are entitled to appoint a proxy in respect of some or all of their St. Modwen Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder.

The appointment of a proxy online, electronically through CREST, by post or by email or by any other procedure described in this Document will not prevent you from attending, submitting questions and voting at the Court Meeting or the General Meeting, in each case either in person or remotely via the Virtual Meeting Platform, if you are entitled to and wish to do so.

(a) ***Online appointment of proxies***

Proxies may be appointed online by logging on to the following website: www.sharevote.co.uk and following the instructions therein. If you have not previously registered for electronic communications you will first be asked to register as a new user, for which you will require your investor code which can be found on your share certificate. For an electronic proxy appointment to be valid, the appointment must be received by Equiniti not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting or any adjournment thereof. Full details of the procedure to be followed to appoint a proxy online are given on the website.

If you prefer, you may request a hard copy proxy form directly by calling St. Modwen’s registrars, Equiniti between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK or by writing to ‘Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA’, stating your name, and the address to which the hard copy should be sent.

(b) ***Electronic appointment of proxies through CREST***

If you hold St. Modwen Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Court Meeting or the General Meeting (or any adjourned Meeting) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual (please also refer to the accompanying notes to the notices of the Meetings set out in Part XI (*Notice of Court Meeting*) and Part XII (*Notice of General Meeting*) of this Document). CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Equiniti (ID: RA19) not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. In the case of the Court Meeting only, if the CREST proxy appointment or instruction is not received by this time, the blue Form of Proxy may be emailed to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting or any adjournment thereof.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. For further information on the logistics of submitting messages in CREST, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

St. Modwen may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

(c) ***Sending Forms of Proxy by post or by email***

As an alternative to appointing proxies online or electronically through CREST, St. Modwen Shareholders may elect to receive a blue Form of Proxy for the Court Meeting and a yellow Form of Proxy for the General Meeting. Please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them to St. Modwen’s registrars, Equiniti either: (i) by post to ‘Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA’; or (ii) by emailing a scanned copy to ProxyVotes@equiniti.com, so as to be received as soon as possible and in any event not later than the relevant times set out below:

Blue Form of Proxy for the Court Meeting	12:00 p.m. on 19 July 2021
Yellow Form of Proxy for the General Meeting	12:15 p.m. on 19 July 2021

or, if in either case the Meeting is adjourned, the relevant Form of Proxy should be received not later than 48 hours (excluding any part of such 48 hours period falling on a non-working day) before the time fixed for the adjourned Meeting.

If the blue Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting or handed to the Chair of the Court Meeting at the Court Meeting. However, if the yellow Form of Proxy for the General Meeting is not lodged by the relevant time, it will be invalid.

3. St. Modwen Share Plans

Participants in the St. Modwen Share Plans will be contacted separately around the date of this Document regarding the effect of the Scheme on their rights under the St. Modwen Share Plans.

4. Shareholder Helpline

If you have any questions about this Document, the Court Meeting, the General Meeting, how to submit your proxies online or how to complete the Forms of Proxy, please call St. Modwen’s registrars, Equiniti,

between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Equiniti cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following indicative timetable is based on St. Modwen's and Bidco's current expected dates for the implementation of the Scheme and is subject to change. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to St. Modwen Shareholders by announcement through the Regulatory Information Service of the London Stock Exchange.

Event	Time and / or date⁽¹⁾
Publication of this Document	24 June 2021
Latest time for lodging Forms of Proxy for the:	
Court Meeting (blue form)	12:00 p.m. on 19 July 2021 ⁽²⁾
General Meeting (yellow form)	12:15 p.m. on 19 July 2021 ⁽³⁾
Voting Record Time for the Court Meeting and the General Meeting	6.30 p.m. on 19 July 2021 ⁽⁴⁾
Court Meeting	12:00 p.m. on 21 July 2021
General Meeting	12:15 p.m. on 21 July 2021 ⁽⁵⁾
<p>The following dates and times associated with the Scheme are subject to change and will depend on, among other things, the date on which the Conditions to the Scheme are satisfied or, if capable of waiver, waived, and the date on which the Court sanctions the Scheme. As at the date of this Document, the CMA has responded to the briefing paper submitted by Bidco in respect of the Acquisition that it has no further questions in relation to the Acquisition and has not otherwise opened an inquiry, or implied that it is still investigating whether to open an inquiry. Provided that the CMA has not opened an inquiry, or implied that it is still investigating whether to open an inquiry by the proposed date of the Sanction Hearing (set out below) and all other Conditions (with the exception of the sanction of the Scheme by the Court pursuant to the Condition at paragraph 2(C) of Part III (<i>Conditions to the Implementation of the Scheme and to the Acquisition</i>) of this Document) are satisfied or waived, Bidco and St. Modwen propose to proceed with the following dates and times. Bidco is not aware of any fact or circumstance, as at the date of this Document, that would result in any delay in the satisfaction of the CMA condition set out in paragraph 3(A) of Part III (<i>Conditions to the Implementation of the Scheme and to the Acquisition</i>) of this Document. Should any of these dates change, St. Modwen will give adequate notice by issuing an announcement through a Regulatory Information Service, with such announcement being made available on St. Modwen's website at www.stmodwen.co.uk/investors. Further updates and changes to these times will be notified in the same way. See also note (1).</p>	
Sanction Hearing	4 August 2021
Last day of dealings in, and for the registration of transfers of, St. Modwen Shares	5 August 2021
Scheme Record Time	6.00 p.m. on 5 August 2021
Disablement of CREST in respect of St. Modwen Shares	6.00 p.m. on 5 August 2021
Suspension of dealings in St. Modwen Shares	7.30 a.m. on 6 August 2021
Effective Date of the Scheme	6 August 2021
De-listing of St. Modwen Shares	By 8.00 a.m. on 9 August 2021
Latest date for despatch of cheques, crediting of CREST accounts and processing electronic transfers for cash consideration due under the Scheme	20 August 2021 (within 14 days of the Effective Date)
Long Stop Date ⁽⁶⁾	22 November 2021

- (1) The dates and times given are indicative only and are based on current expectations and are subject to change.

References to times are to London, United Kingdom time unless otherwise stated. If any of the times and/or dates above change, the revised times and/or dates will be notified to St. Modwen Shareholders by announcement through a Regulatory Information Service.

Participants in the St. Modwen Share Plans will be contacted separately on or around the date of this Document to inform them of the effect of the Scheme on their rights under the St. Modwen Share Plans, including details of any appropriate proposals being made and dates and times relevant to them.

- (2) It is requested that blue Forms of Proxy for the Court Meeting be lodged by 12:00 p.m. on 19 July 2021 or, if the Court Meeting is adjourned, by no later than 48 hours prior to the time fixed for any adjourned Court Meeting (excluding any part of such 48 hour period falling on a non-working day in the UK). Blue Forms of Proxy not so lodged can be emailed to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting, or handed to the Chair of the Court Meeting at the Court Meeting.
- (3) In order to be valid, yellow Forms of Proxy for the General Meeting must be received by Equiniti by 12:15 p.m. on 19 July 2021 or, if the General Meeting is adjourned, 48 hours prior to the time appointed for the General Meeting (excluding any part of such 48 hour period falling on a non-working day in the UK).
- (4) If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned meeting will be 6.30 p.m. on the day which is two days prior to the date of the adjourned meeting.
- (5) To commence at 12:15 p.m. or as soon thereafter as the Court Meeting shall have concluded or been adjourned.
- (6) This is the latest date by which the Scheme may become effective. However, the Long Stop Date may be extended to such later date as may be agreed by Bidco and St. Modwen (with the Panel's consent and as the Court may approve (if such approval(s) are required)).

PART I

LETTER FROM THE CHAIR OF ST. MODWEN

St. Modwen Properties PLC
Park Point, 17 High Street
Longbridge, Birmingham, B312UQ

Incorporated in England and Wales with registered number 00349201

Directors:

Danuta Gray
Sarwjit Sambhi
Robert Hudson
Ian Bull
Simon Clarke
Jenefer Greenwood
Jamie Hopkins
Dame Alison Nimmo
Sarah Whitney

24 June 2021

To the holders of St. Modwen Shares and, for information only, to holders of options under the St. Modwen Share Plans and persons with information rights.

Dear Shareholder

RECOMMENDED CASH ACQUISITION OF ST. MODWEN BY BIDCO, A NEWLY FORMED COMPANY INDIRECTLY OWNED BY INVESTMENT FUNDS ADVISED BY BLACKSTONE

1. Introduction

On 20 May 2021, the directors of St. Modwen and Bidco announced that they had reached agreement on the terms and conditions of a recommended all cash offer by Bidco for the entire issued, and to be issued, ordinary share capital of St. Modwen. St. Modwen and Bidco have now reached agreement on the terms of an increased and final recommended cash offer, as described below. It is intended that the Acquisition will be implemented by way of a scheme of arrangement.

I am writing to you today, on behalf of the St. Modwen Directors, to set out the background to the Acquisition and the reasons why the St. Modwen Directors consider the terms of the Acquisition to be fair and reasonable and unanimously are recommending that you vote in favour of the Scheme at the Court Meeting and in favour of the Special Resolution at the General Meeting, as the St. Modwen Directors irrevocably have undertaken to do in respect of their own beneficial holdings of St. Modwen Shares, which amount to 3,064,170 St. Modwen Shares representing, in aggregate, approximately 1.38 per cent. of the existing issued ordinary share capital of St. Modwen, as at the Latest Practicable Date. I draw your attention to the letter from Lazard, J.P. Morgan Cazenove and Numis set out in Part II (*Explanatory Statement*) of this Document which gives details about the Acquisition and to the additional information set out in Part IX (*Additional Information on St. Modwen and Bidco*) of this Document. Further information relating to the irrevocable undertakings given by the St. Modwen Directors, including the circumstances in which they may lapse, is set out at section 4 of this letter, and in section 8 of Part IX (*Additional Information on St. Modwen and Bidco*) of this Document.

In order to approve the terms of the Acquisition, the required majority of Scheme Shareholders will need to vote in favour of the resolution to be proposed at the Court Meeting and the required majority of St. Modwen Shareholders will need to vote in favour of the Special Resolution to be proposed at the General Meeting. The Court Meeting and the General Meeting are to be held on 21 July 2021 at 12:00 p.m. and 12:15 p.m. (or immediately after the conclusion of the Court Meeting), respectively, at The Queen Elizabeth II Centre, Broad Sanctuary, Westminster, London SW1P 3EE. Details of the actions you should take are set out in section 18 of Part II (*Explanatory Statement*) of this Document. The recommendation of the St. Modwen Directors is set out in section 14 of this letter.

COVID-19 restrictions remain in place at the time of publication of this Document, and the UK Government has urged people to maintain social distancing and reduce time spent in crowded areas. Whilst St. Modwen anticipates that attendance in person will be legally permissible, **Scheme Shareholders and St. Modwen Shareholders are strongly encouraged not to attend the Meetings in person, and are instead encouraged to attend the Meetings remotely via the Virtual Meeting Platform**, as described in the opening pages of this Document and the Virtual Meeting Guide. Any changes to the arrangements for the Court Meeting and the General Meeting will be communicated to St. Modwen Shareholders and Scheme Shareholders before the Meetings through our website www.stmodwen.co.uk/investors and by announcement through a Regulatory Information Service.

Scheme Shareholders and St. Modwen Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting and the General Meeting as soon as possible, using any of the methods (online, electronically through CREST, by post or by email) set out in this Document. Scheme Shareholders and St. Modwen Shareholders are also strongly encouraged to appoint “the Chair of the meeting” as their proxy, in particular given the ongoing uncertainties associated with the COVID-19 pandemic.

2. Summary of the terms of the Acquisition

The Acquisition will be implemented by the acquisition of St. Modwen by Bidco pursuant to a scheme of arrangement between St. Modwen and Scheme Shareholders under Part 26 of the Companies Act 2006.

St. Modwen and Bidco have reached agreement on the terms of an increased and final recommended cash offer. Under the terms of the increased offer, which is subject to the Conditions and further terms set out in Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document, St. Modwen Shareholders will be entitled to receive:

for each St. Modwen Share: 560 pence in cash

The Acquisition price per St. Modwen Share represents a premium of approximately:

- 25.1 per cent. to the Closing Price of 448 pence on 6 May 2021 (being the last Business Day before the commencement of the offer period);
- 38.3 per cent. to the volume-weighted average St. Modwen share price of 405 pence over the 90-day period ending on 6 May 2021 (being the last Business Day before the commencement of the offer period);
- 41.8 per cent. to the volume-weighted average St. Modwen share price of 395 pence over the 180-day period ending on 6 May 2021 (being the last Business Day before the commencement of the offer period); and
- 21.1 per cent. to St. Modwen’s estimated EPRA Net Tangible Assets Per Share of 463 pence as at 31 May 2021.

The terms of the Acquisition value the entire existing issued and to be issued ordinary share capital of St. Modwen at approximately £1,272 million.

The financial terms of the offer are final and will not be increased, except that Bidco reserves the right to increase the amount of the offer price if there is an announcement on or after the date of this Document of an offer or a possible offer for St. Modwen by a third party offeror or potential offeror. Bidco reserves the right to elect to implement the Acquisition by way of an Offer as an alternative to the Scheme.

If, on or after the date of the Announcement and before the Effective Date, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the St. Modwen Shares, Bidco will reduce the consideration payable under the terms of the Acquisition for the St. Modwen Shares by an amount up to the amount of such dividend and/or distribution and/or return of capital, in which case any reference in this Document to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any reduction referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Acquisition. In such circumstances, St. Modwen Shareholders would be entitled to retain any such

dividend, distribution and/or other return of capital declared, made or paid. For further details, please refer to section 10 of Part B of Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document. Further information about the Acquisition is provided in Part II (*Explanatory Statement*) of this Document.

3. Background to and reasons for the recommendation

The Board remains confident in St. Modwen's strategy and continues to believe that the Company is well positioned to succeed as an independent business but has concluded that the Acquisition presents shareholders with a significant acceleration of this value creation as well as removing execution risk. The Board is pleased to have secured an increase in the offer price to 560 pence per St. Modwen Share as announced on 24 June 2021, which further supports its belief that the Acquisition is in the best interests of St. Modwen Shareholders.

Over the last four years, St. Modwen has reshaped its business to focus on two sectors with long-term structural growth trends, logistics and housebuilding. Apart from in 2020, which was impacted by Covid-19, St. Modwen has delivered underlying total accounting returns of between 6.0% and 6.3% during this period, at the same time as reducing leverage and recycling capital from legacy assets into its development pipeline. Today, St. Modwen has high quality, scalable platforms and substantial pipelines in both logistics (55% of the portfolio by value as at 31 May 2021) and housebuilding (25% of the portfolio as at 31 May 2021). Its strategic land and regeneration capability supports these businesses, although most of the division's existing assets (20% of the portfolio as at 31 May 2021) are non-core and earmarked for disposal.

Since the start of this year, overall operational performance has been in line with the Board's expectations. The Board believes that St. Modwen's high quality product, pipeline, development expertise and strong capital base provide a foundation for continued growth, with a targeted improvement in total accounting return to c.9-10% in the medium term, assuming current market conditions persist.

St. Modwen Logistics

St. Modwen Logistics ("**SML**") consists of a growing and resilient income-producing portfolio focused on modern urban and big box warehouses and a landbank with the potential to deliver c.22m sq ft of new logistics space, of which c.7.4m sq ft (representing 34% of the pipeline by space as at 31 May 2021) is committed or consented. The Company is on track to deliver 1.5m sq ft of new developments during 2021, of which 17% is pre-let, with a further 21% under offer, on average 2.3% ahead of expected ERV. 2020 completions are currently 91% let or under offer, up from 81% as at February 2021.

Strong capital growth in the industrial property market is reflected in the valuation of the portfolio as at 31 May 2021 (+9.7% capital value growth since 30 November 2020). The Board has taken this growth into account in its assessment of the terms of the Acquisition, as well as the potential for further yield compression. The Board has also taken account of the value creation opportunity within St. Modwen's landbank and the timing thereof, given that c.66% (c.15m sq ft) of the landbank does not currently have planning consent. Specifically, c.30% of the planned development in FY23 remains subject to planning consent, rising to c.85% in FY25.

Achievement of this development potential will require significant additional capital, an acceleration in the pace of delivery from 1.2m sq ft in 2020 to up to c.2m sq ft per year from 2022, and further growth in occupier demand in the Midlands and West of England where St. Modwen's land holdings are concentrated. Beyond 2022, delivery is dependent on both the scope and timing of the planning achieved across the pipeline, which is partly beyond the Company's control. Based on recently completed independent external valuations, including a separate valuation of development agreements which are not normally externally valued, the Board believes the book value of the c.15m sq ft controlled pipeline (c.£11m as at 31 May 2021) to be an accurate reflection of its current market value. The majority of this is controlled via options which give the Company the right to acquire land at a price linked to market value in the future, so whilst recent and potential future yield compression improves the market value of existing assets, it increases the development cost of these future projects.

St. Modwen Homes

St. Modwen Homes (“**SMH**”) was established in 2012 and delivered 1,060 units in 2019 and 948 units in 2020 (despite c.9-10 weeks of lost production due to the national lockdown in the spring). SMH has a high quality, affordable family product and a 5,600 plot pipeline in attractive regions. The Company completed 451 units during the half year ending on 31 May 2021 (“**HY21**”, vs. 411 in H1 2019 and 280 in H1 2020), with an average private sales rate of 0.66, and is on track to increase completions by c.25%, notwithstanding the fact that completions in 2020 fell by materially less than for peers. Operating margin is expected to increase to c.14.5% in 2021, supported by recent positive trends in house prices (with a 2.6% like-for-like increase in SMH’s private average sales price during HY21).

Besides the strong performance anticipated for 2021, the Board has also taken into account SMH’s longer term growth potential in assessing the terms of the Acquisition. The Company intends to grow completions to c.1,500 units by 2023 as the pipeline is built out and has also outlined its plan to increase operating margins to c.16-17% by 2023. These further margin improvements are expected to be driven primarily by operational efficiencies and an improvement in the gross margin embedded within the existing landbank (currently 19.5%). This will be partly reliant on additional land acquisitions with a target gross margin of at least 22%. SMH has not made any land acquisitions in the first half of 2021 hence c.19% of the targeted completions in 2023 remain reliant on such acquisitions.

Despite SMH’s strong growth, the business remains smaller in scale than the majority of its listed peers which is reflected in SMH’s lower operating and financial metrics. While the Board remains confident of the scope for improving both the SMH operating margin and ROCE (which was 11.4% in 2019 and 7.7% in 2020) over time, it recognises the extended time period required to deliver these improvements, as well as the inherent cyclicity in the housebuilding market.

Strategic Land & Regeneration

Strategic Land & Regeneration (“**SL&R**”) consists of a mixture of residential land, long-term regeneration sites and non-core retail and other assets. The Company’s strong land repositioning capability facilitates the long-term value creation in its logistics and housebuilding businesses, but the existing SL&R portfolio also includes several assets which do not support these sectors, or which, due to their size or other characteristics, are too long-dated and do not meet St. Modwen’s return requirements.

Since 2017, the SL&R portfolio has reduced in size from £1.2bn to £302m (as at 31 May 2021), due to a combination of disposals and, in 2020, £121m of write-downs, the majority of which reflected increased remediation and infrastructure cost at two large residential sites in Wales and a reduction in value of legacy retail assets. The Company plans to sell £180-200m of SL&R assets by 2023 (of which £39m has already been sold or contracted for sale). The disposal programme includes a number of large assets with unique characteristics and others which require considerable investment in order to sell, and of the £302m portfolio, c.£100m is expected to be sold beyond 2023. The Board expects SL&R to generate materially lower returns than SML and SMH in the coming years, and notes the 6.2% like-for-like reduction in capital values during H1 2021.

Conclusion

The proposed acquisition of St. Modwen by Bidco follows the receipt of multiple proposals from Blackstone negotiated over an extended period since St. Modwen’s preliminary results announcement in February 2021 at which St. Modwen set out its strategy for the business. Given the repositioning of the business in the attractive logistics and housebuilding sectors, the momentum of the business and confidence in the management team, the Board considered the proposals from a position of strength. The Board adopted a robust position on value, mindful of expected growth both in H1 2021 and over the medium to long term, and a series of proposals were rejected outright, before the announcement of an offer of 542 pence per St. Modwen Share on 20 May 2021, which was increased to 560 pence per St. Modwen Share on 24 June 2021. The Board remains unanimous in its support for a recommendation of an offer at this higher level. The Board believes that the Acquisition is in the best interests of St. Modwen shareholders by significantly accelerating, and de-risking, the value that could

be realised by St. Modwen independently. In reaching its conclusion, the Board has considered the following in particular:

- the anticipated performance of each of St. Modwen's three divisions, including the strong growth of SML, the ability to enhance the operating and financial metrics of SMH and the time to recycle capital from SL&R;
- the risk-adjusted returns that may be generated by St. Modwen's strategy as compared with the certainty of execution of the Acquisition, which represents an acceleration of expected value creation;
- that the price of 560 pence per St. Modwen share represents a premium of 21.1% to St. Modwen's estimated EPRA Net Tangible Assets Per Share of 463 pence as at 31 May 2021;
- that the price of 560 pence per St. Modwen share represents premia of 25.1% to the unaffected share price of 448 pence as at 6 May 2021, 41.8% to the volume weighted average share price of 395 pence over the 180-day period ending on 6 May 2021, and 43.6% to the share price of 390 pence as at 22 February 2021 prior to Blackstone's first proposal;
- that the price of 560 pence per St. Modwen share exceeds the highest share price of 530 pence since the global financial crisis on 14 February 2020, which was prior to the 53 pence (£117m) reduction in EPRA NTAPS in 2020 resulting primarily from increased remediation and infrastructure costs at two large residential sites in Wales land and a reduction in value of legacy retail assets;
- that the Acquisition provides St. Modwen shareholders with the opportunity to realise the entirety of their interests in cash; and
- the impact of the Acquisition on all of St. Modwen's stakeholders, including the importance of St. Modwen's employees to Blackstone's future strategy.

The Board welcomes Bidco's statement that it does not intend to make any headcount reductions except for a small and non-material reduction within the central corporate and support functions (including listed company-related functions), that the existing contractual and statutory employment rights, including regarding the St. Modwen Group pension schemes, of all the St. Modwen Group's management and employees will be fully safeguarded in accordance with applicable law, and that subject to the outcome of its strategic review, there are no plans to change the locations of the St. Modwen Group's places of business or headquarters.

4. Irrevocable undertakings

Bidco has received irrevocable undertakings to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept such Offer) from all of the St. Modwen Directors who own St. Modwen Shares, in respect of their own beneficial holdings totalling 3,064,170 St. Modwen Shares, representing approximately 1.38 per cent. of issued ordinary share capital of St. Modwen as at the Latest Practicable Date.

In addition to the irrevocable undertakings from St. Modwen Directors described above, Bidco has also received irrevocable undertakings from certain other St. Modwen Shareholders.

Members of the Clarke family have undertaken to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept such Offer) in respect of 11,621,472 St. Modwen Shares, representing approximately 5.22 per cent. of the issued ordinary share capital of St. Modwen as at the Latest Practicable Date.

Members of the Leavesley family have undertaken to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept such Offer) in respect of 10,792,377 St. Modwen Shares, representing approximately 4.85 per cent. of the issued ordinary share capital of St. Modwen as at the Latest Practicable Date.

In total, therefore, Bidco has received irrevocable undertakings to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept such Offer) in respect of, in aggregate, 25,478,019 St. Modwen Shares, representing

approximately 11.44 per cent. of the issued ordinary share capital of St. Modwen as at the Latest Practicable Date. The undertakings will remain binding in the event that a higher competing offer for St. Modwen is made.

Further details of these irrevocable undertakings are set out in section 8 of Part IX (*Additional Information on St. Modwen and Bidco*) of this Document. Copies of the irrevocable undertakings are available on St. Modwen's website at www.stmodwen.co.uk/investors and will remain on display until the end of the offer period.

5. Background to and reasons for the Acquisition

Blackstone is a global leader in real estate investing with \$196 billion of investor capital under management dedicated to real estate. The Blackstone Real Estate group is highly active in both the logistics and residential segments. Blackstone's pan-European logistics real estate platform, Mileway, is a leading urban logistics real estate business in Europe and the UK where it owns a 48m square foot urban logistics portfolio. In the UK residential sector, Blackstone's Sage Housing platform is a registered provider of affordable housing, working with the largest homebuilders to deliver new housing for shared ownership and low-cost rental homes. Over the past three years, Sage Housing has delivered over 4,000 new affordable homes, with a secured pipeline of more than 14,000. Sage Housing's target is to deliver over 20,000 high-quality affordable homes to the market.

Bidco believes that while St. Modwen's core logistics and residential business divisions each operate in attractive markets, realising the full potential of each division will require significant incremental scale and equity capital, which Bidco believes it is in a better position to provide to each business as a private company than St. Modwen can as a public company.

Bidco believes St. Modwen Logistics would be a complementary addition to Mileway's existing portfolio and development activities, and that St. Modwen Logistics would be further enhanced by being part of Mileway's broader pan-European platform. Bidco believes St. Modwen Logistics will require significant incremental capital to realise its full potential.

In order to maximise St. Modwen Homes' full potential and achieve management's objective of accelerating growth and operational efficiencies through scale, Bidco believes that St. Modwen Homes would benefit from the incremental growth and capital investment opportunities that private ownership can bring.

6. Directors, management, employees, pensions and locations

Bidco's strategic plans for St. Modwen

Bidco recognises the high quality of the portfolio of logistics assets that St. Modwen has developed over time. As set out in section 5, Bidco believes that St. Modwen Logistics would be a complementary addition to Mileway, Blackstone's leading pan-European last mile logistics real estate platform, and would be further enhanced by being part of Mileway's platform. Following completion of the Acquisition, Bidco intends that St. Modwen Logistics would be integrated within the Mileway platform.

With regard to the St. Modwen Homes business, Bidco recognises that St. Modwen Homes is an award-winning house builder of high-quality new homes across key markets in the United Kingdom. Bidco believes that in order to maximise St. Modwen Homes' full potential and achieve management's objective of accelerating growth and operational efficiencies through greater scale, St. Modwen Homes would benefit from private ownership and the incremental growth opportunities that this can bring. Bidco values St. Modwen Homes' strong customer focussed approach and expects customer experience to be at the core of its ongoing strategy under Bidco ownership.

In relation to St. Modwen's Strategic Land & Regeneration division, Bidco is aware of the programme which St. Modwen management has previously announced in respect of disposal of non-core assets and surplus land. As part of its evaluation of the St. Modwen Group referred to below, Bidco will be carrying out an assessment of this programme. While no decisions have yet been made by Bidco in relation to specific actions that may be taken following such review, Bidco intends to support St. Modwen management in seeing this programme through to completion to the extent it has not been completed prior to the Effective Date.

Prior to the Announcement Date, consistent with market practice, Bidco had been granted access to St. Modwen's senior management for purposes of confirmatory due diligence. However, because of the constraints of a public offer process, Bidco had not then had access to sufficiently detailed operational information to formulate a detailed strategy for St. Modwen.

Following the Acquisition becoming Effective, Bidco intends to work with St. Modwen's management to undertake a detailed evaluation of the St. Modwen Group. Bidco expects that this evaluation will be completed within approximately six to nine months from the Effective Date. The evaluation will include:

- engaging with the key stakeholders of each business;
- further evaluating St. Modwen's logistics portfolio (including both standing assets and land bank) with a view to implementing its integration into Mileway;
- assessing St. Modwen's programme for the disposal of non-core assets and surplus land; and
- assessing potential investment opportunities and strategic options that will support St. Modwen Homes' growth ambitions and overall strategy.

Employees and management

Bidco attaches great importance to the skill and experience of St. Modwen's management and employees and recognises the important contribution that the management team and employees of St. Modwen have made to the success of the business.

Following completion of the Acquisition, Bidco intends that the employees of St. Modwen that are predominantly assigned to St. Modwen Logistics will transfer across to Mileway, such that they would become employees of Mileway. Bidco confirms that its intention is for any individuals impacted to be treated in a manner consistent with Blackstone's high standards, culture and practices. Any transfer of employees to Mileway will be carried out in accordance with applicable law (including, informing and consulting obligations).

Other than a small and non-material reduction in headcount (subject to any informing and consulting obligations) within the central corporate and support functions (including listed company-related functions) following St. Modwen ceasing to be a listed company, Bidco does not intend to make any reductions to the St. Modwen Group's headcount. Any headcount reductions will be carried out in accordance with applicable law.

Other than the transfer of certain employees of St. Modwen Logistics to Mileway, Bidco does not intend to make any changes to the conditions of employment or the balance of skills and functions of the employees and management of the St. Modwen Group.

It is intended that, with effect from the Effective Date, each of the non-executive members of the St. Modwen Board shall resign from his or her office as a director of St. Modwen.

Existing rights and pensions

Bidco confirms that, following the Acquisition becoming Effective, the existing contractual and statutory employment rights, including pension rights, of all St. Modwen management and employees will be fully safeguarded in accordance with applicable law.

St. Modwen participates in a UK occupational pension scheme which has both a defined benefits section and a defined contribution section. The defined benefits section of the pension scheme is well-funded and as at 30 November 2020 was in surplus on an IAS 19 basis. The defined benefits section is closed to new members and future accrual of benefits. Bidco does not intend to make any changes to the current employer pension contribution arrangements, the accrual of benefits for existing members or the rights of admission of new members under the pension scheme.

Headquarters, locations, fixed assets and research and development

As set out above, Bidco intends that St. Modwen Logistics will, following completion of the Acquisition, be integrated into the Mileway platform.

Subject to the outcome of its strategic review to be undertaken following completion of the Acquisition, Bidco has no plans to undertake any change in the locations of St. Modwen's places of business. Whilst certain head office functions of St. Modwen Logistics will be integrated within the broader Mileway UK platform, Bidco has no plans to change the location of St. Modwen's headquarters from Birmingham.

No changes are envisaged with respect to the deployment of St. Modwen's fixed asset base (other than in relation to the non-core disposal programme referred to above) and, to Bidco's knowledge, St. Modwen has no research and development function.

Management incentive arrangements

Following the Acquisition becoming Effective, Bidco intends to review the management, governance and incentive structure of St. Modwen. Bidco has not entered into, and has not had material discussions on the terms of any form of incentivisation arrangements with members of St. Modwen's management, but may have discussions and enter into such discussions for certain members of the St. Modwen management team following the Effective Date.

Trading Facilities

St. Modwen Shares are currently listed on the Official List and admitted to trading on the London Stock Exchange. As set out in section 13 of Part II (*Explanatory Statement*), applications will be made for the cancellation of the listing of St. Modwen Shares on the Official List and the cancellation of trading of St. Modwen Shares on the London Stock Exchange.

None of the statements in this section 6 are "post-offer undertakings" for the purposes of Rule 19.5 of the Code.

7. Valuations

In keeping with St. Modwen's usual practice, the Company's portfolio of investment properties and assets held for sale (including the Group's share of joint ventures and associates) was independently valued by Cushman & Wakefield as at 31 May 2021 at approximately £1,089m, and such valuation is set out in Part VI (*St. Modwen Property Valuation Report*) of this Document, in accordance with the requirements of Rule 29 of the Code.

Cushman & Wakefield's valuation report covers 98% of the St. Modwen Logistics portfolio and 94% of the Strategic Land & Regeneration portfolio by value (including the Group's share of joint ventures and associates) as at 31 May 2021. It does not cover the St. Modwen Homes portfolio, which consists exclusively of inventories. A reconciliation between Cushman & Wakefield's valuation report and the overall value of the Group's property portfolio as at 31 May 2021 is provided below.

Property Portfolio (£m)	C&W Valuation Report	Inventories and Other	Total
St. Modwen Logistics	804.1	16.0	820.1
St. Modwen Homes	–	372.7	372.7
Strategic Land & Regeneration	284.4	17.7	302.1
Property portfolio	1,088.5	406.3	1,494.9

A summary of the movements in the value of the property portfolio between 30 November 2020 and 31 May 2021 is provided below.

Property Portfolio (£m)	30 Nov 20	Additions	Disposals	Transfers	Valuations	31 May 21
St. Modwen Logistics	666.5	82.8	(2.0)	0.0	72.8	820.1
St. Modwen Homes	373.0	100.5	(101.5)	0.8	–	372.7
Strategic Land & Regeneration	331.7	22.5	(31.9)	(0.8)	(19.4)	302.1
Property portfolio	1,371.2	205.7	(135.5)	0.0	53.4	1,494.9

The element of St. Modwen's controlled logistics pipeline which is held within inventories, and hence not covered by the Cushman & Wakefield valuation report, was independently valued by Colliers at £5m

as at 31 May 2021 (book value as at 31 May 2021: c.£5m), and a copy of such valuation is contained on St. Modwen's website at www.stmodwen.co.uk/investors.

8. St. Modwen Profit Forecasts

On 9 February 2021 St. Modwen released its results for the year ended 30 November 2020, and on 1 March 2021 St. Modwen released the 2020 St. Modwen Annual Report. Included within these documents were the following statements, which for the purposes of Rule 28 of the Code constitute profit forecasts (the "**St. Modwen Profit Forecasts**"):

In relation to the St. Modwen Group:

"...we expect delivery of our growth strategy to increase adjusted EPRA EPS to c. 28 pence and improve our total accounting return to c. 9-10% in the medium term"

"Assuming no material disruption in trading conditions, we expect adjusted EPRA EPS for 2021 to be close to 2019 levels."

In relation to St. Modwen Homes:

"Assuming housing market conditions remain as is, we expect operating profit to grow meaningfully in 2021 due to the expected growth in volumes and margins."

Part XIII (*St. Modwen Profit Forecasts*) of this Document sets out further information in relation to the St. Modwen Profit Forecasts.

9. Employee Share Plans

Details of the arrangements proposed to be implemented in relation to the St. Modwen Share Plans in connection with the Acquisition are set out in section 8 of Part II (*Explanatory Statement*) of this Document.

10. Action to be taken by St. Modwen Shareholders

Details of the approvals being sought at the Court Meeting and the General Meeting and the action to be taken by St. Modwen Shareholders in respect of the offer are set out in section 18 of Part II (*Explanatory Statement*) of this Document.

Details relating to the de-listing of the St. Modwen Shares and settlement of the cash consideration offered by Bidco are included in section 13 of Part II (*Explanatory Statement*) of this Document.

11. Overseas shareholders

Overseas shareholders of St. Modwen Shares should refer to Part VIII (*Additional Information for Overseas Shareholders*) of this Document, which contains important information relevant to such holders.

12. United Kingdom taxation

Your attention is drawn to Part VII (*United Kingdom Taxation*) and Part VIII (*Additional Information for Overseas Shareholders*) of this Document, which contain a summary of limited aspects of the UK tax treatment of the Scheme. This summary relates only to the position of certain categories of St. Modwen Shareholders (as explained further in Part VII (*United Kingdom Taxation*) and Part VIII (*Additional Information for Overseas Shareholders*) of this Document), does not constitute tax advice and does not purport to be a complete analysis of all potential UK tax consequences of the Scheme.

You are strongly advised to contact an appropriate independent professional adviser immediately to discuss the tax consequences of the Scheme given your particular circumstances, in particular if you are in any doubt about your own taxation position or you are subject to taxation in a jurisdiction other than the United Kingdom.

13. Update on CMA Condition

As at the date of this Document, the CMA has responded to the briefing paper submitted by Bidco in respect of the Acquisition that it has no further questions in relation to the Acquisition and has not otherwise opened an inquiry, or implied that it is still investigating whether to open an inquiry.

Provided that the CMA has not opened an inquiry, or implied that it is still investigating whether to open an inquiry by the proposed date of the Sanction Hearing (being 4 August 2021) and all other Conditions (with the exception of sanction of the Scheme by the Court pursuant to the Condition at paragraph 2(C) of Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document) are satisfied or waived, Bidco and St. Modwen propose to proceed with the Sanction Hearing on 4 August 2021. Bidco is not aware of any fact or circumstance, as at the date of this Document, that would result in any delay in the satisfaction of the CMA condition set out in paragraph 3(A) of Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document.

Should any of these dates change, St. Modwen will give adequate notice by issuing an announcement through a Regulatory Information Service, with such announcement being made available on St. Modwen's website at www.stmodwen.co.uk/investors.

14. Recommendation

The St. Modwen Directors, who have been so advised by Lazard, J.P. Morgan Cazenove and Numis as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing advice to the St. Modwen Directors, Lazard, J.P. Morgan Cazenove and Numis have taken into account the commercial assessments of the St. Modwen Directors. Lazard and Numis are each providing independent financial advice to the St. Modwen Directors for the purposes of Rule 3 of the Code.

The St. Modwen Directors believe that the terms of the Acquisition (including the Scheme) are in the best interests of St. Modwen Shareholders as a whole and unanimously recommend that St. Modwen Shareholders vote in favour of the resolutions to be proposed at the Court Meeting and the General Meeting, as they have irrevocably agreed to do in respect of their own beneficial holdings, which amount to 3,064,170 St. Modwen Shares representing, in aggregate, approximately 1.38 per cent. of the existing issued ordinary share capital of St. Modwen as at the Latest Practicable Date.

15. Further information

Your attention is drawn to further information contained in Part II (*Explanatory Statement*), Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*), Part IV (*The Scheme of Arrangement*) and Part IX (*Additional Information on St. Modwen and Bidco*) of this Document which provides further details concerning the Scheme.

You are advised to read the whole of this Document and not just rely on the summary information contained in this letter or the Explanatory Statement.

Yours faithfully,

Danuta Gray
Chair
St. Modwen Properties PLC

PART II

EXPLANATORY STATEMENT

(in compliance with section 897 of the Companies Act 2006)

24 June 2021

To the holders of St. Modwen Shares and, for information only, to holders of options under the St. Modwen Share Plans and persons with information rights

Dear Shareholder

RECOMMENDED CASH ACQUISITION OF ST. MODWEN BY BIDCO, A NEWLY FORMED COMPANY INDIRECTLY OWNED BY INVESTMENT FUNDS ADVISED BY BLACKSTONE

1. Introduction

On 20 May 2021, the directors of St. Modwen and Bidco announced that they had reached agreement on the terms and conditions of a recommended all cash offer by Bidco for the entire issued, and to be issued, ordinary share capital of St. Modwen. St. Modwen and Bidco have now reached agreement on the terms of an increased and final recommended cash offer, as described below. It is intended that the Acquisition will be implemented by way of a scheme of arrangement.

The Scheme requires, among other things, the approval of Scheme Shareholders at the Court Meeting and St. Modwen Shareholders at the General Meeting as well as the sanction of the Court.

Your attention is drawn to the letter from the Chair of St. Modwen set out in Part I (*Letter from the Chair of St. Modwen*) of this Document, which forms part of this Explanatory Statement. The letter contains, among other things (a) information on the background to and reasons for the Acquisition and (b) the unanimous recommendation by the St. Modwen Directors to St. Modwen Shareholders to vote in favour of the resolutions to be proposed at the Court Meeting and the General Meeting.

The St. Modwen Directors have been advised by Lazard, J.P. Morgan Cazenove and Numis in connection with the Acquisition and the Scheme. Lazard and Numis are each providing independent financial advice to the St. Modwen Directors for the purposes of Rule 3 of the Code. We have been authorised by the St. Modwen Directors to write to you to explain the terms of the Acquisition and the Scheme and to provide you with other relevant information.

The Scheme is set out in full in Part IV (*The Scheme of Arrangement*) of this Document. For overseas holders of St. Modwen Shares, your attention is drawn to Part VIII (*Additional Information for Overseas Shareholders*) of this Document, which forms part of this Explanatory Statement.

Statements made or referred to in this letter regarding Bidco's reasons for the Acquisition, information concerning the business of Bidco, the financial effects of the Acquisition on Bidco and/or intentions or expectations of or concerning Bidco reflect the views of the Bidco Directors, and the Blackstone Responsible Persons (whose names are set out in sections 2.2 and 2.3 of Part IX (*Additional Information on St. Modwen and Bidco*) of this Document, respectively).

Statements made or referred to in this letter regarding the background to and reasons for the recommendation of the St. Modwen Directors, information concerning the business of the St. Modwen Group and/or intentions or expectations of or concerning the St. Modwen Group prior to completion of the Acquisition, reflect the views of the St. Modwen Directors.

2. Summary of the terms of the Acquisition and the Scheme

The Acquisition

The Acquisition will be implemented by the acquisition of St. Modwen by Bidco pursuant to a scheme of arrangement between St. Modwen and Scheme Shareholders under Part 26 of the Companies Act 2006.

St. Modwen and Bidco have reached agreement on the terms of an increased and final recommended cash offer. Under the terms of the increased offer, which will be subject to the terms and conditions set out in Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document, St. Modwen Shareholders will be entitled to receive:

for each St. Modwen Share: 560 pence in cash

The Acquisition price per St. Modwen Share represents a premium of approximately:

- 25.1 per cent. to the Closing Price of 448 pence on 6 May 2021 (being the last Business Day before the commencement of the offer period);
- 38.3 per cent. to the volume-weighted average St. Modwen share price of 405 pence over the 90-day period ending on 6 May 2021 (being the last Business Day before the commencement of the offer period);
- 41.8 per cent. to the volume-weighted average St. Modwen share price of 395 pence over the 180-day period ending on 6 May 2021 (being the last Business Day before the commencement of the offer period); and
- 21.1 per cent. to St. Modwen's estimated EPRA Net Tangible Assets Per Share of 463 pence as at 31 May 2021.

The terms of the Acquisition value the entire existing issued and to be issued ordinary share capital of St. Modwen at approximately £1,272 million.

The financial terms of the offer are final and will not be increased, except that Bidco reserves the right to increase the amount of the offer price if there is an announcement on or after the date of this Document of an offer or a possible offer for St. Modwen by a third party offeror or potential offeror. Bidco reserves the right to elect to implement the Acquisition by way of an Offer as an alternative to the Scheme.

The St. Modwen Shares will be acquired pursuant to the Acquisition fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto, including without limitation voting rights and the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid with a record date on or after the Scheme Record Time

If, on or after the date of the Announcement and before the Effective Date, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the St. Modwen Shares, Bidco will reduce the consideration payable under the terms of the Acquisition for the St. Modwen Shares by an amount up to the amount of such dividend and/or distribution and/or return of capital, in which case any reference in this Document to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any reduction referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Acquisition. In such circumstances, St. Modwen Shareholders would be entitled to retain any such dividend, distribution and/or other return of capital declared, made or paid. For further details, please refer to section 10 of Part B of Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document. Further information about the Acquisition is provided in Part II (*Explanatory Statement*) of this Document.

3. Background to and reasons for the recommendation

Information relating to the background to and reasons for the St. Modwen Directors' recommendation of the Acquisition is set out in section 3 of Part I (*Letter from the Chair of St. Modwen*) of this Document.

Bidco has received irrevocable undertakings to vote (or, where applicable, procure voting) in favour of the resolutions relating to the Acquisition at the Meetings from the St. Modwen Directors (in their capacity as St. Modwen Shareholders), in respect of their own beneficial holdings totalling 3,064,170 St. Modwen Shares (representing, in aggregate, approximately 1.38 per cent. of the existing issued ordinary share capital of St. Modwen as at the Latest Practicable Date).

Further details of these irrevocable undertakings are set out in section 8 of Part IX (*Additional Information on St. Modwen and Bidco*) of this Document.

4. Information on St. Modwen

St. Modwen is a UK-based real estate developer and investor and a constituent of the FTSE 250. Established in 1966 and headquartered in Longbridge, Birmingham, St. Modwen operates across three specialist divisions: St. Modwen Logistics, St. Modwen Homes and Strategic Land & Regeneration. The Company is active across England and South Wales with a portfolio totalling £1.49bn as at 31 May 2021.

St. Modwen Logistics (55% of the portfolio by value as at 31 May 2021) designs, builds, owns and manages industrial and logistics assets in the UK. As one of the UK's most active developers of speculative and built-to-suit logistics buildings, St. Modwen Logistics' commercial development activity is focused on sites concentrated around major infrastructure and conurbations. Customers include some of the world's biggest logistics and e-commerce organisations as well as significant national and regional enterprises.

St. Modwen Homes (25% of the portfolio by value as at 31 May 2021) delivers high quality family housing primarily to first time buyers in attractive regional markets across the UK. SMH currently delivers around 1,000 units per annum with an affordable private average selling price of c.£277,000, and in 2020 achieved a 96% HBF customer satisfaction score, which is the second highest among large housebuilders, and a net promoter score of 74, ranking consistently above the wider sector.

Strategic Land & Regeneration (20% of the portfolio by value as at 31 May 2021) focuses on the promotion and master development of land, primarily for residential and logistics uses, as well as delivering transformational regeneration projects. The division is delivering development land to St. Modwen Homes, St. Modwen Logistics, and third-party housebuilders and has over 20,000 strategic residential plots in the pipeline. The majority of the division's existing portfolio is earmarked to be sold, as it is no longer core to St. Modwen's strategy.

5. Information on Bidco and Blackstone

Bidco

Bidco is a limited company registered in Jersey and incorporated on 24 March 2020. Bidco was formed for the purposes of the Acquisition and is an entity owned indirectly by investment funds advised by Blackstone and has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Acquisition.

The current directors of Bidco are Samir Amichi and Peter Krause.

Blackstone

Blackstone is one of the world's leading investment firms. In June 2007, Blackstone completed its initial public offering on the New York Stock Exchange and trades under the symbol "BX".

Blackstone seeks to create positive economic impact and long-term value for its investors, the companies it invests in, and the communities in which it works. Blackstone does this by using extraordinary people and flexible capital to help companies solve problems. Its \$649 billion in assets under management include investment vehicles focused on private equity, real estate, public debt and equity, life sciences, growth equity, opportunistic, non-investment grade credit, real assets and secondary funds, all on a global basis.

Further information about Blackstone, including certain ownership, governance and financial information, is disclosed in Blackstone's periodic filings with the SEC, which can be obtained from Blackstone's website at www.blackstone.com or the SEC's website at www.sec.gov.

Blackstone Real Estate is a global leader in real estate investing. Blackstone's real estate business was founded in 1991 and has \$196 billion of investor capital under management. Blackstone is one of the largest property owners in the world, owning and operating assets across every major geography and sector, including logistics, multifamily and single family housing, office, hospitality and retail.

6. Financial effects of the Acquisition on Bidco

Bidco has no material assets or liabilities other than those described in this Document in connection with its incorporation and the Acquisition. With effect from the Effective Date, the earnings, assets and liabilities in the consolidated Bidco accounts will comprise the consolidated earnings, assets and liabilities of the St. Modwen Group.

7. Financing of the Acquisition

The cash consideration payable to the St. Modwen Shareholders under the terms of the Acquisition will be financed by equity to be invested by Blackstone Funds. In connection with the financing of Bidco, Blackstone Funds have entered into the Revised Equity Commitment Letter.

Rothschild & Co. in its capacity as financial adviser to Bidco, is satisfied that sufficient resources are available to Bidco to satisfy in full the cash consideration payable to the St. Modwen Shareholders under the terms of the Scheme.

8. St. Modwen Share Plans

8.1 General

St. Modwen operates the St. Modwen Share Plans to reward and retain its employees.

Participants in the St. Modwen Share Plans will be contacted separately on or around the date of this Document regarding the effect of the Scheme on their rights under the St. Modwen Share Plans and with the details of the arrangements applicable to them. A summary of the effect of the Scheme on options granted under the St. Modwen Share Plans is set out below. In the event of any conflict between the summary set out below and the rules of the relevant St. Modwen Share Plan (as amended from time to time) and/or the communications to participants in the St. Modwen Share Plans regarding the effect of the Scheme on their rights under the St. Modwen Share Plans and the details of the arrangements applicable to them (the “**Share Plan Notices**”), the rules of the relevant St. Modwen Share Plan (as amended from time to time) or the terms of the Share Plan Notices (as the case may be) will prevail.

The Scheme will apply to any St. Modwen Shares which are unconditionally allotted, issued or transferred to satisfy the exercise of options under the St. Modwen Share Plans before the Scheme Record Time. Any St. Modwen Shares allotted, issued or transferred out of treasury to satisfy the exercise of options under the St. Modwen Share Plans after the Scheme Record Time will, subject to the Scheme becoming Effective and the proposed amendments to the articles of association being approved at the General Meeting, be transferred to Bidco in exchange for the same consideration as Scheme Shareholders will be entitled to receive under the Scheme.

Further information in respect of the proposed amendments to the articles of association is contained in the Notice of General Meeting at Part XII (*Notice of General Meeting*) of this Document.

8.2 PSP

Options granted under the PSP which would not otherwise vest prior to the date on which the Court sanctions the Scheme will (in consequence of the Acquisition and in accordance with participants’ contractual rights under the PSP) vest early. The St. Modwen Remuneration Committee will, at its sole discretion, determine the extent to which PSP options vest, taking into account the extent to which any performance targets have been satisfied. The St. Modwen Remuneration Committee may also determine that the options will not be subject to any time pro-rating reduction. The formal discretion as to whether or not to apply time pro-rating will be exercised on or shortly before the date on which the Court sanctions the Scheme, along with the assessment of the extent to which performance targets have been achieved.

On the exercise of PSP options, the executive directors will be entitled to an additional number of St. Modwen Shares under the rules of the PSP in respect of dividend equivalents.

8.3 ESOS

Options granted under the ESOS are already exercisable and will continue to be exercisable after the date on which the Court sanctions the Scheme in accordance with participants' contractual rights under the ESOS.

8.4 ESOP

Options granted under the ESOP which would not otherwise become exercisable prior to the date on which the Court sanctions the Scheme will (in consequence of the Acquisition and in accordance with participants' contractual rights under the ESOP) vest early and becomes exercisable. The St. Modwen Remuneration Committee may determine that such options will not be subject to any time pro-rating reduction. The formal discretion as to whether or not to apply time pro-rating will be exercised on or shortly before the date on which the Court sanctions the Scheme.

8.5 SAYE

Options granted under the SAYE that would not otherwise become exercisable prior to the date on which the Court sanctions the Scheme will (in consequence of the Acquisition and in accordance with participants' contractual rights under the SAYE) be exercisable following the date on which the Court sanctions the Scheme until the date falling 20 days following the Effective Date.

Bidco will make or procure a one-off cash compensation payment (the "**Compensation Payment**") to those participants in the SAYE who exercise their options conditional on the Effective Date. The Compensation Payment will be of an amount equal to the additional profit which the participants would have received had they been able to exercise their options over the number of St. Modwen Shares they would have received if they had continued making their monthly savings contributions after the Effective Date and exercised their options at the end of the earlier of: (i) six months following the date on which the Court sanctions the Scheme; and (ii) the maturity of the relevant savings contract, and had those St. Modwen Shares been acquired on the terms of the Scheme.

Any such Compensation Payment made or procured by Bidco will be subject to deductions of the applicable tax and employee's social security contributions, whereas options exercised under the SAYE would not be subject to such tax and employee's social security contributions. The Compensation Payment will therefore be of such amount as would provide participants with an after-tax amount equal to the after-tax amount of additional profit that such participants would have received had they been able to exercise their options at the end of the earlier of: (i) six months following the date on which the Court sanctions the Scheme; and (ii) the maturity of the relevant savings contract; and, in each case, had the St. Modwen Shares acquired on exercise then been acquired by Bidco on the terms of the Scheme.

9. The St. Modwen Directors and the effect of the Scheme on their interests

Details of the interests of the St. Modwen Directors in the ordinary share capital of St. Modwen and awards in respect of such ordinary share capital, are set out in section 3 of Part IX (*Additional Information on St. Modwen and Bidco*) of this Document. Scheme Shares held by the St. Modwen Directors at the Scheme Record Time will be subject to the Scheme.

The St. Modwen Directors have irrevocably undertaken to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting in respect of their own beneficial holdings which are under their control of, in aggregate, 3,064,170 St. Modwen Shares. These irrevocable undertakings also extend to any shares acquired by the St. Modwen Directors as a result of the exercise of options under the St. Modwen Share Plans (if applicable, net of shares to cover any tax). The undertakings will remain binding in the event that a higher competing offer for St. Modwen is made.

The undertakings from the St. Modwen Directors, will cease to be binding only if: (i) Bidco announces, with the consent of the Panel, that it does not intend to make or proceed with the Acquisition and no new, revised or replacement offer or scheme is announced at the same time; (ii) the Scheme lapses or

is withdrawn in accordance with its terms unless, by such time, Bidco publicly announces its intention to proceed with the Acquisition or to implement the Acquisition by way of an Offer; (iii) the Scheme has not become effective by 23.59 p.m. on the Long Stop Date (or such other time and date as agreed between Bidco and St. Modwen, with the approval of the Court and/or the Panel, if required (other than in circumstances where Bidco has, prior to such date, elected to exercise its right to proceed by way of an Offer and announced the same in accordance with the requirements of Paragraph 8 of Appendix 7 to the Code, and such Offer has not lapsed or been withdrawn)); or (iv) the date on which any competing offer for the entire issued and to be issued share capital of St. Modwen is declared wholly unconditional or becomes effective.

Particulars of the service agreements (including termination provisions) and letters of appointment of the St. Modwen Directors are set out in section 5 of Part IX (*Additional Information on St. Modwen and Bidco*) of this Document.

Following completion of the Acquisition, once St. Modwen ceases to be a listed company, a limited number of listed company-related functions may be reduced in scope or become unnecessary. Therefore, it is intended that, with effect from the Effective Date, each of the non-executive members of the St. Modwen Board shall resign from his or her office as a director of St. Modwen.

In common with the other participants in the St. Modwen Share Plans, the St. Modwen Directors who hold options will be able to receive St. Modwen Shares under such options, to the extent that such options become exercisable.

Save as set out above, the effect of the Scheme on the interests of St. Modwen Directors does not differ from its effect on the like interests of any other St. Modwen Shareholder.

10. Description of the Scheme and Meetings

10.1 The Scheme

The Acquisition is to be implemented by means of a Court-sanctioned scheme of arrangement between St. Modwen and the Scheme Shareholders, under Part 26 of the Companies Act. The procedure requires approval by St. Modwen Shareholders at the Court Meeting and at the General Meeting, and sanction of the Scheme by the Court. The Scheme is set out in full in Part IV (*The Scheme of Arrangement*) of this Document.

The purpose of the Scheme is to provide for Bidco to become the holder of the entire issued and to be issued share capital of St. Modwen not already directly or indirectly held by the Bidco Group (if any). This is to be achieved by transferring the Scheme Shares held by Scheme Shareholders as at the Scheme Record Time to Bidco, in consideration for which Bidco will pay cash on the basis set out in this Part II (*Explanatory Statement*) of this Document.

10.2 St. Modwen Meetings

The Scheme will require the approval of Scheme Shareholders at the Court Meeting and St. Modwen Shareholders at the separate General Meeting, both of which will be held on 21 July 2021 at 12:00 p.m. and 12:15 p.m. (or immediately after the conclusion of the Court Meeting), respectively, at The Queen Elizabeth II Centre, Broad Sanctuary, Westminster, London SW1P 3EE. The Court Meeting is being held with the permission of the Court to seek the approval of Scheme Shareholders for the Scheme. The General Meeting is being convened to seek the approval of St. Modwen Shareholders to enable the St. Modwen Directors to implement the Scheme and to amend the articles of association of St. Modwen as described in section 10.3 of this Part II (*Explanatory Statement*) of this Document.

Notices of both the Court Meeting and the General Meeting are set out in Part XI and Part XII of this Document. Entitlement to attend and vote at these meetings and the number of votes which may be cast thereat will be determined by reference to the register of members of St. Modwen at the Voting Record Time.

COVID-19 restrictions remain in place at the time of publication of this Document, and the UK Government has urged people to maintain social distancing and reduce time spent in crowded areas. Whilst St. Modwen anticipates that attendance in person will be legally permissible, Scheme Shareholders and St. Modwen Shareholders are strongly

encouraged not to attend the Meetings in person, and are instead encouraged to attend the Meetings remotely via the Virtual Meeting Platform, as described in the opening pages of this Document, the Virtual Meeting Guide and in the notices of the Court Meeting and the General Meeting (see Part XI (*Notice of Court Meeting*) and Part XII (*Notice of General Meeting*) respectively of this Document. Any changes to the arrangements for the Court Meeting and the General Meeting will be communicated to St. Modwen Shareholders and Scheme Shareholders before the Meetings through our website www.stmodwen.co.uk/investors and by announcement through a Regulatory Information Service.

Access to the Meetings via the Virtual Meeting Platform will be available from 11:45 a.m. on 21 July 2021, although the voting functionality will not be enabled until the Chair of the relevant Meeting declares the poll open. Scheme Shareholders and St. Modwen Shareholders will be permitted to submit questions (via the Virtual Meeting Platform) to the St. Modwen Directors during the course of the relevant Meeting. Scheme Shareholders can use the same function to submit any objections they may have to the Scheme at the Court Meeting. The Chair of the relevant Meeting will ensure that all such questions and/or any objections (in the case of the Court Meeting) relating to the formal business of the Meeting are addressed during the Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair's discretion, otherwise be undesirable in the interests of the Company or the good order of the Meeting.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders holding Scheme Shares at the Scheme Record Time, irrespective of whether or not they attended or voted in favour of, or against, the Scheme at the Court Meeting or in favour of or against, or abstained from voting on the Special Resolution at the General Meeting.

Any St. Modwen Shares which Bidco may acquire prior to the Court Meeting or the General Meeting (and any St. Modwen Shares which any member of the Bidco Group (or their nominees) holds at the date of the Court Meeting or General Meeting) are not Scheme Shares and therefore no member of the Bidco Group (or their nominees) is entitled to vote at the Court Meeting in respect of the St. Modwen Shares held or acquired by it and will not exercise the voting rights attaching to these St. Modwen Shares at the General Meeting. Each such member of the Bidco Group will undertake to be bound by the Scheme.

(A) Court Meeting

The Court Meeting has been convened for 12:00 p.m. on 21 July 2021 to enable the St. Modwen Shareholders who are registered as members of St. Modwen at the Voting Record Time to consider and, if thought fit, approve the Scheme. At the Court Meeting, voting will be by poll and each Scheme Shareholder present (either in person or remotely via the Virtual Meeting Platform) or by proxy will be entitled to one vote for each Scheme Share held as at the Voting Record Time. The approval required at the Court Meeting is a majority in number of those Scheme Shareholders present and voting (and entitled to vote) in person, remotely or by proxy, representing 75 per cent. or more in value of the St. Modwen Shares voted by such Scheme Shareholders present and voting in person, remotely or by proxy.

It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Scheme Shareholders. You are therefore strongly urged to complete and return your Forms of Proxy as soon as possible. Whether or not you intend to attend and/or vote at the Meetings (either in person or remotely), you are strongly advised to transmit a proxy appointment and voting instruction (online or electronically through CREST) or sign and return your blue Form of Proxy by post or email for the Court Meeting as soon as possible.

The transmission of a proxy appointment or voting instruction online, electronically through CREST, by post or by email or by any other procedure described in this Document will not prevent you from attending, submitting questions and/or any objections (in the case of the Court Meeting) and voting at the Court Meeting or the General Meeting, in each case either in person or remotely via the Virtual Meeting

Platform as described in the opening pages of this Document and the Virtual Meeting Guide, if you are entitled to and wish to do so.

(B) General Meeting

In addition, the General Meeting has been convened for the same date (to be held immediately after the Court Meeting) to consider and, if thought fit, pass the Special Resolution to:

- (i) authorise the St. Modwen Directors to take all such action as are necessary or appropriate for implementing the Scheme; and
- (ii) amend the articles of association of St. Modwen in the manner described in section 10.3 of this Part II (*Explanatory Statement*) of this Document.

Voting at the General Meeting will be by poll and each St. Modwen Shareholder present in person, remotely or by proxy will be entitled to one vote for each St. Modwen Share held as at the Voting Record Time. The approval required for the Special Resolution to be passed is at least 75 per cent. of the votes cast on such resolution (in person, remotely or by proxy).

St. Modwen will announce the details of the votes at the Meetings as required under the Code through a Regulatory Information Service as soon as practicable after the conclusion of the Meetings and, in any event, by no later than 8:00 a.m. on the Business Day following the Meetings.

(C) Sanction Hearing

Under the Companies Act, the Scheme requires the sanction of the Court. The Scheme shall lapse if:

- (i) the Court Meeting and the General Meeting are not held by the 22nd day after the expected date of the Court Meeting and the General Meeting on 21 July 2021 (or such later date as may be agreed between Bidco and St. Modwen);
- (ii) the Sanction Hearing to approve the Scheme is not held by the 22nd day after the expected date of the Sanction Hearing, which is expected to be on 4 August 2021 (or such later date as may be agreed between Bidco and St. Modwen); or
- (iii) the Scheme does not become Effective by 11.59 p.m. on the Long Stop Date (or such later date as may be agreed between Bidco and St. Modwen and the Panel and the Court may allow),

provided however that the deadlines for the timing of the Court Meeting, the General Meeting and the Sanction Hearing as set out above may be waived by Bidco, and the deadline for the Scheme to become Effective may be extended by agreement between Bidco and St. Modwen.

As at the date of this Document, it is expected that the Sanction Hearing will be held remotely by videoconference. Scheme Shareholders are entitled to attend the Sanction Hearing, should they wish to do so, in person or represented by counsel. If, however, the Sanction Hearing is held remotely by videoconference, Scheme Shareholders will only be provided access to the Sanction Hearing upon a request being made by email to co-sec@stmodwen.co.uk. Updated details will be announced in due course if the Sanction Hearing is to be held in person and physical attendance at the Sanction Hearing is permitted.

Following sanction of the Scheme by the Court, the Scheme will become Effective in accordance with its terms upon a copy of the Court Order being delivered to the Registrar of Companies. This is presently expected to occur two Business Days after the date of the Sanction Hearing, subject to the satisfaction (or, where applicable, waiver) of the Conditions.

St. Modwen and/or Bidco will make an announcement through a Regulatory Information Service as soon as practicable following the Scheme becoming Effective.

Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders holding Scheme Shares at the Scheme Record Time, irrespective of whether or not they attended or voted in favour of, or against, the Scheme at the Court Meeting or in favour of, or against, or abstained from voting on the Special Resolution at the General Meeting.

If the Scheme does not become Effective by the Long Stop Date, the Scheme will never become Effective.

10.3 Amendments to St. Modwen's articles of association

It is proposed, in the Special Resolution to be proposed at the General Meeting relating to the Scheme, to amend St. Modwen's articles of association to ensure that any St. Modwen Shares issued or transferred out of treasury between the time at which the Special Resolution is passed and the Scheme Record Time will be subject to the Scheme and the holders of such St. Modwen Shares will be bound by the terms of the Scheme. It is also proposed to amend St. Modwen's articles of association so that, subject to the Scheme becoming Effective, any St. Modwen Shares issued or transferred out of treasury to any person other than Bidco or its nominee(s) at or after the Scheme Record Time will be automatically acquired by Bidco on the same terms as under the Scheme (other than terms as to timing and formalities). This will avoid any person (other than Bidco or its nominee(s)) being left with St. Modwen Shares after dealings in such shares have ceased on the Scheme becoming Effective. The Special Resolution set out in the notice of General Meeting on pages 115 to 119 of this Document seeks the approval of St. Modwen Shareholders for such amendment.

10.4 Entitlement to vote at the Meetings

Each St. Modwen Shareholder who is entered in St. Modwen's register of members at the Voting Record Time (expected to be 6:30 p.m. on 19 July 2021) will be entitled to attend (either in person or remotely via the Virtual Meeting Platform) and vote (either in person, remotely via the Virtual Meeting Platform or by proxy) on all resolutions to be put to the General Meeting and Court Meeting respectively. If either Meeting is adjourned, only those St. Modwen Shareholders on the register of members at 6:30 p.m. on the day which is two Business Days before the adjourned meeting will be entitled to attend (either in person or remotely via the Virtual Meeting Platform) and vote (either in person, remotely via the Virtual Meeting Platform or by proxy). Each eligible St. Modwen Shareholder is entitled to appoint a proxy or proxies to attend and, on a poll, to vote (in each case, either in person or remotely via the Virtual Meeting Platform), instead of him or her. A proxy need not be a St. Modwen Shareholder.

The transmission of a proxy appointment or voting instruction online, electronically through CREST, by post or by email or by any other procedure described in this Document will not prevent you from attending, submitting questions and/or any objections (in the case of the Court Meeting) and voting at the Court Meeting or the General Meeting, in each case either in person or remotely via the Virtual Meeting Platform as described in the opening pages of this Document and the Virtual Meeting Guide, if you are entitled to and wish to do so.

If you are in any doubt as to whether or not you are permitted to vote at the Meetings (either in person, remotely via the Virtual Meeting Platform or by appointing a proxy), please call St. Modwen's registrars, Equiniti, between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Equiniti cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Further information on the actions to be taken is set out in section 18 of this Part II (*Explanatory Statement*) of this Document.

10.5 Modifications to the Scheme

The Scheme contains a provision for St. Modwen and Bidco jointly to consent (on behalf of all persons concerned) to any modification of, or addition to, the Scheme or to any condition which the Court may approve or impose. The Court would be unlikely to approve or impose any modification of, or addition or condition to, the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in those circumstances for the purpose of approving any such modification, addition or condition.

10.6 Implementation by way of an Offer

Subject to obtaining the consent of the Panel, Bidco reserves the right at any time to elect to implement the Acquisition by way of an Offer as an alternative to the Scheme. In such event, where the St. Modwen Directors have recommended the Offer, the acceptance condition will be determined by Bidco after (to the extent necessary) consultation with the Panel (being in any case more than 50 per cent of the St. Modwen Shares to which the Acquisition relates) and such Offer will otherwise be implemented on substantially the same terms and conditions, so far as applicable, as those which would apply to the Scheme subject to appropriate amendments including to reflect the change in method of effecting the Offer. Further, if sufficient acceptances of such Offer are received and/or sufficient St. Modwen Shares are otherwise acquired, it is the intention of Bidco to apply the provisions of the Companies Act to acquire compulsorily any outstanding St. Modwen Shares to which such Offer relates.

11. Conditions to the Acquisition

The Acquisition and, accordingly, the Scheme is subject to a number of conditions set out in full in Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document, including:

- (A) approval of the resolution proposed at the Court Meeting by the requisite majority of the Scheme Shareholders;
- (B) approval of the Special Resolution by the requisite majority of the St. Modwen Shareholders at the General Meeting;
- (C) the CMA not having opened an inquiry, or implied that it is still investigating whether to open an inquiry by the proposed date of the Sanction Hearing (as described above, as at the date of this Document, the CMA has responded to the briefing paper submitted by Bidco in respect of the Acquisition that it has no further questions in relation to the Acquisition and has not otherwise opened an inquiry or implied that it is still investigating whether to open an inquiry);
- (D) the sanction of the Scheme by the Court; and
- (E) the delivery of a copy of the Court Order to the Registrar of Companies.

The Scheme will require approval by Scheme Shareholders at the Court Meeting and St. Modwen Shareholders at the General Meeting and the sanction of the Court at the Sanction Hearing. The St. Modwen Meetings and the nature of the approvals required to be given at them are described in more detail in section 10.2 above of this Document. All Scheme Shareholders are entitled to attend the Sanction Hearing in person or through representation to support or oppose the sanctioning of the Scheme, subject to COVID-19 Restrictions (and other relevant guidance in place at the time).

The Scheme can only become Effective if all Conditions to the Scheme, including shareholder approvals and the sanction of the Court, have been satisfied (unless, where applicable, the relevant Condition is waived). The Scheme will become Effective upon a copy of the Court Order being delivered to the Registrar of Companies for registration. Subject to the sanction of the Scheme by the Court, this is expected to occur on 6 August 2021. Unless the Scheme becomes Effective by the Long Stop Date, or such later date as St. Modwen and Bidco may agree and (if required) the Court and the Panel may allow, the Scheme will not become Effective and the Acquisition will not proceed.

12. Offer-related arrangements

Confidentiality Agreement

Pursuant to the Confidentiality Agreement, amongst other things, Blackstone gave certain undertakings to: (a) subject to certain exceptions, keep information relating to St. Modwen and the Acquisition confidential and not to disclose it to third parties; and (b) use such confidential information only in connection with the Acquisition. These confidentiality obligations will remain in force until the earlier of 13 April 2023 and completion of the Acquisition by Bidco.

The Confidentiality Agreement also contains undertakings from Blackstone that for a period of one year after the date of the Confidentiality Agreement it will not, without St. Modwen's prior written consent (i) have any contact with any director, officer, employee, customer, contractor or sub-contractor of, or supplier of, or lender to a member of the St. Modwen Group, or (ii) solicit, engage, employ or offer to employ any director, officer or senior employee of the St. Modwen Group.

Amended and Restated Cooperation Agreement

Pursuant to the Amended and Restated Cooperation Agreement, Bidco and St. Modwen have, amongst other things, each agreed to: (i) cooperate in relation to obtaining any consents, clearances, permissions, waivers and/or approvals as may be necessary, and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any applicable regulatory authority in connection with the Acquisition; and (ii) cooperate in preparing and implementing appropriate proposals in relation to the St. Modwen Share Plans. Under the terms of the Amended and Restated Cooperation Agreement, Bidco may at any time, subject to the consent of the Panel (if required), elect to implement the Acquisition by way of an Offer. In addition, Bidco has agreed to certain provisions if the Scheme should switch to an Offer. The Amended and Restated Cooperation Agreement will terminate in certain circumstances, including if the Acquisition is withdrawn, terminated or lapses, a competing offer completes, becomes effective or is declared unconditional, or if prior to the Long Stop Date any Condition has been invoked by Bidco, if the St. Modwen Directors withdraw their recommendation of the Acquisition, if Bidco elects to implement the Acquisition by way of an Offer and the St. Modwen Directors withdraw their recommendation for the Offer or if the Scheme does not become effective in accordance with its terms by the Long Stop Date or otherwise as agreed between Bidco and St. Modwen. Pursuant to the terms of the Amended and Restated Cooperation Agreement, Bidco undertakes that it will deliver a notice in writing to St. Modwen on the Business Day prior to the Sanction Hearing confirming either: (i) the satisfaction or waiver of the Conditions (other than the Scheme Conditions); or (ii) to the extent permitted by the Panel, that it intends to invoke or treat as unsatisfied or incapable of satisfaction one or more Conditions.

13. Delisting and cancellation of St. Modwen Shares and settlement of cash consideration

De-listing of St. Modwen Shares

Prior to the Scheme becoming Effective, St. Modwen shall make an application for the cancellation of trading of the St. Modwen Shares on the Main Market of the London Stock Exchange for listed securities, and for the cancellation of the listing of the St. Modwen Shares on the Official List.

The last day of dealings in St. Modwen Shares on the Main Market of the London Stock Exchange is expected to be the Business Day immediately prior to the Effective Date.

On the Effective Date, share certificates in respect of St. Modwen Shares shall cease to be valid and entitlements to St. Modwen Shares held within the CREST system shall be cancelled.

Bidco intends, following the Effective Date, to re-register St. Modwen as a private company under the relevant provisions of the Companies Act.

14. Settlement

Subject to the Acquisition becoming Effective (and except as provided in Part VIII (*Additional Information for Overseas Shareholders*) of this Document in relation to certain overseas St. Modwen Shareholders), settlement of the consideration to which any St. Modwen Shareholder is entitled under the Scheme will be effected in the following manner:

14.1 **St. Modwen Shares held in uncertificated form (that is, in CREST)**

Where, at the Scheme Record Time, a Scheme Shareholder holds St. Modwen Shares in uncertificated form, the cash consideration to which such Scheme Shareholder is entitled will be transferred to such person through CREST by Bidco instructing or procuring the instruction of Euroclear to create an assured payment obligation in favour of the appropriate CREST account through which the Scheme Shareholder holds such uncertificated St. Modwen Shares in respect of the cash consideration due to such Scheme Shareholder not later than the 14th day following the Effective Date.

As from 6:00 p.m. on the Business Day following the Sanction Hearing, each holding of St. Modwen Shares credited to any stock account in CREST will be disabled and all St. Modwen Shares will be removed from CREST in due course. Bidco reserves the right to pay all, or any part of, the cash consideration referred to above to all or any Scheme Shareholder(s) who hold St. Modwen Shares in uncertificated form in the manner referred to in section 14.2 below if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this section 14.1 or to do so would incur material additional costs.

14.2 **St. Modwen Shares held in certificated form**

Where, at the Scheme Record Time, a Scheme Shareholder holds St. Modwen Shares in certificated form, settlement of the cash consideration due under the Scheme in respect of the Scheme Shares will be despatched:

- (A) by way of an electronic payment to any Scheme Shareholder who has set up a standing electronic payment mandate with St. Modwen's registrars, Equiniti, for the purpose of receiving dividend payments from St. Modwen, provided that any Scheme Shareholder who does not want the cash consideration to be paid to their mandate may apply to St. Modwen's registrars, Equiniti to cancel their mandate;
- (B) by first class post, by cheque drawn on a branch of a UK clearing bank; or
- (C) by such other method as may be approved by the Panel.

All such cash payments will be made in pounds sterling.

Payments made by electronic payment shall be made within 14 days of the Effective Date, and shall be paid to the Scheme Shareholder concerned using the account details indicated in the standing electronic payment mandate set up by such Scheme Shareholder with St. Modwen's registrars, Equiniti. The transfer of such amount by way of electronic transfer shall be a complete discharge of Bidco's obligations under the Scheme to pay the monies represented thereby.

Payments made by cheque will be payable to the Scheme Shareholder(s) concerned and the encashment of any such cheque shall be a complete discharge of Bidco's obligations under the Scheme to pay the monies represented thereby. Bidco shall despatch or procure the despatch of cheques within 14 days of the Effective Date to the person entitled thereto at the address as appearing in the register of members of St. Modwen at the Scheme Record Time or in accordance with any special standing instructions regarding communications (except that, in the case of joint holders, Bidco reserves the right to make such cheques payable to the joint holder whose name stands first in the register of members of St. Modwen in respect of such holding at the Scheme Record Time). None of St. Modwen, Bidco, any nominee(s) of Bidco or any of their respective agents shall be responsible for any loss or delay in the transmission of cheques sent in this way, and such cheques shall be sent at the risk of the person or persons entitled thereto.

On the Effective Date each certificate representing a holding of Scheme Shares will cease to be valid documents of title and should be destroyed or, at the request of St. Modwen, delivered up to St. Modwen, or to any person appointed by St. Modwen to receive the same.

14.3 **General**

All documents and remittances sent to St. Modwen Shareholders will be sent at the risk of the person(s) entitled thereto.

On the Effective Date each certificate representing a holding of Scheme Shares will cease to be valid documents of title and should be destroyed or, at the request of St. Modwen, delivered up to St. Modwen, or to any person appointed by St. Modwen to receive the same.

In accordance with the Scheme, as from the Scheme Record Time, St. Modwen shall procure that each holding of Scheme Shares credited to any stock account in CREST shall be disabled. With effect from, or as soon as practicable after, the Effective Date, St. Modwen shall procure that Euroclear is instructed to cancel or transfer the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form. Following cancellation of the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form, St. Modwen shall procure that such entitlements to Scheme Shares are rematerialised.

Subject to the completion of the relevant forms of transfer or other instruments or instructions of transfer as may be required in accordance with the Scheme and the payment of any UK stamp duty thereon, St. Modwen shall make or procure to be made, the appropriate entries in its register of members to reflect the transfer of the Scheme Shares to Bidco and/or its nominee(s).

Except with the consent of the Panel, settlement of the consideration to which any St. Modwen Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which Bidco might otherwise be, or claim to be, entitled against such St. Modwen Shareholder.

Save as required in relation to the settlement of consideration pursuant to the terms of the Scheme, all mandates and other instructions given to St. Modwen by Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

14.4 St. Modwen Share Plans

In the case of Scheme Shares issued or transferred to satisfy the exercise of options under the St. Modwen Share Plans after the making of the Court Order and prior to the Scheme Record Time, the cash consideration due under the Scheme in respect of those Scheme Shares will be settled by such method as shall be determined by St. Modwen (including, but not limited to, procuring that payments are made to the relevant employees or directors through payroll as soon as practicable subject to the deduction of any applicable exercise price, income taxes and social security contributions).

14.5 Dividends

Please refer to section 2 of this Part II (*Explanatory Statement*) and section 10 of Part B of Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document for further information on dividends.

15. United Kingdom taxation

Your attention is drawn to Part VII (*United Kingdom Taxation*) and Part VIII (*Additional Information for Overseas Shareholders*) of this Document, which contain a summary of limited aspects of the UK tax treatment of the Scheme. This summary relates only to the position of certain categories of St. Modwen Shareholders (as explained further in Part VII (*United Kingdom Taxation*) and Part VIII (*Additional Information for Overseas Shareholders*) of this Document), do not constitute tax advice and do not purport to be a complete analysis of all potential UK tax consequences of the Scheme.

You are strongly advised to contact an appropriate independent professional adviser immediately to discuss the tax consequences of the Scheme given your particular circumstances, in particular if you are in any doubt about your own taxation position or you are subject to taxation in a jurisdiction other than the United Kingdom

16. Overseas holders

Overseas Shareholders should refer to Part VIII (*Additional Information for Overseas Shareholders*) of this Document which contains important information relevant to such Overseas Shareholders.

17. Further information

The terms of the Scheme are set out in full in Part IV (*The Scheme of Arrangement*) of this Document. Further information regarding St. Modwen and Bidco is set out in Part IX (*Additional Information on St. Modwen and Bidco*) of this Document. Documents published and available for inspection are listed in section 17 of Part IX (*Additional Information on St. Modwen and Bidco*) of this Document.

18. Actions to be taken

IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO TRANSMIT A PROXY APPOINTMENT AND VOTING INSTRUCTION ONLINE, BY EMAIL OR THROUGH THE CREST ELECTRONIC PROXY APPOINTMENT SERVICE (OR COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY BY POST OR EMAIL) AS SOON AS POSSIBLE.

The Scheme will require approval at a meeting of Scheme Shareholders convened with the permission of the Court to be held at 12:00 p.m. on 21 July 2021 at The Queen Elizabeth II Centre, Broad Sanctuary, Westminster, London SW1P 3EE. Implementation of the Scheme will also require approval of the Special Resolution relating to the Acquisition to be proposed at the General Meeting. The General Meeting will be held at the same place as the Court Meeting on 21 July 2021 at 12:15 p.m. (or as soon thereafter as the Court Meeting concludes or is adjourned).

As set out in the opening pages of this Document and in Part XI (*Notice of Court Meeting*) and Part XII (*Notice of General Meeting*) of this Document, whilst St. Modwen anticipates that attendance in person will be legally permissible, Scheme Shareholders and St. Modwen Shareholders are strongly encouraged not to attend the Meetings in person, and are instead encouraged to attend the Meetings remotely via the Virtual Meeting Platform, as described in the opening pages of this Document and the Virtual Meeting Guide. Any changes to the arrangements for the Court Meeting and the General Meeting will be communicated to St. Modwen Shareholders and Scheme Shareholders before the Meetings through the St. Modwen website at www.stmodwen.co.uk/investors and by announcement through a Regulatory Information Service.

Scheme Shareholders and St. Modwen Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting and the General Meeting as soon as possible, using any of the methods (online, electronically through CREST, by post or by email) set out below. Scheme Shareholders and St. Modwen Shareholders are also strongly encouraged to appoint “the Chair of the meeting” as their proxy, in particular given the ongoing uncertainties associated with the COVID-19 pandemic.

Scheme Shareholders and St. Modwen Shareholders are required to cast or amend proxy voting instructions in respect of the relevant Meeting not later than 48 hours before the relevant Meeting (excluding any part of such 48 hour period falling on a non-working day) (or in the case of any adjournment, not later than 48 hours before the time fixed for the adjourned meeting). In the case of the Court Meeting only, Scheme Shareholders who have not cast or amended their proxy voting instructions by this time may email a scanned copy of the blue Form of Proxy to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting or any adjournment thereof or hand the blue Form of Proxy to the Chair of the Court Meeting at the Court Meeting.

St. Modwen Shareholders are entitled to appoint a proxy in respect of some or all of their St. Modwen Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder.

The appointment of a proxy online, electronically through CREST or by any other procedure described in this Document (or completion and return of the Forms of Proxy by post) will not prevent you from attending, submitting questions and voting at the Court Meeting or the General Meeting, in each case either in person or remotely via the Virtual Meeting Platform as described in the opening pages of this Document and the Virtual Meeting Guide, if you are entitled to and wish to do so.

Online appointment of proxies

Proxies may be appointed online by logging on to the following website: www.sharevote.co.uk and following the instructions therein. If you have not previously registered for electronic communications you will first be asked to register as a new user, for which you will require your investor code which can be found on your share certificate. For an electronic proxy appointment to be valid, the appointment must be received by Equiniti not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting or any adjournment thereof. Full details of the procedure to be followed to appoint a proxy online are given on the website.

If you prefer, you may request a hard copy proxy form directly by calling St. Modwen's registrars, Equiniti between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK or by writing to 'Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA' stating your name, and the address to which the hard copy should be sent.

Electronic appointment of proxies through CREST

If you hold St. Modwen Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Court Meeting or the General Meeting (or any adjourned Meeting) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual (please also refer to the accompanying notes to the notices of the Meetings set out in Part XI (*Notice of Court Meeting*) and Part XII (*Notice of General Meeting*) of this Document). CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Equiniti (ID: RA19) not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. In the case of the Court Meeting only, if the CREST proxy appointment or instruction is not received by this time, the blue Form of Proxy may be emailed to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting or any adjournment thereof.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. For further information on the logistics of submitting messages in CREST, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

St. Modwen may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

Sending Forms of Proxy by post or by email

As an alternative to appointing proxies online or electronically through CREST, St. Modwen Shareholders may elect to receive a blue Form of Proxy for the Court Meeting and a yellow Form of Proxy for the General Meeting. Please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them to St. Modwen's registrars, Equiniti either (i) by post to 'Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA or (ii) by emailing a

scanned copy to ProxyVotes@equiniti.com, so as to be received as soon as possible and in any event not later than the relevant times set out below:

- Blue Form of Proxy for the Court Meeting 12:00 p.m. on 19 July 2021
- Yellow Form of Proxy for the General Meeting 12:15 p.m. on 19 July 2021

or, if in either case the Meeting is adjourned, the relevant Form of Proxy should be received not later than 48 hours (excluding any part of such 48 hours period falling on a non-working day) before the time fixed for the adjourned Meeting.

If the blue Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting or handed to the Chair of the Court Meeting at the Court Meeting. However, if the yellow Form of Proxy for the General Meeting is not lodged by the relevant time, it will be invalid.

Attendance at the Meetings

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings (either in person or remotely), you are strongly advised to transmit a proxy appointment and voting instruction (online or through CREST) or sign and return your blue Form of Proxy (by post or email) for the Court Meeting as soon as possible.

The transmission of a proxy appointment or voting instruction online, electronically through CREST, by post or by email or by any other procedure described in this Document will not prevent you from attending, submitting questions and/or any objections (in the case of the Court Meeting) and voting at the Court Meeting or the General Meeting, in each case either in person or remotely via the Virtual Meeting Platform as described in the opening pages of this Document and the Virtual Meeting Guide, if you are entitled to and wish to do so.

Shareholder Helpline

If you have any questions about this Document, the Court Meeting, the General Meeting, how to submit your proxies online or how to complete the Forms of Proxy, please call St. Modwen’s registrars, Equiniti, between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Equiniti cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Yours faithfully,

Patrick Long
for and on behalf of Lazard

Paul Hewlett
for and on behalf of
J.P. Morgan Cazenove

Heraclis Economides
for and on behalf of Numis

PART III

CONDITIONS TO THE IMPLEMENTATION OF THE SCHEME AND TO THE ACQUISITION

Part A: Conditions to the Scheme and Acquisition

1. The Acquisition will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Code, by no later than 11.59 p.m. on the Long Stop Date, or such later date (if any) as Bidco and St. Modwen may, with the consent of the Panel, agree and (if required) the Court may allow.

Conditions of the Scheme

2. The Scheme will be subject to the following Conditions:
 - (A) (i) its approval by a majority in number representing not less than 75 per cent. in value of Scheme Shareholders who are on the register of members of St. Modwen (or the relevant class or classes thereof) at the Voting Record Time, present and voting, whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required (or any adjournment thereof), and (ii) such Court Meeting being held on or before the 22nd day after the expected date of the Court Meeting as set out in this Document (or such later date as may be agreed between Bidco and St. Modwen with the consent of the Panel (and that the Court may approve if required));
 - (B) (i) the Special Resolution being duly passed at the General Meeting (or any adjournment thereof) and (ii) the General Meeting being held on or before the 22nd day after the expected date of the General Meeting as set out in this Document (or such later date as may be agreed between Bidco and St. Modwen with the consent of the Panel (and that the Court may approve if required)); and
 - (C) (i) the sanction of the Scheme by the Court (with or without modification (but subject to such modification being acceptable to Bidco and St. Modwen)) and the delivery of a copy of the Court Order to the Registrar of Companies; and (ii) the Sanction Hearing being held on or before the 22nd day after the expected date of the Sanction Hearing as set out in this Document (or such later date as may be agreed between Bidco and St. Modwen with the consent of the Panel (and that the Court may approve)).

General Conditions

3. In addition, subject as stated in Part B below, Bidco and St. Modwen have agreed that the Acquisition will be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

Anti-trust/regulatory

- (A) the CMA:
 - (i) confirming in writing that it does not intend to refer the Acquisition or any matters arising therefrom for a Phase 2 CMA Reference (including as a result of the acceptance of undertakings in lieu of a reference); or
 - (ii) as at the date on which all other Conditions (with the exception of sanction of the Scheme by the Court pursuant to paragraph 2(C) above) are satisfied or waived, having responded to a briefing paper in writing that it has no further questions in relation to the Acquisition (and having not otherwise opened an inquiry, or implied that it is still investigating whether to open an inquiry)

Other Third Party clearances

- (B) no central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction (each a “**Third Party**”) having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or having required any action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, decision, order or change to published practice and there not continuing to be outstanding any statute, regulation, decision or order which would or might:
- (i) make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider St. Modwen Group by any member of the Wider Bidco Group void, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prevent, prohibit, or restrain, restrict, impede, challenge, delay or otherwise interfere with the implementation of, or impose material additional conditions or obligations with respect to, the Acquisition or the acquisition of any shares or other securities in, or control or management of, any member of the Wider St. Modwen Group by any member of the Wider Bidco Group or require amendment of the Scheme;
 - (ii) require, prevent or materially delay the divestiture or alter the terms envisaged for such divestiture by any member of the Wider Bidco Group or by any member of the Wider St. Modwen Group of all or any part of their businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof) to an extent which is material in the context of the Wider St. Modwen Group taken as a whole or in the context of the Acquisition;
 - (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Bidco Group directly or indirectly to acquire or hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in St. Modwen (or any member of the Wider St. Modwen Group) or on the ability of any member of the Wider St. Modwen Group or any member of the Wider Bidco Group directly or indirectly to hold or exercise effectively any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise management control over, any member of the Wider St. Modwen Group to an extent which is material in the context of the Wider St. Modwen Group taken as a whole or in the context of the Acquisition;
 - (iv) other than pursuant to the implementation of the Scheme or, if applicable, sections 974 to 991 of the Companies Act, require any member of the Wider Bidco Group or the Wider St. Modwen Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider St. Modwen Group or any asset owned by any third party which is material in the context of the Wider St. Modwen Group or the Wider Bidco Group, in either case taken as a whole;
 - (v) require, prevent or delay a divestiture by any member of the Wider Bidco Group of any shares or other securities (or the equivalent) in any member of the Wider St. Modwen Group;
 - (vi) result in any member of the Wider St. Modwen Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the Wider St. Modwen Group taken as a whole or in the context of the Acquisition;
 - (vii) impose any limitation on the ability of any member of the Wider Bidco Group or any member of the Wider St. Modwen Group to conduct, integrate or co-ordinate all or any part of their respective businesses with all or any part of the business of any other member of the Wider Bidco Group and/or the Wider St. Modwen Group in a

manner which is adverse and material to the Wider Bidco Group and/or the Wider St. Modwen Group, in either case, taken as a whole or in the context of the Acquisition; or

- (viii) except as Disclosed, otherwise affect the business, assets, value, profits, prospects or operational performance of any member of the Wider St. Modwen Group or any member of the Wider Bidco Group in each case in a manner which is adverse to and material in the context of the Wider St. Modwen Group taken as a whole or of the financing of the Acquisition;

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition or proposed acquisition of any St. Modwen Shares or otherwise intervene having expired, lapsed, or been terminated;

- (C) all notifications, filings or applications which are deemed by Bidco to be necessary or reasonably considered to be appropriate having been made in connection with the Acquisition and all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with and all Authorisations which are deemed by Bidco to be necessary or reasonably considered to be appropriate in any jurisdiction for or in respect of the Acquisition or the proposed acquisition of any shares or other securities in, or control of, St. Modwen by any member of the Wider Bidco Group having been obtained in terms and in a form reasonably satisfactory to Bidco from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider St. Modwen Group or the Wider Bidco Group has entered into contractual arrangements in each case where the direct consequence of a failure to make such notification or filing or to wait for the expiry, lapse or termination of any such waiting or other time period or to comply with such obligation or obtain such Authorisation would be unlawful in any relevant jurisdiction or have a material adverse effect on the Wider St. Modwen Group, any member of the Bidco Group or the ability of Bidco to implement the Scheme and all such Authorisations remaining in full force and effect at the time at which the Scheme becomes otherwise unconditional in all respects and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;
- (D) no temporary restraining order, preliminary or permanent injunction, preliminary or permanent enjoinder, or other order issued and being in effect by a court or other Third Party which has the effect of making the Acquisition or any acquisition or proposed acquisition of any shares or other securities or control or management of, any member of the Wider St. Modwen Group by any member of the Wider Bidco Group, or the implementation of either of them, void, voidable, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prohibiting, preventing, restraining, restricting, delaying or otherwise interfering with the completion or the approval of the Acquisition or any matter arising from the proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider St. Modwen Group by any member of the Wider Bidco Group;

Confirmation of absence of adverse circumstances

- (E) except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider St. Modwen Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Acquisition or the proposed acquisition by any member of the Wider Bidco Group of any shares or other securities in St. Modwen or because of a change in the control or management of any member of the Wider St. Modwen Group or otherwise, would or might reasonably be expected to result in, in each case to an extent which is material in the

context of the Wider St. Modwen Group taken as a whole or to the financing of the Acquisition:

- (i) any monies borrowed by, or any other indebtedness, actual or contingent of, or any grant available to, any member of the Wider St. Modwen Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- (ii) the rights, liabilities, obligations, interests or business of any member of the Wider St. Modwen Group or any member of the Wider Bidco Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider St. Modwen Group or any member of the Wider Bidco Group in or with any other firm or company or body or person (or any agreement or arrangement relating to any such business or interests) being or likely to become terminated or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken or arising thereunder;
- (iii) any member of the Wider St. Modwen Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the St. Modwen Group taken as a whole or in the context of the Acquisition;
- (iv) any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider St. Modwen Group being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider St. Modwen Group otherwise than in the ordinary course of business;
- (v) other than in the ordinary course of business, the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider St. Modwen Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen), becoming enforceable;
- (vi) the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider St. Modwen Group being prejudiced or adversely affected; or
- (vii) the creation or acceleration of any material liability (actual or contingent) by any member of the Wider St. Modwen Group other than trade creditors or other liabilities incurred in the ordinary course of business; or
- (viii) any liability of any member of the Wider St. Modwen Group to make any severance, termination, bonus or other payment to any of its directors or other officers other than in the ordinary course of business;

No material transactions, claims or changes in the conduct of the business of the St. Modwen Group

- (F) except as Disclosed, no member of the Wider St. Modwen Group having since 30 November 2020:
 - (i) save as between St. Modwen and its wholly owned subsidiaries or between such wholly owned subsidiaries and save for the issue or transfer out of treasury of St. Modwen Shares on the exercise of options or vesting of awards granted in the ordinary course under the St. Modwen Share Plans, issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such

shares or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of St. Modwen Shares out of treasury;

- (ii) recommended, declared, paid or made or agreed to recommend, declare, pay or make any bonus issue, dividend or other distribution (whether payable in cash or otherwise) other than to St. Modwen or one of its wholly owned subsidiaries;
- (iii) save as between St. Modwen and its wholly owned subsidiaries or between such wholly owned subsidiaries, merged with (by statutory merger or otherwise) or demerged from or acquired any body corporate, partnership or business or acquired or disposed of, or, other than in the ordinary course of business, transferred, mortgaged or charged or created any security interest over, any assets or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so, in each case to an extent which is material in the context of the Wider St. Modwen Group taken as a whole;
- (iv) save as between St. Modwen and its wholly owned subsidiaries or between such wholly owned subsidiaries, made, authorised, proposed or announced an intention to propose any change in its loan capital other than in the ordinary course of business and to an extent which is material in the context of the Wider St. Modwen Group taken as a whole;
- (v) issued, authorised or proposed or announced an intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or (save in the ordinary course of business and save as between St. Modwen and its wholly owned subsidiaries or between such wholly owned subsidiaries) incurred or increased any indebtedness or become subject to any contingent liability to an extent which is material in the context of the Wider St. Modwen Group taken as a whole or in the context of the Acquisition;
- (vi) entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary, any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) (otherwise than in the ordinary course of business) which is of a long term, unusual or onerous nature, or which involves or could reasonably be expected to involve an obligation of a nature or magnitude which is or is likely to be materially restrictive on the business of any member of the Wider St. Modwen Group to an extent which is or is reasonably likely to be material to the Wider St. Modwen Group taken as a whole;
- (vii) entered into any licence or other disposal of intellectual property rights of any member of the Wider St. Modwen Group which are material in the context of the Wider St. Modwen Group taken as a whole and outside the normal course of business;
- (viii) entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary the terms of or made any offer (which remains open for acceptance) to enter into or vary the terms of, any contract, commitment, arrangement or any service agreement with any director or senior executive of the Wider St. Modwen Group save for salary increases, bonuses or variations of terms in the ordinary course;
- (ix) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme, or other benefit relating to the employment or termination of employment of any employee of the Wider St. Modwen Group which, taken as a whole, are material in the context of the Wider St. Modwen Group taken as a whole;
- (x) (excluding the trustee of any pension scheme(s) established by a member of the Wider St. Modwen Group unless that trustee is St. Modwen itself) (I) made, agreed or consented to or procured any significant change to: (a) the terms of the trust deeds, rules, policy or other governing documents constituting any pension scheme or other retirement or death benefit arrangement established for the directors, former directors, employees or former employees of any entity in the Wider

St. Modwen Group or their dependants and established by a member of the Wider St. Modwen Group (a “**Relevant Pension Plan**”); (b) the basis on which benefits accrue, pensions which are payable or the persons entitled to accrue or be paid benefits, under any Relevant Pension Plan; (c) other than in connection with the actuarial valuation of the St. Modwen Pension Scheme as at 5 April 2020, the basis on which the liabilities of any Relevant Pension Plan are funded or valued; (d) other than in connection with the actuarial valuation of the St. Modwen Pension Scheme as at 5 April 2020, the basis or rate of employer contribution to any Relevant Pension Plan, in each case to the extent which is material in the context of the Wider St. Modwen Group taken as a whole or in the context of the Acquisition and other than as required in accordance with applicable law; or (II) entered into or proposed to enter into one or more bulk annuity contracts in relation to any Relevant Pension Plan; or (III) carried out any act: (a) which would or could reasonably be expected to lead to the commencement of the winding up of any Relevant Pension Plan; (b) which would or is reasonably likely to create a material debt owed by an employer to any Relevant Pension Plan; (c) which would or might accelerate any obligation on any employer to fund or pay additional contributions to any Relevant Pension Plan; or (d) which would, having regard to the published guidance of the Pensions Regulator give rise directly or indirectly to a liability in respect of a Relevant Pension Plan arising out of the operation of sections 38 and 38A of the Pensions Act 2004 in relation to a Relevant Pension Plan, in each case to the extent which is material in the context of the Wider St. Modwen Group taken as a whole or in the context of the Acquisition and other than as required in accordance with applicable law;

- (xi) other than to replace a vacancy on the board of directors of a corporate trustee, changed the trustee or trustee directors or other fiduciary of any Relevant Pension Plan;
- (xii) entered into, implemented or effected, or authorised, proposed or announced its intention to implement or effect, any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement (other than the Scheme) otherwise than in the ordinary course of business which is material in the context of the Wider St. Modwen Group taken as a whole or in the context of the Acquisition;
- (xiii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect of the matters mentioned in sub paragraph (i) above, made any other change to any part of its share capital to an extent which (other than in the case of St. Modwen) is material in the context of the Wider St. Modwen Group taken as a whole;
- (xiv) other than with respect to claims between St. Modwen and its wholly owned subsidiaries (or between such subsidiaries), waived, compromised or settled any claim otherwise than in the ordinary course of business which is material in the context of the Wider St. Modwen Group taken as a whole or in the context of the Acquisition;
- (xv) made any alteration to its articles of association or other constitutional documents (in each case, other than in connection with the Scheme) which is material in the context of the Acquisition;
- (xvi) (other than in respect of a member of the Wider St. Modwen Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed which is material in the context of the Wider St. Modwen Group taken as a whole or in the context of the Acquisition;

- (xvii) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider St. Modwen Group taken as a whole or in the context of the Acquisition;
- (xviii) entered into any contract, commitment, agreement or arrangement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this condition;
- (xix) terminated or varied the terms of any agreement or arrangement between any member of the Wider St. Modwen Group and any other person in a manner which would or might be expected to have a material adverse effect on the financial position of the Wider St. Modwen Group taken as a whole; or
- (xx) having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of St. Modwen Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code;

No material adverse change

(G) since 30 November 2020, and except as Disclosed, there having been:

- (i) no adverse change and no circumstance having arisen which would be expected to result in any adverse change or deterioration in the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider St. Modwen Group to an extent which is material to the Wider St. Modwen Group taken as a whole or to the financing of the Acquisition;
- (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings including, without limitation, with regard to intellectual property rights used by the Wider St. Modwen Group having been threatened, announced or instituted by or against or remaining outstanding against any member of the Wider St. Modwen Group or to which any member of the Wider St. Modwen Group is or may become a party (whether as claimant or defendant or otherwise) which, in any such case, might be expected to have a material adverse effect on the Wider St. Modwen Group taken as a whole, and no enquiry, review, investigation or enforcement proceedings by, or complaint or reference to, any Third Party against or in respect of any member of the Wider St. Modwen Group having been threatened, announced or instituted by or against, or remaining outstanding in respect of, any member of the Wider St. Modwen Group which, in any such case, might be expected to have a material adverse effect on the Wider St. Modwen Group taken as a whole;
- (iii) no contingent or other liability having arisen, increased or become apparent which is reasonably likely to adversely affect the business, assets, financial or trading position, profits, prospects or operational performance of any member of the Wider St. Modwen Group to an extent which is material to the Wider St. Modwen Group taken as a whole
- (iv) no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider St. Modwen Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material and reasonably likely to have a material adverse effect on the Wider St. Modwen Group taken as a whole; and

- (v) no member of the Wider St. Modwen Group having conducted its business in material breach of any applicable laws and regulations which in any case is material in the context of the Wider St. Modwen Group taken as a whole.
- (H) since 30 November 2020, and except as Disclosed, Bidco not having discovered:
- (i) that any financial, business or other information concerning the Wider St. Modwen Group publicly announced or disclosed to any member of the Wider Bidco Group at any time prior to the Announcement Date by or on behalf of any member of the Wider St. Modwen Group or to any of their advisers is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which is, in any case, material in the context of the Wider St. Modwen Group taken as a whole or in the context of the Acquisition;
 - (ii) that any member of the Wider St. Modwen Group is subject to any liability, contingent or otherwise and which is material in the context of the Wider St. Modwen Group taken as a whole; or
 - (iii) any information which affects the import of any information disclosed to Bidco at any time prior to the Announcement Date by or on behalf of any member of the Wider St. Modwen Group which is material in the context of the Wider St. Modwen Group taken as a whole;

Environmental liabilities

- (I) except as Disclosed, Bidco not having discovered that, in relation to any release, emission, accumulation, discharge, disposal or other similar circumstance which has impaired or is likely to impair the environment (including property) or harmed or is likely to harm the health of humans, animals or other living organisms or eco-systems, any past or present member of the Wider St. Modwen Group, in a manner or to an extent which is material in the context of the Wider St. Modwen Group, (i) has committed any violation of any applicable laws, statutes, regulations, Authorisations, notices or other requirements of any Third Party giving rise to a material liability; and/or (ii) has incurred any material liability (whether actual or contingent) to any Third Party; and/or (iii) is likely to incur any material liability (whether actual or contingent), or is required, to make good, remediate, repair, re-instate or clean up the environment (including any property) in each case of (i), (ii) or (iii) which such liability or requirement would be material to the Wider St. Modwen Group taken as a whole;

Intellectual Property

- (J) no circumstance having arisen or event having occurred in relation to any intellectual property owned or used by any member of the Wider St. Modwen Group which would have a material adverse effect on the Wider St. Modwen Group taken as a whole or is otherwise material in the context of the Acquisition, including:
- (i) any member of the Wider St. Modwen Group losing its title to any intellectual property material to the Wider St. Modwen Group taken as a whole, or any intellectual property owned by the Wider St. Modwen Group and material to the Wider St. Modwen Group taken as a whole being revoked, cancelled or declared invalid;
 - (ii) any claim being asserted in writing or threatened in writing by any person challenging the ownership of any member of the Wider St. Modwen Group to, or the validity or effectiveness of, any intellectual property of the Wider St. Modwen Group that is material to the Wider St. Modwen Group taken as a whole; or
 - (iii) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider St. Modwen Group that is material to the Wider St. Modwen Group taken as a whole being terminated or varied;

Anti-corruption and sanctions

- (K) except as Disclosed, Bidco not having discovered that (to an extent that is material in the context of the Wider St. Modwen Group taken as a whole):
- (i) any past or present member of the Wider St. Modwen Group or any person that performs or has performed services for or on behalf of any such company is or has at any time engaged in any activity, practice or conduct (or omitted to take any action) in contravention of the UK Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, as amended or any other applicable anti-corruption legislation;
 - (ii) any member of the Wider St. Modwen Group is ineligible to be awarded any contract or business under section 23 of the Public Contracts Regulations 2006 or section 26 of the Utilities Contracts Regulations 2006 (each as amended);
 - (iii) any past or present member of the Wider St. Modwen Group has engaged in any activity or business with, or made any investments in, or made any payments to any government, entity or individual covered by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective member states) or the United States Office of Foreign Assets Control or any other governmental or supranational body or authority in any jurisdiction; or
 - (iv) a member of the St. Modwen Group has engaged in a transaction which would cause the Bidco Group to be in breach of any law or regulation on completion of the Acquisition, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs or any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States or the European Union or any of its member states;

No criminal property

- (L) except as Disclosed, Bidco not having discovered that any asset of any member of the Wider St. Modwen Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

Part B: Further terms of the Acquisition

1. Subject to the requirements of the Panel in accordance with the Code, Bidco reserves the right in its sole discretion to waive:
 - (A) the deadline set out in paragraph 1 of Part A of Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document, and any of the deadlines set out in paragraph 2 of Part A of Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document for the timing of the Court Meeting, General Meeting and the Sanction Hearing. If any such deadline is not met, Bidco shall make an announcement by 7.00 a.m. on the Business Day following such deadline confirming whether it has invoked or waived the relevant Condition or agreed with St. Modwen to extend the deadline in relation to the relevant Condition; and
 - (B) in whole or in part, all or any of the Conditions listed in Part A above, except for Conditions 2(A)(i), 2(B)(i) and 2(C)(i) which cannot be waived.
2. Conditions 3(A) to 3(L) (inclusive) must each be fulfilled, determined by Bidco to be or to remain satisfied or (if capable of waiver) be waived by Bidco by no later than 11.59 p.m. on the date immediately preceding the date of the Sanction Hearing, failing which the Acquisition will lapse. Bidco shall be under no obligation to waive or treat as satisfied any of the Conditions that it is entitled (with the consent of the Panel) to invoke, by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.

3. If Bidco is required by the Panel to make an offer for St. Modwen Shares under the provisions of Rule 9 of the Code, Bidco may make such alterations to any of the above Conditions and terms of the Acquisition as are necessary to comply with the provisions of that Rule.
4. Under Rule 13.5(a) of the Code, Bidco may not invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition. The Conditions contained in paragraphs 1, 2 and 3(A) above and, if applicable, any acceptance condition if the Offer is implemented by means of a takeover offer, are not subject to this provision of the Code.
5. Bidco reserves the right to elect to implement the Acquisition by way of a takeover offer (as defined in section 974 of the Companies Act) as an alternative to the Scheme (subject to the Panel's consent). In such event, where the St. Modwen Directors have recommended the Offer, the acceptance condition will be determined by Bidco after (to the extent necessary) consultation with the Panel (being in any case more than 50 per cent of the St. Modwen Shares to which the Acquisition relates) and the Acquisition will otherwise be implemented on the same terms (subject to appropriate amendments, including those required by, or deemed appropriate by, Bidco under applicable law, so far as applicable) as those which would apply to the Scheme. Further, if sufficient acceptances of such offer are received and/or sufficient St. Modwen Shares are otherwise acquired, it is the intention of Bidco to apply the provisions of the Companies Act to acquire compulsorily any outstanding St. Modwen Shares to which such offer relates.
6. The Acquisition will lapse if (a) in so far as the Acquisition or any matter arising from or relating to the Scheme or Acquisition constitutes a concentration with a European Union dimension within the scope of Council Regulation (EC) 139/2004, the European Commission initiates proceedings under Article 6(1)(c) of Council Regulation (EC) 139/2004 or (b) the Acquisition or any matter arising from or relating to the Scheme or Acquisition becomes subject to a Phase 2 CMA Reference, in either case before 1.00 p.m. on or before the later of the date of the Court Meeting and the date of the General Meeting. In such event, St. Modwen will not be bound by the terms of the Scheme.
7. The Acquisition and the Scheme will be governed by English law and be subject to the jurisdiction of the English courts and to the Conditions set out above. The Acquisition and the Scheme will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange, the Listing Rules, the FCA and the Registrar of Companies.
8. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
9. St. Modwen Shares which will be acquired under the Acquisition will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made on or after the Effective Date.
10. If, on or after the Announcement Date and prior to the Effective Date, any dividend, distribution or other return of capital is declared, paid or made or becomes payable by St. Modwen in respect of the St. Modwen Shares, Bidco will (without prejudice to any right of Bidco, with the consent of the Panel, to invoke the Condition set out in paragraph 3(F)(ii) of Part A of Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document to reduce the consideration payable under the terms of the Acquisition for the St. Modwen Shares by an amount up to the amount of such dividend and/or distribution and/or return of capital. In such circumstances, St. Modwen Shareholders would be entitled to retain any such dividend, distribution and/or other return of capital declared, made or paid.

If and to the extent that any such dividend, distribution or other return of capital is paid or made in respect of the St. Modwen Shares prior to the Effective Date, and Bidco reduces the consideration payable under the terms of the Acquisition for the St. Modwen Shares, any

reference in this Document to the consideration payable under the terms of the Acquisition shall be deemed to be a reference to the consideration as so reduced.

If and to the extent that any such dividend, distribution or other return of capital has been declared or announced but not paid or made or is not payable in respect of the St. Modwen Shares prior to the Effective Date or by reference to a record date prior to the Effective Date or is: (i) transferred pursuant to the Acquisition on a basis which entitles Bidco to receive the dividend, distribution or other return of capital and to retain it; or (ii) cancelled before payment, the consideration payable under the terms of the Acquisition for the St. Modwen Shares shall not be subject to change in accordance with this paragraph 10.

Any reduction referred to in this paragraph 10 shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Scheme or the Acquisition.

11. The Acquisition is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any jurisdiction where to do so would violate the laws of that jurisdiction.
12. The Acquisition will be subject, inter alia, to the Conditions and certain further terms which are set out in this Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document and those terms set out in the Amended and Restated Cooperation Agreement and such further terms as may be required to comply with the Listing Rules and the provisions of the Code.
13. The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction. 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. Further information in relation to Overseas Shareholders is contained at Part VIII (*Additional Information for Overseas Shareholders*) of this Document.

PART IV

THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
COMPANIES COURT (ChD)

CR-2021-000948

IN THE MATTER OF ST. MODWEN PROPERTIES PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006 SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

between

ST. MODWEN PROPERTIES PLC

and

THE HOLDERS OF THE SCHEME SHARES

(as hereinafter defined)

PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

“Acquisition”	the proposed acquisition by Bidco of the entire issued and to be issued share capital of St. Modwen, to be effected by means of the Scheme and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
“Bidco”	Brighton Bidco Limited, incorporated in Jersey with registered number 131280;
“Bidco Group”	Bidco and its direct and indirect subsidiaries including, following completion of the Acquisition, the St. Modwen Group;
“Business Day”	any day (other than a Saturday, Sunday or public or bank holiday) on which clearing banks in London are generally open for normal business;
“Cash Consideration”	the cash consideration due under the Scheme;
“Code”	The City Code on Takeovers and Mergers issued by the Panel, as amended from time to time;
“Companies Act”	the Companies Act 2006, as amended from time to time;
“Conditions”	the conditions to the Acquisition and to the implementation of the Scheme set out in Part III (<i>Conditions to the Implementation of the Scheme and to the Acquisition</i>) of the Document;
“Court”	the High Court of Justice in England and Wales;
“Court Meeting”	the meeting of Scheme Shareholders (and any adjournment thereof) convened pursuant to an order of the Court pursuant to section 896 of the Companies Act for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme;

“Court Order”	the order of the Court sanctioning this Scheme under section 899 of the Companies Act;
“CREST”	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the relevant system (as defined in the CREST Regulations) of which Euroclear is the Operator (as defined in the CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended;
“Document”	the circular dated 24 June 2021 addressed to St. Modwen Shareholders of which this Scheme forms part;
“Effective Date”	the date on which the Scheme becomes effective in accordance with its terms;
“Equiniti”	Equiniti Limited;
“ESOP”	the St. Modwen 2017 Employee Share Option Plan;
“ESOS”	the St. Modwen 2007 Executive Share Option Scheme, including the 2012 Approved Addendum;
“Euroclear”	Euroclear UK & Ireland Limited;
“Excluded Shares”	(i) any St. Modwen Shares which are registered in the name of, or beneficially owned by, any member of the Bidco Group (or their nominees) immediately prior to the Scheme Record Time; and (ii) any St. Modwen Shares held in treasury;
“holder”	a registered holder and includes any person(s) entitled by transmission;
“Latest Practicable Date”	close of business on 22 June 2021, being the latest practicable date before publication of the Document;
“Long Stop Date”	22 November 2021, or such later date as may be agreed in writing by Bidco and St. Modwen (with the Panel’s consent and as the Court may approve (if such approval(s) are required));
“Panel”	The Panel on Takeovers and Mergers, or its successor from time to time;
“PSP”	the St. Modwen 2017 Performance Share Plan as amended from time to time;
“Sanction Hearing”	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act and, if such hearing is adjourned, reference to commencement of any such hearing shall mean the commencement of the final adjournment thereof;
“SAYE”	the St. Modwen Saving Related Share Option Scheme, as amended from time to time;
“Scheme”	this scheme of arrangement under Part 26 of the Companies Act between St. Modwen and holders of Scheme Shares, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by St. Modwen and Bidco;
“Scheme Record Time”	6:00 p.m. on the Business Day immediately after the Sanction Hearing;
“Scheme Shareholders”	holders of Scheme Shares;

“Scheme Shares”	all St. Modwen Shares: (i) in issue at the date of this Document and which remain in issue at the Scheme Record Time; (ii) (if any) issued after the date of this Document but before the Voting Record Time and which remain in issue at the Scheme Record Time; and (iii) (if any) issued at or after the Voting Record Time but at or before the Scheme Record Time on terms that the holder thereof shall be bound by this Scheme or in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by this Scheme which remain in issue at the Scheme Record Time, and in each case other than the Excluded Shares;
“St. Modwen”	St. Modwen Properties PLC, a company incorporated in England and Wales with registered number 00349201;
“St. Modwen Group”	St. Modwen and its subsidiary undertakings and where the context permits, each of them;
“St. Modwen Share(s)”	the existing unconditionally allotted or issued and fully paid ordinary shares of 10 pence each in the capital of St. Modwen and any further such ordinary shares which are unconditionally allotted or issued before the Scheme becomes effective but excluding in both cases any such shares held or which become held in treasury;
“St. Modwen Share Plans”	each of the PSP, ESOS, ESOP and SAYE;
“St. Modwen Shareholder(s)”	the holders of St. Modwen Shares from time to time;
“subsidiary undertaking”	has the meaning given in section 1162 of the Companies Act;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“uncertificated” or “in uncertificated form”	a share or other security recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“Voting Record Time”	6:30 p.m. on the day which is two Business Days prior to the date of the Court Meeting and the General Meeting or, if the Court Meeting and/or the General Meeting is adjourned, 6:30 p.m. on the day which is two Business Days before the date of such adjourned meeting; and
“£” or “GBP”	Pounds sterling, the lawful currency for the time being of the UK and references to “pence” and “p” shall be construed accordingly.

(B) As at the Latest Practicable Date, the issued ordinary share capital of the Company was divided into 222,626,988 ordinary shares of 10 pence each, all of which are credited as fully paid up. As at the Latest Practicable Date no shares were held in treasury.

(C) As at the Latest Practicable Date, 4,840,957 St. Modwen Shares may be issued on or after the date of the Document to satisfy the exercise of options pursuant to the St. Modwen Share Plans.

(D) Bidco was incorporated on 24 March 2020 under the laws of Jersey as a private company limited by shares for the purpose of carrying out the Acquisition.

(E) As at the Latest Practicable Date, no member of the Bidco Group is the registered holder of, or beneficially owns, any St. Modwen shares.

(F) Bidco has agreed, subject to the satisfaction or (where applicable) waiver of the Conditions set out in this Document, to appear by Counsel at the hearing to sanction this Scheme and to undertake to the Court to be bound by the provisions of this Scheme in so far as it relates to Bidco

and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it to give effect to this Scheme.

THE SCHEME

1. Transfer of Scheme Shares

- (A) Upon and with effect from the Effective Date, Bidco (and/or its nominee(s)) shall acquire all the Scheme Shares fully paid up with full title guarantee, free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights or interests of any nature, and together with all rights at the Effective Date or thereafter attached thereto, including voting rights and the right to receive and retain all dividends and other distributions (if any) and any return of capital (whether by reduction of share capital or share premium account or otherwise) proposed, announced, authorised, declared, made or paid in respect of the Scheme Shares made on or after the Effective Date.
- (B) For the purposes of such acquisition, the Scheme Shares shall be transferred to Bidco (and/or its nominee(s)) and such transfer shall be effected by means of a form of transfer or other instrument or instruction of transfer, or by means of CREST, and to give effect to such transfer(s) any person may be appointed by Bidco as attorney and/or agent and shall be authorised as such attorney and/or agent on behalf of the relevant holder of Scheme Shares to execute and deliver as transferor a form of transfer or other instrument of transfer (whether as a deed or otherwise) of, or give any instruction to transfer or procure the transfer by means of CREST of, such Scheme Shares and every form, instrument or instruction of transfer so executed or instruction given shall be as effective as if it had been executed or given by the holder or holders of the Scheme Shares thereby transferred.
- (C) Pending the transfer of the Scheme Shares on the Effective Date and the updating of the register of members of the Company to reflect such transfer, each Scheme Shareholder irrevocably:
- (i) appoints Bidco (and/or its nominee(s)) as its attorney and/or agent to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to its Scheme Shares and any or all rights and privileges (including the right to requisition the convening of a general meeting of St. Modwen) attaching to its Scheme Shares,
 - (ii) appoints Bidco (and/or its nominee(s)) and any one or more of its directors or agents to sign on behalf of such Scheme Shareholder any such documents, and do such things, as may in the opinion of Bidco and/or any one or more of its directors or agents be necessary or desirable in connection with the exercise of any votes or any other rights or privileges attaching to its Scheme Shares (including, without limitation, an authority to sign any consent to short notice of any general meeting of St. Modwen as attorney or agent for, and on behalf of, such Scheme Shareholder and/or to attend and/or to execute a Form of Proxy in respect of its Scheme Shares appointing any person nominated by Bidco and/or any one or more of its directors or agents to attend any general and separate class meetings of St. Modwen (or any adjournment thereof) and to exercise or refrain from exercising the votes attaching to the Scheme Shares on such Scheme Shareholder's behalf); and
 - (iii) authorises St. Modwen and/or its agents to send to Bidco (and/or its nominee(s)) any notice, circular, warrant or other document or communication which may be required to be sent to them as a member of St. Modwen in respect of such Scheme Shares (including any share certificate(s) or other document(s) of title issued as a result of conversion of their Scheme Shares into certificated form), such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares.

2. Consideration for the transfer of Scheme Shares

- (A) In consideration for the transfer of the Scheme Shares to Bidco and/or its nominee(s) referred to in sub-clauses 1(A) and 1(B) of this Scheme, Bidco shall, subject as hereinafter provided, pay or

procure that there shall be paid to or for the account of each Scheme Shareholder (as appearing on the register of members of St. Modwen at the Scheme Record Time):

for each St. Modwen Share: 560 pence in cash

- (B) If prior to the Effective Date, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Scheme Shares, Bidco will reduce the consideration payable for each Scheme Share by an amount up to the amount of such dividend and/or distribution and/or return of capital so declared, made or paid or payable per Scheme Share.
- (C) Upon any reduction of the consideration payable for each Scheme Share as referred to in sub-clause 2(B) of this Scheme:
 - (i) Scheme Shareholders shall be entitled to receive and retain that dividend and/or other distribution and/or other return of capital in respect of the Scheme Share they hold;
 - (ii) any reference in this Scheme and the Document to the consideration payable under the Scheme shall be deemed a reference to the consideration as so reduced; and
 - (iii) the exercise of such rights shall not be regarded as constituting any revision or modification of the terms of this Scheme.
- (D) To the extent that any such dividend and/or distribution and/or other return of capital is proposed, announced, authorised, declared, made or paid and: (i) the Scheme Shares are transferred pursuant to the Acquisition on a basis which entitles Bidco to receive the dividend and/or distribution and/or return of capital and to retain it; or (ii) such dividend and/or distribution and/or other return of capital is cancelled, the consideration shall not be subject to change in accordance with this clause 2 of this Scheme.

3. Settlement and despatch of consideration

- (A) Not more than 14 days after the Effective Date (unless the Panel consents otherwise), Bidco shall:
 - (i) in the case of the Scheme Shares which at the Scheme Record Time are in certificated form, despatch, or procure the despatch of, cheques for the sums payable to the Scheme Shareholder to the persons entitled thereto in accordance with clause 2 of this Scheme, provided that an electronic payment may be made to any Scheme Shareholder who has set up a standing electronic payment mandate with St. Modwen's registrars, Equiniti, for the purpose of receiving dividend payments from St. Modwen (unless such a Scheme Shareholder has applied to St. Modwen's registrars, Equiniti, to cancel their mandate);
 - (ii) in the case of the Scheme Shares which at the Scheme Record Time are in uncertificated form, instruct, or procure the instruction of, Euroclear to create an assured payment obligation in respect of the sums payable to the Scheme Shareholder in accordance with the CREST assured payment arrangements, provided that Bidco reserves the right to make payment of the said consideration by cheque as aforesaid in sub-clause 3(A)(i) of this Scheme if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this sub-clause 3(A)(ii) or to do so would incur material additional costs; or
 - (iii) in the case of Scheme Shares issued or transferred to satisfy the exercise of options under the St. Modwen Share Plans after the making of the Court Order and prior to the Scheme Record Time, procure that the sums payable to the relevant employees or directors in respect of those Scheme Shares are settled by such method as shall be determined by St. Modwen (including, but not limited to, procuring that payments are made through payroll as soon as practicable subject to the deduction of the applicable exercise price, income taxes and social security contributions).
- (B) As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST shall be disabled and all Scheme Shares shall be removed from CREST in due course.

- (C) All deliveries of notices, cheques or statements of entitlement required to be made pursuant to this Scheme shall be effected by sending the same by first class post in pre-paid envelopes or by international standard post if overseas (or by such method as may be approved by the Panel) addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of St. Modwen at the Scheme Record Time or, in the case of joint holders, to the address of the holder whose name stands first in such register in respect of the joint holding concerned at such time, and none of St. Modwen, Bidco or their respective agents or nominees shall be responsible for any loss or delay in the transmission of any notices, cheques or statements of entitlement sent in accordance with this sub-clause 3(C), which shall be sent at the risk of the person or persons entitled thereto.
- (D) All cheques shall be in pound sterling and drawn on a United Kingdom clearing bank and shall be made payable to the Scheme Shareholder(s) concerned (except that, in the case of joint holders, Bidco reserves the right to make such cheques payable to that one of the joint holders whose name stands first in the register of members of the Company in respect of such holding at the Scheme Record Time), and the encashment of any such cheque shall be a complete discharge of Bidco's obligation under this Scheme to pay the monies represented thereby. Bidco shall despatch or procure the despatch of cheques within 14 days of the Effective Date.
- (E) In respect of payments made through CREST, Bidco shall instruct, or procure the instruction of, Euroclear to create an assured payment obligation in accordance with the CREST assured payment arrangements within 14 days of the Effective Date. The instruction of Euroclear shall be a complete discharge of Bidco's obligations under this Scheme in relation to payments made through CREST.
- (F) None of St. Modwen, Bidco or their respective agents or nominees shall be responsible for any loss or delay in the transmission of any notices, cheques or statements of entitlement sent in accordance with this clause 3, which shall be sent at the risk of the person or persons entitled thereto.
- (G) All payments made by way of electronic transfer as authorised or permitted under the terms of this Scheme shall be paid to the Scheme Shareholder concerned using the account details indicated in the standing electronic payment mandate set up by such Scheme Shareholder with St. Modwen's registrars, Equiniti, and the transfer of such amount by way of electronic transfer shall be a complete discharge to Bidco for the monies represented thereby.
- (H) The preceding sub-clauses of this clause 3 of this Scheme shall take effect subject to any prohibition or condition imposed by law.

4. Certificates in respect of Scheme Shares and cancellation of CREST entitlements

With effect from, or as soon as practicable after, the Effective Date:

- (A) all certificates representing Scheme Shares shall cease to be valid as documents of title to the shares represented thereby and every holder of Scheme Shares shall be bound at the request of St. Modwen to deliver up the same to St. Modwen (or any person appointed by St. Modwen to receive such certificates), or, as it may direct, to destroy the same;
- (B) St. Modwen shall procure that entitlements to Scheme Shares held within CREST are disabled and Euroclear is instructed to cancel or transfer the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form;
- (C) following cancellation of the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form, St. Modwen shall procure that such entitlements to Scheme Shares are rematerialised; and
- (D) subject to the completion of such forms of transfer or other instruments or instructions of transfer as may be required in accordance with clause 1 of this Scheme and the payment of any UK stamp duty thereon, St. Modwen shall make or procure to be made, the appropriate entries in its register of members to reflect the transfer of the Scheme Shares to Bidco and/or its nominee(s).

5. Mandates

Save as required in relation to the settlement of consideration pursuant to the terms of the Scheme, all mandates and other instructions given to St. Modwen by Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

6. Operation of this Scheme

- (A) This Scheme shall become effective as soon as a copy of the Court Order shall have been delivered to the Registrar of Companies for England and Wales.
- (B) Unless this Scheme has become effective on or before the Long Stop Date, or such later date, if any, as may be agreed in writing by Bidco and St. Modwen (with the Panel's consent and as the Court may approve (if such approval(s) are required)), this Scheme shall never become effective.

7. Modification

St. Modwen and Bidco may jointly consent on behalf of all persons concerned to any modification of or addition to this Scheme or to any condition which the Court may approve or impose.

8. Governing law

This Scheme is governed by English law and is subject to the exclusive jurisdiction of English courts. The rules of the Code apply to this Scheme.

Dated 24 June 2021

PART V

FINANCIAL AND RATINGS INFORMATION

Part A: Financial information relating to St. Modwen

The following sets out financial information in respect of St. Modwen as required by Rule 24.3 of the Code. The documents referred to below, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this Document by reference pursuant to Rule 24.15 of the Code:

- the audited accounts of St. Modwen for the financial year ended 30 November 2020 are set out on pages 104-172 (both inclusive) of the 2020 St. Modwen Annual Report available from St. Modwen's website at www.stmodwen.co.uk/investors;
- the audited accounts of St. Modwen for the financial year ended 30 November 2019 are set out on pages 105-177 (both inclusive) of St. Modwen's Annual Report and Financial Statements 2019 available from St. Modwen's website at www.stmodwen.co.uk/investors;
- copies of any interim statements and preliminary announcements made by St. Modwen since the date of its last published audited accounts available from St. Modwen's website at www.stmodwen.co.uk/investors.

Part B: St. Modwen ratings information

There are no current ratings or outlooks publicly accorded to Bidco by ratings agencies.

Part C: Financial Information relating to Bidco

Bidco was incorporated on 24 March 2020 and has not traded or paid any dividends since its date of incorporation. Accordingly, no financial information is available or has been published in respect of it. Bidco has no material assets or liabilities, in each case other than those described in this Document in connection with the Acquisition.

Following the Scheme becoming Effective, the earnings, assets and liabilities of Bidco will include the consolidated earnings, assets and liabilities of the St. Modwen Group on the Effective Date.

Part D: Bidco ratings information

As Bidco was incorporated on 24 March 2020 and has not traded since the date of incorporation and is being utilised for the sole purpose of carrying out the Acquisition, there are no current ratings or outlooks publicly accorded to Bidco by ratings agencies.

Part E: No incorporation of website information

Save as expressly referred to herein, neither the content of St. Modwen's or Bidco's websites, nor the content of any website accessible from hyperlinks on St. Modwen's or Bidco's websites is incorporated into, or forms part of, this Document.

Part F: Availability of hard copies

St. Modwen will provide, without charge to each person to whom a copy of this document has been delivered, upon the oral or written request of such person, a hard copy of any or all of the documents which are incorporated by reference herein within two Business Days of the receipt of such request. Copies of any documents or information incorporated by reference into this document will not be provided unless such a request is made.

PART VI

ST. MODWEN PROPERTY VALUATION REPORT



Cushman & Wakefield
43-45 Portman Square
London W1H 6LY
Tel +44 (0) 20 3296 3000
www.cushmanwakefield.com

Strictly Confidential – For Addressee Only

To: St Modwen Properties PLC
Park Point
17 High Street
Longbridge
B31 2UQ

(the “**Client**” or “**Company**”)

Lazard & Co., Limited
50 Stratton Street
London W1J 8LL

J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London E14 5JP

Numis Securities Limited
The London Stock Exchange Building
10 Paternoster Square
London EC4M 7LT

(each, together with the Company, an “**Addressee**” or “**you**”)

Properties: The address, tenure and property type of each of the properties (the “**Properties**” or the “**Portfolio**”, and each a “**Property**”) is included in the Appendices.

Report date: 24 June 2021

Valuation date: 31 May 2021 (“**Valuation Date**”)

Our reference: 170D1X00

1. Instructions

1.1 Appointment

We (“**Cushman & Wakefield**” or “**C&W**”) are pleased to submit our report (the “**Valuation Report**”) and valuation (the “**Valuation**”), which has been prepared in accordance with the engagement letter entered into between us dated 10 June 2021 (the “**Engagement Letter**”). The Engagement Letter and the terms set out therein, together with our Terms of Business, which were sent to you with our Engagement Letter, constitute the “**Engagement**”, which forms an integral part of this Valuation Report.

Included in the Engagement Letter is the Valuation Services Schedule, extracts of which are included as Appendix A (“**Engagement**”). It is essential to understand that the contents of this

Valuation Report are subject to the various matters we have assumed, which are referred to and confirmed as Assumptions in the Valuation Services Schedule (which forms part of the Engagement). Where Assumptions detailed in the Valuation Services Schedule are also referred to within this Valuation Report they are referred to as an “assumption” or “assumptions”. Unless otherwise defined, all capitalised terms herein shall be as defined in the Engagement. You have informed us that the Properties are categorised as investment or development properties.

1.2 Compliance with RICS Valuation – Global Standards

We confirm that the Valuation and Valuation Report have been prepared in accordance with the RICS Valuation – Global Standards, which incorporate the International Valuation Standards (“**IVS**”) and the RICS UK national supplement (the “**RICS Red Book**”), edition current at the Valuation Date. It follows that the Valuation is compliant with IVS.

We confirm that the Valuation and Valuation Report are prepared in accordance with Rule 29 of the City Code on Takeovers and Mergers (the “**Code**”).

1.3 Status of Valuer and Conflicts of Interest

We confirm that all valuers who have contributed to the Valuation have complied with the requirements of PS1 of the RICS Red Book. We confirm that we have sufficient current knowledge of the relevant markets, and the skills and understanding to undertake the Valuation competently. The Valuation is the responsibility of Charles Smith MRICS, who is a member of the RICS Valuer Registration Scheme and is in a position to provide an objective and unbiased valuation, and who will act as “**External Valuer**” (as defined in the RICS Red Book) and is qualified for the purposes of the Valuation.

C&W has had no previous, recent or current involvement with the Properties other than in respect of the valuations provided for inclusion in the financial statements of the Client and ad hoc valuations in connection with your banking facilities. C&W does not anticipate any future transactional fee earning relationship with the Properties. Therefore, C&W does not consider that any conflict arises in preparing the Valuation requested.

1.4 Purpose of Valuation

The purpose of this Valuation Report (“**Purpose of Valuation**”) is

- i. for inclusion in any scheme document, offer document, or response circular or any other document (the “**Code Documentation**”) that may be published or made available by the Company in connection with an offer for the Company or merger by the Company with another party (the “**Transaction**”) in accordance with the Code.
- ii. to establish whether a material change has occurred in the Valuation of the Properties between 31 May 2021 (the date of valuation for inclusion in the Company’s accounts) and the date of the Valuation Report.

We valued the interests in the Properties as at the Valuation Date. A list of the addresses of the Properties together with a note of their tenure and property type is included at Appendix E

1.5 Disclosures required under the provisions of PS 2.5 and UK VPS 3 Signatories

Charles Smith MRICS and Jon Leedham MRICS have been signatories of valuation reports provided to the Client in respect of valuations for inclusion in the Company’s reported accounts for a continuous period since November 2014.

Cushman & Wakefield have been carrying out valuations for inclusion in the Company’s reported accounts since November 2014.

Rotation Policy

C&W endorses the RICS view that it is good practice to rotate the valuer responsible for Regulated Purpose Valuations at intervals not exceeding seven years. C&W's policy in this regard is explained in the Engagement.

Fee income from the Client

Cushman & Wakefield's financial year end is 31 December. We confirm that the proportion of fees payable by the Client to C&W in the financial year to 2020 was less than 5%. We anticipate that the proportion of fees for the financial year to 31 December 2021 will remain at less than 5%.

C&W involvement in the Properties in the previous 12 months

C&W have not received an introductory fee or negotiated a purchase of any of the Properties within the last 12 months.

1.6 Inspection

We confirm that we have inspected the Properties in accordance with the Engagement.

The Properties have been revalued without a further reinspection for the purposes of this Valuation Report. The Client has confirmed that other than in respect of the continuation in construction of those properties in the course of development, no material changes to the physical attributes of any Property or the nature of its location have occurred since our last inspection, our valuation as at the Valuation Date and the date of this Valuation Report.

1.7 Departures

We have made no Departures from the RICS Red Book.

1.8 Limitations

The Valuation is not subject to any limitations.

1.9 Floor Areas

Unless specified otherwise, floor areas and analysis in this report are based on the following bases of measurement, as defined in RICS Property Measurement and RICS Code of Measuring Practice (the edition current at the Valuation Date):

Residential	GIA
Office	NIA
Retail	NIA/GIA
Industrial	GIA

1.10 Measurement

We have adopted floor areas and site areas as provided to us by the Company.

As instructed, we have relied on these areas and have not checked them on site. We have made an Assumption that the floor areas supplied to us have been calculated in accordance with the current measurement practices.

1.11 Sources of Information

In addition to information established by us, we have relied on the information obtained from you and others listed in this Valuation Report.

We have made the assumption that the information provided by you and your respective professional advisers in respect of the Properties we have valued is both full and correct. We have made the further assumption that details of all matters relevant to value within your and their

collective knowledge, such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions, have been made available to us, and that such information is up to date.

We confirm that the Valuation has been undertaken bringing the required levels of independence and objectivity to bear on the instruction, applying professional scepticism to information and data where it is provided and relied on as evidence.

1.12 General Comment

All valuations are professional opinions on a stated basis, coupled with any appropriate assumptions or Special Assumptions. A valuation is not a fact, it is an estimate. The degree of subjectivity involved will inevitably vary from case to case, as will the degree of certainty, or probability, that the valuer's opinion of value would exactly coincide with the price achieved were there an actual sale at the Valuation Date.

Property values can change substantially, even over short periods of time, and so our opinion of value could differ significantly if the date of valuation were to change. If you wish to rely on our valuation as being valid on any other date you should consult us first.

Should you contemplate a sale, we strongly recommend that the Properties are given proper exposure to the market.

A copy of this Valuation Report should be provided to your solicitors and they should be asked to inform us if they are aware of any aspect which is different, or in addition, to that we have set out; in which case we will be pleased to reconsider our opinion of value in the light of their advice and/or opinions.

1.13 Market Conditions – COVID 19

Market conditions explanatory note: Novel Coronavirus (COVID-19)

The Covid-19 pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date property markets are functioning again, with transaction volumes and other relevant evidence at levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, our valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

For the avoidance of doubt this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 we highlight the importance of the valuation date.

1.14 Taxation and costs

The opinion of value which C&W will attribute to the Properties will be the figure C&W considers would appear in a contract for sale, subject to the appropriate assumptions for the Basis of Value reported. Costs associated with the transaction, including any taxes, legal fees and other expenses, would be payable by the purchaser in addition to the figure reported.

No adjustment will be made by C&W to reflect any liability to taxation that may arise on disposal, or development of the Properties nor for any costs associated with disposal incurred by the owner. Furthermore, no allowance will be made by C&W to reflect any liability to repay any government or other grants, taxation allowance or lottery funding that may arise on disposal.

C&W's valuation figure for the Properties will be that receivable by a willing seller excluding VAT, if applicable.

1.15 VAT

You have advised us that you have exercised your option to tax in respect of the Properties within the Properties.

The valuation and rent included in this Valuation Report are net of value added tax at the prevailing rate.

2. Property Information

2.1 Enquiries

We have undertaken and completed the various matters referred to in the “Scope of Services” section of the Engagement. Save as referred to below, the results of our enquiries and inspections do not contradict the Assumptions which we have made and are referred to in the Engagement.

3. Bases of Valuation

In accordance with your instructions and as required by the Code, we have undertaken our valuation on the basis of Market Value. The valuation undertaken as at 31 May 2021 for inclusion in the Company’s accounts was on the basis of Fair Value – IFRS. However, the references in the IFRS 13 definition to market participants and a sale make it clear that for most practical purposes the concept of Fair Value is consistent with that of Market Value.

3.1 Definitions

Market Value

Market Value as referred to in VPS4, Item 4 of the current edition of the RICS Valuation – Global Standards which incorporate the International Valuation Standards (“**IVS**”) and the RICS UK national supplement (the “**RICS Red Book**”), and applying the conceptual framework which is set out in IVS104:

“The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

Assumptions

The Glossary in the RICS Red Book refers to an Assumption as a “supposition taken to be true”. In this context, Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process.

Special Assumptions

A Special Assumption is referred to in the Glossary in the RICS Red Book as an Assumption that “either assumes facts that differ from the actual facts existing at the valuation date, or that would not be made by a typical market participant in a transaction on the valuation date”. We confirm that no Special Assumptions have been made in undertaking our valuation.

4. Valuation Approach and Reasoning

Valuation of Investment Properties

Our opinion of Market Value has been arrived at by adopting the income approach and using the investment method by applying yields derived from relevant market evidence.

Where possible our opinions of value are based on analysis of recent relevant market transactions supported by market knowledge derived from our agency experience

Valuation of Development Properties

In respect of the development properties, our opinion of market value has been arrived at by adopting the income approach and adopting the residual method of valuation. We have

formulated our opinion of value by residual appraisals, discounted cash flows and comparable land transactions. We have particularly reflected in the valuations where the Company have identified that a 'Planning Milestone' has been achieved and that the planning situation in relation to a property has changed, for example, an allocation within a Local Development Framework or completion of a Section 106 Agreement. Where appropriate, we have also undertaken our own planning enquiries to verify and corroborate this information.

The residual method of valuation is the commonly practised method of valuing development property where there are no comparable market land transactions. The estimated total costs of realising the proposed development (including construction costs, fees, contingencies, costs of finance and developer's profit) are deducted from the gross development value of the completed project to determine the residual value.

It should be noted that values derived from a Residual Development Appraisal calculation are extremely sensitive to minor changes in any of the inputs. Whilst we have checked the information provided to us against available sources of information and provided for a level of profit which in our opinion reflects the level of risk inherent in the project, unforeseen events such as delays in timing, minor market movements etc. can have a disproportionate effect on the resulting value. Should information which we were not made aware of at the time of the valuation subsequently come to light which changes our view on any of the input variables adopted, then the value reported is subject to change and we reserve the right to amend our valuation

We would draw your attention to the fact that, even in normal market conditions, the residual method of valuation is very sensitive to changes in key inputs, with small changes in variables (such as the timing of the development, finance/construction costs and sales rates) having a disproportionate effect on value.

Valuation of Trade Related Properties

Certain property types are normally brought and sold based on their trading potential as they have usually been designed or adapted and fitted out for a specific use and the resulting lack of flexibility usually means that the value of the property interest is intrinsically linked to the returns that the owner can generate from that use.

As a result our opinion of value of the Italian Garden at Trentham Garden has been assessed having regard to its trading potential based on an income approach to value unless there is a clear alternative use, unless otherwise stated our opinion of value assumes it is fully equipped operational entities and include:

- The legal interest in the land and buildings.
- The trade inventory, usually comprising all trade fixtures, fittings, furnishings and equipment.
- The markets perception of the trading potential, together with an assumed ability to obtain and renew existing licences, consents, certificates and permits.

For the avoidance of doubt our opinions of value do not include consumables and stock.

In respect of the investment properties, we have applied our opinion of appropriate market rents and yields, derived from comparable transactions.

In respect of the properties held in Joint Ventures or by Associates, in the figures set out in this Valuation Report, we have included apportionments of the Market / Fair Values of the Property interests based on the Company's share of the Property interests in the Joint Ventures or Associates.

We have valued each interest in property as an individual discrete property asset and, generally, this reflects the way the Company categorises the properties. However, in the case of larger properties, or adjoining properties, we have considered 'prudent lotting', that is combining properties into a single lot, or dividing a large property into a number of smaller lots which would generate higher values. In any such cases, we have reported the higher aggregate values but have apportioned these appropriately into the property holdings the Company recognises in its

management systems. Conversely, certain elements could be sold independently at a higher figure than would be reflected within a sale of the whole, so we have reported these higher figures.

5. Valuation

Having regard to the foregoing we are of the opinion that the aggregate of the Market Values ("Aggregate Value") as at the Valuation Date of each of the freehold and leasehold interests owned by the Company in the Portfolio was:-

£1,161,348,000

(One billion one hundred and sixty one million three hundred and forty eight thousand pounds)

The figures quoted above are aggregated figures of the individual Market Values for each property interest in the portfolio. We have assumed that the Properties would be marketed in an orderly way. If the portfolio were to be sold as a single lot or in groups of properties, the total values could differ significantly

Values are reported in pounds sterling (£).

There is one property with a negative value details of which are included in Appendix C.

The Company share, reflecting only the appropriate proportion of the joint venture properties is:

£1,088,508,000

(One billion eighty eight million five hundred and eight thousand pounds)

We have apportioned the total property values between freehold, long leasehold (over 50 years) and part freehold/leasehold and our opinion of the aggregate Market Value of each of the various property interests in the portfolio, as at the Valuation Date, subject to the Assumptions and comments in this Valuation Report was:

Table 1

Tenure	No of Properties	Aggregate Market Value
Freehold	96	£1,122,573,000
Part Freehold/Part Leasehold	2	£10,000,000
Long Leasehold (more than 50 years unexpired)	12	£28,775,000
Total	110	£1,161,348,000

6. Properties in the course of development or capable of being developed within 2 years

We have been informed by the Company that the following properties are held as Development Properties which are capable of being developed within 2 years of the valuation date. The value of these properties is included in the total Property Aggregate Values set out above and the individual valuations are set out below together with the additional information required by the Code.

Table 2

Property	Tenure	GDV (*) – completed	GDV (*) – completed and let	Costs to Complete	Expected Date of Completion	Estimated Date of Letting
St Modwen Park Gatwick	Freehold	£20,330,000	£23,720,000	£3,428,559	July 2021	October 2021
St Modwen Park Lincoln	Freehold	£14,320,000	£16,430,000	£978,596	June 2021	December 2021 – July 2022
St Modwen Park Gloucester U4-8	Freehold	£36,440,000	£41,810,000	£5,646,954	June 2021	July 2021 – June 2022
St Modwen Park, Tamworth U6-8	Freehold	£19,990,000	£23,060,000	£804,356	June 2021	March 2022
St Modwen Park Basingstoke	Leasehold	£30,890,000	£35,800,000	£20,767,700	August 21	February 2022
St Modwen Park, Avonmouth U21-22	Freehold	£8,930,000	£10,240,000	£224,788	November 2021	May 2022
St Modwen Park, Wellingborough	Freehold	£16,170,000	£18,720,000	£11,614,100	November 2021	May 2022
St Modwen Park, Tamworth – Unit 4	Freehold	£15,340,000	£17,790,000	£1,232,731	November 2021	May 2022
St Modwen Park, Stoke South	Freehold	£25,470,000	£29,260,000	£1,145,245	October 2021	April 2022 – July 2022
Broomhall Business Park – Units 1/ 2 – Phase 1	Freehold	£8,280,000	£9,560,000	£866,074	October 2021	April 2022
Broomhall Business Park – Units 3-5 – Phase 2	Freehold	£9,470,000	£11,000,000	£6,374,100	June 2022	November 2022
Broomhall Business Park – Units 6-7 – Phase 2	Freehold	£7,740,000	£9,190,000	£6,010,400	January 2023	July 2023
St Modwen Park, Avonmouth Units 23-25	Freehold	£21,200,000	£24,370,000	£14,115,300	October 2022	April 2023
St Modwen Park, Burton (BG38, BG41, BG58, BG79)	Freehold	£24,940,000	£28,990,000	£16,447,300	June 2023	November 2023
St Modwen Park, Chippenham – Units 2.4.6.	Freehold	£50,650,000	£58,390,000	£27,905,500	April 2022	September 2023
St Modwen Park Gloucester – Unit 9-10	Freehold	£27,040,000	£31,080,000	£16,726,900	July 2022	September 2022
St Modwen Park, Gloucester – Units 11-15	Freehold	£28,890,000	£33,440,000	£17,780,500	June 2023	November 2023
Longbridge – Cofton	Freehold	£18,300,000	£21,300,000	£11,228,500	August 2022	January 2023
St Modwen Park, Newport	Freehold	£11,060,000	£12,750,000	£11,193,300	November 2022	February 2023
St Modwen Park, Stoke Central	Freehold	£45,790,000	£52,820,000	£32,093,300	July 2022	December 2022
Uxbridge	Freehold	£158,473,057#	N/A-residential **	£135,336,653	Phase 5 North – June 2021 Phase 5 South – June 2021 TCW – July 2026	N/A-residential **
Llanwern	Freehold	£457,658,253 #	N/A-residential **	£313,696,929	June 2032	N/A-residential **
Branston	Freehold	£34,943,281 #	N/A-residential **	£21,354,646	April 2023	N/A-residential **
St Leonards, Stafford	Freehold	£45,838,715 #	N/A-residential **	£23,731,222	November 2025	N/A-residential **
New Covent Garden – Apex 1 only	Freehold	£143,647,399#	N/A-residential **	£81,241,800	Apex 1 – January 2026	N/A-residential **

(*) The GDV's set out in the table above are gross of purchaser and acquisition costs.

These properties due to their size and nature have a phased development beyond 2 years. The GDV's set out in the table above, and the Cost to Complete, represent those values and costs relating to development of part of these sites which we understand will commence within the next two years.

** GDV represents proceeds from sale of residential units. No GDV assuming letting provided as not relevant.

Table 3

Property	Confirmation that Planning Consent Granted	Date of Planning Consent	Material Planning Conditions
St Modwen Park Gatwick	Detailed	April 2020	None
St Modwen Park Lincoln	Detailed	February 2020	None
St Modwen Park Gloucester	Detailed	July 2020	None
St Modwen Park, Tamworth	Detailed	April 2019	None
St Modwen Park Basingstoke	Detailed	February 2020	None
St Modwen Park, Avonmouth U21-22	Detailed	November 2018	None
St Modwen Park, Wellingborough	Detailed	April 2019	None
St Modwen Park, Tamworth – Unit 4	Detailed	October 2018	None
St Modwen Park, Stoke South	Detailed	March 2021	None
Broomhall Business Park – Units 1/ 2 – Phase 1	Detailed	September 2020	None
Broomhall Business Park – Units 3-5 – Phase 2	Outline	March 2019	None
Broomhall Business Park – Units 6-7 – Phase 2	Outline	March 2019	None
St Modwen Park, Avonmouth Units 23-25	Detailed	April 2019	None
St Modwen Park, Burton (BG38, BG41, BG58, BG79)	Detailed	October 2019	None
St Modwen Park, Chippenham – Units 2.4.6.	Outline	April 2017	Highway works to be triggered, once 350k sq ft of development is reached
St Modwen Park Gloucester – Unit 9-10	Detailed	March 2019	None
St Modwen Park, Gloucester – Units 11-15	Detailed	November 2020	None
Longbridge – Cofton	Detailed	August 2019	None
St Modwen Park, Newport	Outline	April 2010	None
St Modwen Park, Stoke Central	Outline	September 2019	None
Uxbridge Mons	Detailed	March 2019	None
Llanwern	Outline	April 2010	None
Branston	Phase 1 – Outline Phase 2 – Outline	April 2013 June 2020	None
St Leonard, Stafford	Outline	September 2019	None
New Covent Garden – Apex 1 only	Market – Detailed Surplus Land – Outline	April 2015	None

7. Additional Reporting in accordance with the City Code on Takeovers and Mergers and UK VPGA 2.2 of the RICS Red Book

In the case of land being developed or with immediate development potential, in addition to the market value of the land at the date of valuation, this valuation report also includes:

- (a) As set out in Table 2 above the value on the assumption that the development has been completed and, if applicable, let;
- (b) As set out in Table 2 above, and as provided by the Company to us and relied upon by us, the estimated total cost, including carrying charges, of completing the development;
- (c) As set out in Table 2 above, and as provided by the Company to us and relied upon by us, the expected dates of completion and, where applicable our opinion of letting or occupation; and
- (d) As set out in Table 3 above and as provided by the Company to us and relied upon by us, a statement as to whether planning consent has been obtained and, if so, the date of the planning consent and any conditions attaching to the consent which may affect the value.

8. Disclosures in accordance with the City Code on Takeovers and Mergers

It is confirmed that the Valuation Report is issued solely in connection with the Transaction for:

- inclusion in the Code Documentation and
- for publication on the websites referred to in the Code Documentation.

9. Material Difference

For the purposes of Rule 29.4 of the Code there is no material difference between the values stated in this Valuation Report and the values that would be stated were the Valuation Date the date of this Valuation Report.

10. Confidentiality

This Valuation Report, including the Appendices may be used only for the Purpose of Valuation as stated.

11. Responsibility

For the purposes of the Code, we are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that to the best of our knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Valuation Report is in accordance with the facts and contains no omissions likely to affect its import. This Report complies with, and is prepared in accordance with, and on the basis of, the Code. We authorise its content for the purposes of Rule 29 of the Code.

Except for any responsibility arising under Rule 29 of the Code to any person, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with the Valuation Report or our statement set out above required by and given solely for the purposes of complying with Rule 29 of the Code .

12. Consent

We have given and have not withdrawn our consent to the inclusion of this Valuation Report in the Code Documentation published by St Modwen Properties PLC in the form and context in which it is included.

13. Disclosure

You must not disclose the contents of this Valuation Report to a third party in any way, including where we are not referred to by name or if the Valuation Report is to be combined with other reports, documents or information, without first obtaining our written approval to the form and context of the proposed disclosure in accordance with the terms of the Engagement. We will not approve any disclosure that does not refer adequately to the terms of the Engagement and any Special Assumptions or Departures that we have made.

This Valuation Report or any part of it may not be modified, altered (including altering the context in which the Valuation Report is displayed) or reproduced without our prior written consent. Any person who breaches this provision shall indemnify us against all claims, costs, losses and expenses that we may suffer as a result of such breach.

We hereby exclude all liability arising from use of and/or reliance on this Valuation Report by any person or persons except as otherwise set out in the Engagement.

14. Reliance

This Valuation Report may be relied upon only in connection with the Purpose of Valuation stated and only by:

- (i) you;
- (ii) the Shareholders of the Company and
- (iii) by such other parties who have signed a Reliance Letter.

No reliance may be placed upon this Valuation Report by any other party, or for any other purpose except in accordance with the Engagement.

The Valuation Report has been prepared for the Purpose of Valuation only and does not provide any advice, guidance or recommendation on how the Company should respond to the Offer that it has received.

For the avoidance of doubt, the total aggregate limit of liability specified in the terms of the Engagement (the “**Aggregate Cap**”) shall apply in aggregate to (i) you, and (ii) such other parties who have signed a Reliance Letter. Apportionment of the Aggregate Cap shall be a matter for you and such other third parties alone.

Signed for and on behalf of Cushman & Wakefield Debenham Tie Leung Limited

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APPENDIX A: ENGAGEMENT

1. Scope of Services

Included in the Services are:

1.1 Valuation Report

Providing a Valuation Report that will be prepared in English. C&W will provide one electronic copy of the Valuation Report and, if requested, one signed hard copy. Where the Valuation Report is required to contain site plans these will be based on extracts of the Ordnance Survey or other maps showing, for identification purposes only, C&W's understanding of the extent of title based on site inspections or copy title plans supplied to C&W. The Client should not rely on C&W's plans to define boundaries.

As agreed, C&W will not provide full details of the valuation approach and reasoning in the Valuation Report.

1.2 Currency

Providing a Valuation in UK Pounds Sterling (£).

1.3 Inspections

We will rely upon the inspections undertaken as part of our valuation for half year reporting purposes dated 31 May 2021.

1.4 Floor Areas

Adopting floor areas provided to C&W by the Client for the purpose of the Valuation, (subject to the provisions of item 3 of the Assumptions).

1.5 Tenancies & Leasing

Relying on tenancy information provided by the Client, subject to the provisions of section 4.3 of the Assumptions. For the avoidance of doubt, C&W will not read copy leases.

1.6 Environmental Matters (including Flooding)

Reviewing the relevant Local Authority websites regarding environmental matters, including contamination and flooding and reviewing (subject to the provisions of section 4.4 of the Assumptions). For the avoidance of doubt, C&W will not undertake an environmental assessment or prepare a land quality statement, which would be the responsibility of an environmental consultant or chartered environmental surveyor. In this respect, C&W will have regard to any environmental reports provided to C&W (subject to the provisions of section 4.4 of the Assumptions).

1.7 Title

Reading a Certificate of Title where this is provided to C&W and C&W will reflect its contents in the Valuation (subject to the provisions of section 4.6 of the Assumptions).

C&W will not inspect the title deeds of the Properties.

Unless agreed in writing in advance with the Client, C&W will not obtain information from the Land Registry.

1.8 Condition of Structure & Services, Deleterious Materials and Ground Conditions

Taking into account the general condition of each Property as observed from the inspections undertaken for the purposes of our valuation for half year reporting purposes dated 31 May 2021 (subject to section 4.7 of the Assumptions). Where a separate condition or structural survey has been undertaken and made available to C&W, C&W will reflect the contents of the survey or

condition report in the Valuation Report, but may need to discuss the survey or condition report with the originating surveyor.

1.9 Statutory Requirements and Planning

As previously instructed by the Client, C&W will not make enquiries of the relevant planning authorities in respect of each Property. C&W will rely on verbal enquiries of the Client's planning advisers as appropriate as to the possibility of highway proposals, comprehensive development schemes and other ancillary planning matters that could affect property values. C&W will also seek to ascertain whether any outstanding planning applications exist which may affect any Property, and whether any Property is listed or included in a Conservation Area. C&W will also attempt to verify the existing permitted use of each Property, and endeavour to have sight of any copies of planning permissions. For the avoidance of doubt, C&W will not undertake formal searches.

1.10 Exclusion

Where C&W is engaged to prepare a Valuation Report in connection with a proposed transaction in respect of the Properties, expressly excluded from the Services is the provision of any recommendation or otherwise by C&W as to whether to proceed with such a proposed transaction. Accordingly the Client must not in any circumstances construe the Valuation Report as a recommendation whether or not to proceed with such a proposed transaction.

2. Basis of Appointment

C&W confirms that:

- 2.1 The Valuation and Valuation Report will be undertaken in accordance with the appropriate sections of the current edition of the RICS Valuation – Global Standards which incorporate the International Valuation Standards (“**IVS**”) and the RICS UK national supplement (the “**RICS Red Book**”), including UK VPGA 2.2. In this context “current edition” means the version in force at the Valuation Date. The Valuation Report will comply with the requirements of Rule 29 of the Code.

The Valuation will be the responsibility of Charles Smith MRICS and Jon Leedham MRICS, who are both members of the RICS Valuer Registration Scheme and are in a position to provide an objective and unbiased Valuation. The Valuation will be undertaken by suitably qualified valuers, who have the knowledge, skills and understanding to undertake the Valuation competently and who will act as “External Valuers “ (as defined in the RICS Red Book) qualified for the Purpose of Valuation.

C&W does not (and any affiliates of C&W do not) act as external valuers as defined under the Alternative Investment Fund Manager’s Directive (“AIFMD”) legislation, or its equivalent under local law. C&W expressly disclaims any responsibility or obligations under AIFMD and/or its equivalent unless expressly agreed in writing in advance by C&W.

- 2.2 C&W have carried out valuation instructions for the Client in respect of the Properties, for accounts and secured lending purposes, since 2014.
- 2.3 C&W confirms that we have had no previous material interest in the Company or material connection or involvement with any of the Properties other than as set out above, and that copies of our conflict of interest checks have been retained within the working papers.
- 2.4 The proposed Valuation is a “Regulated Purpose Valuation” (as defined in RICS UK national supplement (“**UKNS**”) UK VPS 3). C&W confirms that the Properties do not include any interests which have been acquired by the Client within the 12 months preceding the Valuation Date and in respect of which C&W has either received an introductory fee or negotiated that purchase on behalf of the Client.

In accordance with the provisions of UK VPS 3.1, in terms of any future acquisitions, C&W would be unable to undertake a valuation of a property acquired by a C&W client within the twelve months preceding the Valuation Date if, in relation to that property, C&W received an introductory fee or negotiated the purchase on behalf of that client unless another firm, unconnected with

C&W, has provided a valuation of that property for the client at the time of or since the transaction was agreed.

In accordance with PS 2.5 of the RICS Red Book and UK VPS 3, the Valuation Report sets out the length of time Charles Smith MRICS and Jon Leedham have been the signatory to valuations provided to the Client for the same purpose as the Valuation Report, the length of time C&W has continuously been carrying out that valuation instruction for the Client, the extent and duration of C&W's relationship with the Client and the proportion of C&W's total fee income made up by the fees payable by the Client (to the nearest five percentage points). C&W will require these disclosures to be made in any published references to the Valuation Report.

C&W must seek to ensure there will be no potential conflicts of interest arising not only from C&W's involvement with the Properties and with the Client but also any related parties to the Client. Accordingly, the Client must advise C&W of any relevant parties connected to the Client's organisation.

In accordance with PS 2 5 of the RICS Red Book, C&W confirm our policy on rotation of the valuer accepting responsibility for Regulated Purpose Valuations and a statement of the quality control procedures that C&W has in place, as follows:

"C&W endorses the RICS view that it is good practice to rotate the valuer responsible for Regulated Purpose Valuations at intervals of not more than seven years, unless there are overriding circumstances to the contrary. C&W discusses the method of rotation of the signatory to Regulated Purpose Valuation reports with its clients.

C&W operates internal quality control procedures throughout its valuation practice including a system whereby the valuation of property meeting certain criteria requires the approval of an internal Value Committee."

3. Special and Additional Terms

3.1 Condition of Structure, Foundations, Soil & Services

It is a condition of C&W or any related entity, or any qualified employee, providing advice and opinions as to value, that the Client and/or third parties (whether notified to C&W or not) accept that the Valuation Report in no way relates to, or gives warranties as to, the condition of the structure, foundations, soil and services.

3.2 Plant & Machinery

Other than in respect of The Italian Gardens at Trentham no allowance will be made by C&W for any items of plant or machinery not forming part of the service installations of the buildings. C&W will specifically exclude all items of plant, machinery and equipment installed wholly or primarily in connection with any of the occupants' businesses. C&W will also exclude furniture and furnishings, fixtures, fittings, vehicles, stock and loose tools, except where such items would ordinarily transfer to a prospective purchaser in the sale of a trading business as a going concern.

3.3 Goodwill

No account will be taken by C&W in the Valuation of any business goodwill that may arise from the present occupation of the Properties, except where such business goodwill (excluding any personal goodwill) would ordinarily transfer to a prospective purchaser in the sale of a trading business as a going concern.

3.4 Statutory Requirements & Planning

Please note the fact that employees of town planning departments now always give information on the basis that it should not be relied upon and that formal searches should be made if more certain information is required. Where a Client needs to rely upon the information given about town planning matters, the Client's legal advisers must be instructed to institute such formal searches. C&W recommends that the Client requests C&W to review its comments and Valuation in light of any resultant findings.

3.5 Defective Premises Act 1972

No allowance will be made by C&W for rights, obligations or liabilities arising under the Defective Premises Act 1972.

3.6 Legal Issues

Legal issues, and in particular the interpretation of matters relating to title and leases, may have a significant bearing on the value of an interest in property. No responsibility or liability will be accepted by C&W for the true interpretation of the legal position of the Client or any other parties in respect of the Valuation. Where C&W expresses an opinion on legal issues affecting the Valuation, then such opinion is subject to verification by the Client with a suitable qualified legal adviser.

3.7 Deduction of Notional Purchaser's Costs

The opinion of value which C&W will attribute to the Properties will be the figure C&W considers would appear in a contract for sale, subject to the appropriate assumptions for the Basis of Value reported. Costs associated with the transaction, including any taxes, legal fees and other expenses, would be payable by the purchaser in addition to the figure reported.

Furthermore, the Client's attention is drawn to the fact that when assessing Market Value, for balance sheet purposes, C&W will not include directly attributable acquisition or disposal costs in the Valuation. Where C&W is requested to reflect these costs, they will be stated separately.

3.8 Monitoring

The compliance of the valuations undertaken in accordance with the RICS Red Book may be subject to monitoring by the RICS under its conduct and disciplinary regulations.

3.9 Valuation Components

The components of C&W's valuation calculations (such as future rental values, cost allowances, or void periods) may only be appropriate as part of the valuation calculations and should not be taken as a forecast or prediction of a future outcome. The Client should not rely on any component of the valuation calculations for any other purpose.

3.10 Properties to be Developed or in the Course of Development or Requiring Repair/Refurbishment and Recently Completed Developments

Unless specifically agreed in writing to the contrary, C&W's fee assumes that C&W will be provided with information relating to construction and associated costs in respect of both the work completed and the work necessary for completion, together with a completion date. Normally such figures will be provided by the Client's professional advisers involved in the construction programme. Unless specifically instructed to the contrary in writing, C&W will rely on such figures, dates and information and the Client should make this fact known to such advisers. Alternatively, on request, C&W can arrange for independent quantity surveyors to provide an assessment of costs and dates at an additional fee charge.

4. Assumptions

The RICS Red Book contains a glossary that defines various terms used in the RICS Red Book that have a special or restricted meaning. One such term is an assumption which is defined as "A supposition taken to be true" ("**Assumption**"). Accordingly in this context, C&W will make certain Assumptions in relation to facts, conditions or situations affecting the subject of, or approach to, the Valuation that C&W will not verify as part of the valuation process but rather, in accordance with the definition in the RICS Red Book, will treat as true because it is agreed that specific investigation by C&W is not required. In the event that any of these Assumptions prove to be incorrect then the Valuation will need to be reviewed.

4.1 Confirmation of Assumptions

The Client's counter-signature of the Engagement Letter represents confirmation that all of the Assumptions, referenced within the Assumptions section, are correct.

The Client must promptly notify C&W in writing if any of the Assumptions are incorrect. Should any amendment to the Assumptions set out in the Services Schedule result in an increase in the scope of the Engagement this may result in an appropriate increase in C&W's fees and expenses due under the Engagement.

Where the Properties are subject to a revaluation without re-inspection, unless the Client advises C&W in writing in advance, C&W will make an Assumption that no material changes to the physical attributes of the Properties and the areas in which the Properties are situated have occurred since the Properties were last inspected by C&W.

4.2 Areas

Where C&W is provided with floor areas, C&W will make an Assumption that the areas have been measured and calculated in accordance with the current edition of RICS Professional Statement RICS Property Measurement.

4.3 Tenancies and Leasing

C&W's opinion of the Market Value will be subject to existing leases of which the Client or its advisors have made C&W aware but otherwise will reflect an Assumption of vacant possession. Where C&W has undertaken to read the leases and related documents provided to it, C&W will make an Assumption that copies of all relevant documents will be sent to C&W and that they are complete and up to date.

Where C&W relies on tenancy and lease information provided to it, unless such information reveals otherwise, C&W will make the Assumption that all occupational leases are on full repairing and insuring terms, with no unusual or onerous provisions or covenants that would affect value.

C&W will make an Assumption that vacant possession can be given of all accommodation which is unlet or occupied by the entity or its employees on service tenancies. C&W will not take account of any leases between subsidiaries unless C&W states otherwise in the Services Schedule.

C&W will not undertake investigations into the financial strength of any tenants unless otherwise referred to in the Valuation Report. Unless C&W has become aware by general knowledge, or has been specifically advised to the contrary, C&W will make an Assumption that:

- a. where a Property is occupied under leases then the tenants are financially in a position to meet their obligations, and
- b. there are no material arrears of rent or service charges, breaches of covenant, current or anticipated tenant disputes.

However, the Valuation will reflect a potential purchaser's likely opinion of the credit worthiness of the type of tenants actually in occupation or responsible for meeting lease commitments, or likely to be in occupation.

C&W will take into account any information the Client or its advisors provide concerning tenants' improvements. Otherwise, if the extent of tenants' alterations or improvements cannot be confirmed, C&W will make an Assumption that the relevant Property was let with all alterations and improvements evident during C&W's inspection (or, in the case of a Valuation without internal inspection, as described within the information provided by the Client).

C&W will also make an Assumption that wherever rent reviews or lease renewals are pending or impending, with anticipated reversionary changes, all notices have been served validly within the appropriate time limits.

C&W are to rely on the tenancy information provided by the Company. As referred to in the "Scope of Services" section of the VSS, we have agreed that we will not read copy leases.

We have not undertaken investigations into the financial strength of the tenants. Unless we have become aware by general knowledge, or we have been specifically advised to the contrary, we have made an Assumption that the tenants are financially in a position to meet their obligations. Unless otherwise advised we have also made an Assumption that there are no material arrears or of rent or service charges, breaches of covenants, current or anticipated tenant disputes. We will assume unless advised to the contrary that there are no service charge shortfalls or other irrecoverable outgoings.

However, our valuations reflect the type of tenants actually in occupation or responsible for meeting lease commitments, or likely to be in occupation, and the market's general perception of their credit worthiness.

4.4 Environmental Matters

C&W have been instructed not to make any investigations in relation to the presence or potential presence of contamination in land or buildings, and to make an Assumption that if investigations were made to an appropriate extent then nothing would be discovered sufficient to affect value. We have not carried out any investigation into past uses, either of the properties or any adjacent land to establish whether there is any potential for contamination from such uses or sites and have therefore made an Assumption that none exists.

In practice, purchasers in the property market do require knowledge about contamination. A prudent purchaser of these properties would be likely to require appropriate investigations to be made to assess any risk before completing a transaction. Should it be established that contamination does exist, this might reduce the values now reported.

Commensurate with our Assumptions set out above we have not made any allowance in the valuations for any effect in respect of actual or potential contamination of land or buildings.

In arriving at our valuation, we have sought to reflect our opinion of the Market Value/Fair Value on the basis of the information revealed by our enquiries.

In accordance with our signed Terms of Engagement we have not made enquiries of the Environment Agency website in order to highlight possibility of extreme flood. We have relied on information provided by the Company and have otherwise made the Assumption that building insurance is in place regarding flooding and available to be renewed to the current or any subsequent owner of the properties, without payment of an excessive premium or excess.

On 4 April 2016, a new scheme was introduced called Flood Re to enable owners of residential properties in flood risk areas to obtain insurance on more affordable terms. Designed by the Government and the insurance industry, Flood Re will collect a sum from every home insurer in the UK and then take responsibility for the flood risk part of the policy and manage a central fund. In the event that a householder has to make a claim on their insurance policy, Flood Re would reimburse the insurer from the central Flood Re-fund.

If any reports supplied to C&W indicate the existence of environmental problems without providing method statements and costings for remedial works, then C&W may not be able to issue a Valuation Report except on the Special Assumption that the Properties are assumed NOT to be affected by such environmental matters. In certain circumstances, the making of such a Special Assumption may be unrealistic and may be a Departure from the requirements of the RICS Red Book. In these circumstances, the Valuation Report may include a recommendation that an investigation should be undertaken to quantify the costs and that subsequently the Valuation should be reviewed. Where C&W's enquiries lead C&W to believe that the Properties are unaffected by contamination or other adverse environmental problems, including but not limited to the risk of flooding, mining or quarrying, radon gas, and the proximity of high voltage electrical equipment then, unless the Client instructs C&W otherwise, the Valuation will be based on an Assumption that no contamination or other adverse environmental matters exist in relation to the Properties sufficient to affect value.

If any of the Properties lie within or close to a flood plain, or have a history of flooding, C&W will make the Assumption that building insurance is in place and available to be renewed to the current or any subsequent owner of the relevant Property, without payment of an excessive premium or excess.

In the absence of any information to the contrary, C&W will make the assumption that invasive species such as Japanese Knotweed are not present at the Properties.

Depending on the nature of the investigations made and the information revealed, the Valuation Report may include a statement that, in practice, a purchaser might undertake further investigations and that if these revealed contamination or other adverse environmental problems, then this might reduce the value reported.

4.5 Mineral Rights

C&W will make an Assumption that any mineral rights are excluded from the Properties.

4.6 Title

Save as disclosed either in any Certificate of Title or unless specifically advised to the contrary by the Client or its legal advisers and as referred to in the Valuation Report, C&W will make the Assumption that there is good and marketable title in all cases and that the Properties are free from rights of way or easements, restrictive covenants, disputes or onerous or unusual outgoing. C&W will also make an assumption that the Properties are free from mortgages, charges or other encumbrances.

If verification of the accuracy of any site plans contained in the Valuation Report is required, the matter must be referred to the Client's legal advisers.

C&W will make the Assumption that roads and sewers serving the Properties have been adopted and that the Properties have all necessary rights of access over common estate roads, paths, corridors and stairways, and rights to use common parking areas, loading areas and other facilities.

4.7 Condition of Structure and Services, Deleterious Materials and Ground Conditions

Due regard will be paid by C&W to the apparent general state of repair and condition of each Property, but a condition or structural survey will not be undertaken, nor will woodwork or other parts of the structure which are covered, unexposed or inaccessible, be inspected. Therefore, C&W will be unable to report that each Property is structurally sound or is free from any defects. C&W will make an Assumption that each Property is free from any rot, infestation, adverse toxic chemical treatments, and structural, design or any other defects other than such as may be mentioned in the Valuation Report.

The current versions of the BRE publication "List of excluded materials – a change in practice" and British Council for Offices publication "Good Practice in the Selection of Construction Materials" make recommendations for good building practice and whether construction materials are considered to be deleterious, hazardous or harmful ("Prohibited Materials"). C&W will not arrange for investigations to be made to determine whether any Prohibited Materials have been used in the construction or any alterations of the Properties. C&W will not be able to confirm that each Property is free from risk to health and safety or the fitness for purpose (suitability and durability) of any construction works, nor will C&W be able to confirm that the nature or application of any materials do not contravene any relevant British Standard or EU equivalent. For the purposes of the Valuation, C&W will make an Assumption that each Property has been constructed in accordance with good building practice and any investigation of each of the Properties by a Chartered Building Surveyor would not reveal the presence of Prohibited Materials in any adverse condition.

C&W will not carry out an asbestos inspection and will not act as an asbestos inspector in completing the valuation inspection of each Property that may fall within the Control of the Asbestos at Work Regulations 2012. C&W will not make an enquiry of the duty holder (as defined in the Control of Asbestos at Work Regulations 2012), of an existence of an Asbestos Register

or of any plan for the management of asbestos to be made. Where relevant, C&W will make an Assumption that there is a duty holder, as defined in the Control of Asbestos of Work Regulations 2012 and that a Register of Asbestos and Effective Management Plan is in place, which does not require any immediate expenditure, or pose a significant risk to health, or breach the HSE regulations. C&W recommends that such enquiries be undertaken by the Client's legal advisers during normal pre-contract or pre-loan enquiries.

No mining, geological or other investigations will be undertaken by C&W to certify that the sites are free from any defect as to foundations. C&W will make an Assumption that all buildings have been constructed having appropriate regard to existing ground conditions or that these would have no unusual or adverse effect on building costs, property values or viability of any development or existing buildings.

C&W will make the Assumptions that there are no services on, or crossing the site in a position which would inhibit development or make it unduly expensive, and that the site has no archaeological significance, which might adversely affect the present or future occupation, development or value of each Property.

No tests will be carried out by C&W as to electrical, electronic, heating, plant and machinery equipment or any other services nor will the drains be tested. However, C&W will make an Assumption that all building services (including, but not limited to lifts, electrical, electronic, gas, plumbing, heating, drainage, sprinklers, ventilation, air conditioning and security systems) and property services (such as incoming mains, waste, drains, utility supplies etc.) are in good working order and without any defect whatsoever.

4.8 Statutory Requirements and Planning

Save as disclosed in a Certificate of Title, or unless otherwise advised, C&W shall make the Assumption that all of the buildings have been constructed in full compliance with valid town planning and building regulations approvals and that where necessary, they have the benefit of current Fire Risk Assessments compliant with the requirements of the Regulatory Reform (Fire Safety) Order 2005. Similarly, C&W shall also make the Assumption that the Properties are not subject to any outstanding statutory notices as to construction, use or occupation and that all existing uses of the Properties are duly authorised or established and that no adverse planning conditions or restrictions apply.

C&W shall make the Assumption that the Properties comply with all relevant statutory requirements.

Energy Performance Certificates (“EPC”) must be made available for all properties, when bought or sold, subject to certain exemptions. If the Properties are not exempt from the requirements of this Directive C&W shall make an Assumption that an EPC is made available, free of charge, to a purchaser of all the interests which are the subject of the Valuation.

In addition, in England and Wales the Minimum Energy Efficiency Standards Regulations are effective from 1 April 2018. The regulations prohibit the granting of a new tenancy or lease renewal of privately rented residential or business premises which do not have an EPC rating of ‘E’ or above. C&W will ask the Client or its advisors for information relating to the EPC ratings of the Properties if the Properties are not exempt from these requirements. In any instance where C&W is not provided with an up to date EPC rating C&W will make the Assumption that the Properties meet the minimum requirements to enable it to be let.

In any instance where C&W is to value Properties with the benefit of a recently granted planning consent, or on the Special Assumption that planning consent is granted, C&W will make an Assumption that it will not be challenged under Judicial Review. Such a challenge can be brought by anyone (even those with only a tenuous connection with the Properties, or the area in which it is located) within a period of three months of the granting of a planning consent. When a planning consent is granted subject to a Section 106 Agreement, the three month period commences when the Section 106 Agreement is signed by all parties.

If a planning consent is subject to Judicial Review, the Client must inform C&W and request C&W to reconsider its opinion of value. Advice would be required from the Client's legal advisers and

a town planner, to obtain their opinion of the potential outcomes of such a Judicial Review, which C&W will reflect in its reconsideration of value.

4.9 Information

Notwithstanding the Terms of Business, C&W will make an Assumption that the information provided by the Client and/or its professional advisers in respect of each Property to be valued is both full and correct. C&W will make an Assumption that details of all matters relevant to value within their collective knowledge, including but not limited to matters such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions, have been made available to it, and that such information is up to date.

If the Valuation is required for the purpose of purchase, loan security or other financial transaction, the Client accepts that full investigation of the legal title and any leases is the responsibility of its legal advisers.

Where comparable evidence is included in the Valuation Report, this information is often based on C&W's verbal enquiries and its accuracy cannot always be assured, or may be subject to undertakings as to confidentiality. However, such information would only be referred to where C&W had reason to believe its general accuracy or where it was in accordance with expectation. It is unlikely that C&W will have inspected comparable properties.

4.10 Landlord and Tenant Act 1987

The Landlord and Tenant Act 1987 (the "Act") gives certain rights to defined residential tenants to acquire the freehold/head leasehold interest in a building where more than 50% of the floor space is in residential use. Where this is applicable, C&W will make an Assumption that necessary notices have been given to the residential tenants under the provisions of the Act, and that such tenants have elected not to acquire the freehold or head leasehold interest, and therefore disposal into the open market is unrestricted.

4.11 Leasehold Reform Housing and Urban Development Act 1993 and Leasehold Reform Act 1967

If C&W value the freehold or leasehold interest in either blocks of flats or in houses, the following will apply. The Leasehold Reform Housing and Urban Development Act 1993, as amended by the Commonhold and Leasehold Reform Act 2002, or The Leasehold Reform Act 1967 (collectively the "Act") give certain rights to residential tenants to acquire either the freehold/leasehold interest in any building which qualifies under the Act, or the right to lease extension. If this is applicable, C&W shall make an Assumption that no residential tenants have elected under the provisions of that Act to acquire the freehold or head leasehold interests, nor have they elected to acquire a lease extension, unless the Client and/or its advisers specifically inform C&W to the contrary.

4.12 Properties to be developed or in the course of development or requiring repair/refurbishment and recently completed developments

Where C&W undertake a Valuation of the completed Properties this will be based on an Assumption that all works of construction have been satisfactorily carried out in accordance with the building contract and specification, current British Standards and any relevant codes of practice. C&W will also make an Assumption that a duty of care and all appropriate warranties will be available from the professional team and contractors, which will be assignable to third parties.

We will also rely upon the Company and for any estimated development, remediation or repair costs that are envisaged. All this information will be discussed with both the Company's Finance Directors and the Company's Asset Managers, responsible for the day to day management of the properties, so that an accurate picture will be reliably obtained.

APPENDIX B: SOURCES OF INFORMATION

In addition to information established by us, we have relied on the information as listed below:

Information	Source / Author	Date
Floor areas	St Modwen PLC	May 21
Tenancy Details	St Modwen PLC	May 21
Environmental	St Modwen PLC	May 21

APPENDIX C: PROPERTIES WITH A NEGATIVE VALUE

Ref	Region	Business Unit	New Type	Address	May 2020 Values	November 2020 Values	May 2021 Values
SW21	West & Wales	SLR	Other Residential	Coed Darcy – Contractors Yard	£320,000	-£1,390,000	-£1,390,000

APPENDIX D: ABBREVIATIONS

GIA	Gross Internal Area
NIA	Net Internal Area
PS	Professional Standard
RICS	Royal Institution of Chartered Surveyors
UK VPS	UK Valuation Technical and Performance Standards
VPGA	Valuation Practice Guidance Application
VPS	Valuation Professional Standard

APPENDIX E: LIST OF PROPERTIES

PROPERTY	INTEREST	PROPERTY TYPE
Thurleigh Airfield, Bedford, MK44 2YP	Freehold	Industrial & Logistics
Stratford Road, Wolverton, Milton Keynes, MK12 5NT	Freehold	Industrial & Logistics
New Covent Garden Market	Freehold	Industrial & Logistics
Farnborough Town Centre, GU14 7SJ (Kingsmead)	Part FH Part LH	Retail
Farnborough Town Centre, GU14 7SJ (Blocks 1+2)	Part FH Part LH	Retail
Henley Business Park – Phase 4	Freehold	Industrial & Logistics
Hermitage Lane, Barming, Aylesford, ME20 7PX	Freehold	Industrial & Logistics
Copthorne	Freehold	Industrial & Logistics
Copthorne Phase 2	Freehold	Industrial & Logistics
Basingstoke	Leasehold	Industrial & Logistics
Longbridge Central – Birmingham	Freehold	Land
Longbridge West	Freehold	Land
Longbridge Nanjing – Development	Freehold	Industrial & Logistics
Longbridge Nanjing	Freehold	Industrial & Logistics
Long Marston, Warwickshire, CV37 8QR	Freehold	Industrial & Logistics
Newbold Road, Rugby, CV21 2NH	Freehold	Industrial & Logistics
St Leonard's Site, Stafford, ST17 4LX	Freehold	Residential
Lichfield Road, Stafford	Freehold	Residential
Clay Cross, Derbyshire	Freehold	Residential
Longbridge, Birmingham – 2 Devon Way	Freehold	Office
Longbridge, Birmingham – Innovation Centre	Freehold	Office
Great Western Business Park – New Investment	Freehold	Industrial & Logistics
Watling St Business Park, Cannock, WS11 9XG	Freehold	Industrial & Logistics
Bestwood Business Park, Bestwood, Nottingham, NG6 8TQ	Freehold	Industrial & Logistics
Taylors Lane, Worcester (Norton)	Freehold	Land
Longbridge, Birmingham – Cofton Centre	Freehold	Industrial & Logistics
Derby Road (Former Pirelli) Burton upon Trent (Albion Gateway Phase 3)	Freehold	Industrial & Logistics
Yorks Bridge/Church Gresley, Pelsall	Freehold	Land
Moorgreen Eastwood, Nottingham	Freehold	Land
Blackpole Trading Estate, Worcester, WR4 9EQ	Freehold	Industrial & Logistics
Cakemore, Dudley, B65 ORB	Freehold	Industrial & Logistics

PROPERTY	INTEREST	PROPERTY TYPE
Linehouse Lane, Marlbrook, Bromsgrove – Land	Freehold	Land
Tamworth CP153	Freehold	Industrial & Logistics
Long Marston (Village hall and Leisure Centre)	Freehold	Leisure
Rainbow Trust	Freehold	Land
Kenning Park, Clay Cross	Freehold	Land
Tamworth East – (Phase 1)	Freehold	Industrial & Logistics
Tamworth East – Phase 2	Freehold	Industrial & Logistics
Tamworth East – Land – Phase 4	Freehold	Industrial & Logistics
Tamworth East – Land – Phase 3	Freehold	Industrial & Logistics
The Quarter, Walsall	Freehold	Retail
Burton Gateway BG87	Freehold	Industrial & Logistics
Burton Gateway BG54, BG40 and BG25	Freehold	Industrial & Logistics
Burton Gateway BG103	Freehold	Industrial & Logistics
Park Point, Longbridge	Freehold	Retail
Plot D2, Barton Business Park	Freehold	Industrial & Logistics
Busy Bees Nursery, Longbridge	Freehold	Retail
St Modwen Park, Wellingborough	Freehold	Industrial & Logistics
Wythenshawe Shopping Centre Manchester	Leasehold	Retail
Wigan Enterprise Park, Seaman Way, Ince, Wigan, WN1 3DD	Freehold	Industrial & Logistics
Trident Industrial Estate, Daten Avenue, Warrington, WA3 6AX	Freehold	Industrial & Logistics
Wigan Enterprise Park – New Build	Freehold	Industrial & Logistics
Moorgate Point, Knowsley	Freehold	Industrial & Logistics
Billingham Shopping Centre	Freehold	Retail
Catalyst, Widnes	Freehold	Land
Warth Industrial Park, Bury	Freehold	Industrial & Logistics
Southern Gateway, Speke	Freehold	Industrial & Logistics
Wigan – Land at Enterprise Court	Freehold	Industrial & Logistics
Stonebridge West	Freehold	Industrial & Logistics
Chamberhall	Freehold	Industrial & Logistics
The Trentham Estate, ST4 8JG	Freehold	Leisure
Trentham Lakes – North, South & Hem Heath, ST4 4EG	Freehold	Land
Meaford Business Park, Staffordshire, ST15 0UU	Freehold	Land
Unit 3 Meaford Business Park, Staffordshire	Freehold	Industrial & Logistics
Fenton 25, Dewsbury Road (Staffordshire House)	Freehold	Land

PROPERTY	INTEREST	PROPERTY TYPE
Etruria Valley Phase II	Freehold	Industrial & Logistics
Royal Victoria Pottery site, Westcourt Road, Burslem, ST6 4AG	Freehold	Land
Trentham Surface Water Drainage	Freehold	Industrial & Logistics
Trentham Lakes South	Freehold	Industrial & Logistics
Trentham Lakes Central	Freehold	Industrial & Logistics
Uxbridge (RAF) MoDEL	Freehold	Residential
Llanwern Steel Works – Residential Development Land	Freehold	Residential
Coed Darcy – Residential Land	Freehold	Residential
Longbridge East – Cofton Agricultural	Freehold	Land
Branston	Freehold	Residential
Long Marston	Freehold	Residential
Taunton Trading Estate, Taunton	Leasehold	Industrial & Logistics
Whessoe Road, Darlington, DL3 0RG (North site)	Freehold	Land
Moss Land, Locking Parklands	Freehold	Land
Bay Campus, Swansea – Car Park	Freehold	Industrial & Logistics
Hendrefoilan	Freehold	Residential
Llanwern Steel Works – Business Park	Freehold	Industrial & Logistics
Llanwern Steel Works – District Centre	Freehold	Industrial & Logistics
St. Modwen Park, Newport – Units 2-3	Freehold	Industrial & Logistics
Avonmouth/Access 18, Bristol (Including Spec Land)	Freehold	Industrial & Logistics
Unit 10, Access 18, Avonmouth	Freehold	Industrial & Logistics
Phase 5a, Avonmouth	Freehold	Industrial & Logistics
Phase 5b, Avonmouth	Freehold	Industrial & Logistics
Phase 6a, Avonmouth	Freehold	Industrial & Logistics
Unit 15, Access 18, Avonmouth	Freehold	Industrial & Logistics
Baglan Bay Neath	Freehold	Industrial & Logistics
Quedgeley Trading Estate East, Gloucester	Freehold	Industrial & Logistics
Unit 5, Hunts Grove Gateway 12	Freehold	Industrial & Logistics
Unit 6, Gateway 12	Freehold	Industrial & Logistics
Unit 1, Gateway 12	Freehold	Industrial & Logistics
Units 4, Gateway 12	Freehold	Industrial & Logistics
Units 4a, Gateway 12	Freehold	Industrial & Logistics
Coed Darcy – Llandarcy House	Leasehold	Office
Green Court, Avonmouth	Freehold	Office
Coed Darcy – Britannic House	Leasehold	Office
Coed Darcy – Llancoed House	Leasehold	Office

PROPERTY	INTEREST	PROPERTY TYPE
Transit Site, Neath	Freehold	Industrial & Logistics
Coed Darcy – William Knox House	Leasehold	Office
Barry	Leasehold	Industrial & Logistics
Coed Darcy – Llancoed Court	Leasehold	Office
Coed Darcy – Contractors Yard	Leasehold	Office
Coed Darcy – Business Connect	Leasehold	Office
Coed Darcy – Darcy Business Park	Leasehold	Office
Barry Sports Club Site	Freehold	Sports Club
Coed Darcy – Peak Gen Pwr	Freehold	Industrial & Logistics
Nunnery Park – Industrial Units	Freehold	Industrial & Logistics
Nunnery Park – Final Phase	Freehold	Industrial & Logistics
Chippenham Gateway	Freehold	Industrial & Logistics
Unit 1 Chippenham Gateway	Freehold	Industrial & Logistics
Yard Adjacent to Unit 1, Celtic Business Park	Freehold	Industrial & Logistics
Land adjacent to Quedgeley Trading Estate, Gloucester	Freehold	Industrial & Logistics
Plots 1-3 Quedgeley Land (Phase 1), Gloucester	Freehold	Industrial & Logistics
Quedgeley Land (Phase 2), Gloucester	Freehold	Industrial & Logistics
St Modwen Park, Poole	Freehold	Industrial & Logistics
Gillmoss Industrial Estate (WIP)	Freehold	Industrial & Logistics
Ruston works site, Lincoln, LN5 7FD	Freehold	Industrial & Logistics
Parkside Industrial Estate, Doncaster	Freehold	Industrial & Logistics
Sunderland (Pallion New Road) Remainder of land	Freehold	Industrial & Logistics
Network 46	Freehold	Industrial & Logistics

PART VII

UNITED KINGDOM TAXATION

The comments set out below and in Part VIII (*Additional Information for Overseas Shareholders*) of this Document summarise certain limited aspects of the UK taxation treatment of certain St. Modwen Shareholders under the Scheme and do not purport to be a complete analysis of all tax considerations relating to the Scheme. They are based on current UK tax legislation and what is understood to be current HM Revenue and Customs (“**HMRC**”) practice (which may not be binding on HMRC), in each case as at the Latest Practicable Date, both of which are subject to change, possibly with retrospective effect.

The comments are intended as a general guide and do not deal with certain types of St. Modwen Shareholder such as charities, trustees, market makers, brokers, dealers in securities, persons who have or could be treated for tax purposes as having acquired their St. Modwen Shares by reason of an office or their employment or as carried interest, collective investment schemes, persons subject to UK tax on the remittance basis and insurance companies.

References below to “UK holders” are to St. Modwen Shareholders who are resident (and, in the case of individuals, domiciled) for tax purposes in, and only in, the United Kingdom (and to whom split-year treatment does not apply), who hold their St. Modwen Shares as a capital investment (other than under a self-invested personal pension plan or individual savings account) and who are the absolute beneficial owners of their St. Modwen Shares.

Overseas holders of St. Modwen Shares are referred to Part VIII (*Additional Information for Overseas Shareholders*) of this Document, which summarises certain UK tax consequences of the Scheme for such holders.

IF YOU ARE IN ANY DOUBT ABOUT YOUR TAX POSITION OR YOU ARE SUBJECT TO TAXATION IN ANY JURISDICTION OTHER THAN THE UNITED KINGDOM, YOU SHOULD CONSULT AN APPROPRIATELY QUALIFIED INDEPENDENT PROFESSIONAL ADVISER IMMEDIATELY.

UK taxation of chargeable gains

The transfer of St. Modwen Shares under the Scheme in return for cash should be treated as a disposal of the UK holder’s St. Modwen Shares for the purposes of UK capital gains tax (“**CGT**”) or corporation tax on chargeable gains (as applicable) and therefore may, depending on the UK holder’s particular circumstances (including the UK holder’s base cost in their St. Modwen Shares, and the availability of exemptions, reliefs and/or allowable losses), give rise to a liability to UK taxation on chargeable gains or, alternatively, an allowable capital loss.

Individual St. Modwen Shareholders

Subject to available reliefs or allowances, chargeable gains arising on a disposal of St. Modwen Shares by an individual UK holder should be subject to CGT at the rate of 10 per cent. or 20 per cent. depending on the individual’s personal circumstances, including other taxable income and gains in the relevant tax year.

No indexation allowance will be available to an individual St. Modwen Shareholder in respect of any disposal of St. Modwen Shares. The CGT annual exemption may be available to individual UK holders, depending on their personal circumstances, to offset against chargeable gains realised on the disposal of their St. Modwen Shares. The CGT annual exemption amount for the 2021/22 tax year is £12,300.

Corporate St. Modwen Shareholders

Subject to available reliefs or allowances, chargeable gains arising on a disposal of St. Modwen Shares by a UK holder within the charge to UK corporation tax should be subject to UK corporation tax.

For UK holders within the charge to UK corporation tax (but which do not qualify for the substantial shareholding exemption in respect of their St. Modwen Shares), indexation allowance may be available where the St. Modwen Shares were acquired prior to 31 December 2017 in respect of the period of ownership of the St. Modwen Shares up to and including 31 December 2017 to reduce any chargeable

gain arising (but not to create or increase any allowable loss) on the transfer of their St. Modwen Shares under the Scheme in return for cash.

The substantial shareholding exemption may apply to exempt from corporation tax any gain arising to UK holders within the charge to UK corporation tax where a number of conditions are satisfied, including that the corporate UK holder (together with certain associated companies) has held not less than 10 per cent. of the issued ordinary share capital of St. Modwen for a continuous period of at least one year beginning not more than six years prior to the date of disposal.

UK stamp duty and stamp duty reserve tax (“SDRT”)

No UK stamp duty or SDRT should generally be payable by St. Modwen Shareholders on the transfer of their St. Modwen Shares under the Scheme.

PART VIII

ADDITIONAL INFORMATION FOR OVERSEAS SHAREHOLDERS

1. General

This Document has been prepared for the purposes of complying with English law, the Code, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws of jurisdictions outside the UK.

The availability of the Acquisition to holders of St. Modwen Shares who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. It is the responsibility of any person outside the UK into whose possession this Document comes to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the Acquisition including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

The release, publication or distribution of this Document in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to the laws of other jurisdictions should inform themselves of, and observe, any applicable requirements. In particular, the ability of persons who are not resident in the United Kingdom to vote their St. Modwen Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. 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 Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Bidco or required by the Code and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Document and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Document and all documents relating to the Acquisition (including custodians, nominees and trustees) must observe these restrictions and must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction. Doing so may render invalid any purported vote in respect of the Acquisition.

This Document does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for shares in any jurisdiction in which such offer or solicitation is unlawful.

Overseas Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme.

2. US holders of St. Modwen Shares

US holders of St. Modwen Shares should note that the Scheme relates to the shares of a UK company that is a “foreign private issuer” as defined under Rule 3b-4 under the US Exchange Act and will be governed by English law. Accordingly, neither the proxy solicitation rules nor the tender offer rules under the US Exchange Act will apply to the Acquisition and to the Scheme. Moreover, the Acquisition and the Scheme will be subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. Financial information included in this Document has been prepared in accordance with accounting standards applicable in the UK that may not be comparable with the accounting standards applicable to financial statements of US companies whose financial statements are prepared

in accordance with generally accepted accounting principles in the United States. If Bidco were to elect to implement the acquisition of the St. Modwen Shares by way of an Offer, the Offer will be made in compliance with applicable US securities laws and regulations.

Neither the SEC nor any securities commission of any state of the US nor any other US regulatory authority has approved the Acquisition, passed upon the fairness of the Acquisition or passed upon the adequacy or accuracy of this Document. Any representation to the contrary is a criminal offence in the US.

In accordance with normal UK practice, Bidco, its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, St. Modwen Shares outside the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn, in compliance with applicable law, including the US Exchange Act. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com.

The receipt of cash pursuant to the Acquisition by a US holder of St. Modwen Shares as consideration for the transfer of its St. Modwen Shares pursuant to the Scheme will likely be a taxable transaction for US federal income tax purposes and may also be a taxable transaction under applicable state and local tax laws, as well as foreign and other tax laws. Each US holder of St. Modwen Shares is strongly advised to consult an appropriately qualified independent professional tax adviser immediately with respect to the tax consequences of the Scheme applicable to them, including under applicable United States state and local, as well as overseas and other, tax laws.

3. UK Taxation of certain overseas shareholders

Non-UK holders should not be subject to United Kingdom taxation of chargeable gains in respect of the Scheme, however they may be subject to foreign taxation depending on their personal circumstances. No UK stamp duty or SDRT should generally be payable by Non-UK holders on the transfer of their St. Modwen Shares under the Scheme.

References above to “Non-UK holders” are to St. Modwen Shareholders who are not resident for tax purposes in the United Kingdom, have not within the past five years been resident or ordinarily resident for tax purposes in the United Kingdom and are not carrying on a trade (or profession or vocation) in the United Kingdom.

If an individual is only temporarily resident outside the United Kingdom for capital gains tax purposes as at the date of disposal, the individual could, on becoming resident for tax purposes in the United Kingdom again, be liable for United Kingdom taxation of chargeable gains in respect of disposals made while the individual was temporarily resident outside the United Kingdom for capital gains tax purposes.

PART IX

ADDITIONAL INFORMATION ON ST. MODWEN AND BIDCO

1. Responsibility

- 1.1 The St. Modwen Directors, whose names are set out in paragraph 2.1 below, accept responsibility for the information contained in this Document (including any expressions of opinion) other than the information for which responsibility is taken by the Bidco Directors pursuant to paragraph 1.2 of this Part IX (*Additional Information on St. Modwen and Bidco*) or the Blackstone Responsible Persons pursuant to paragraph 1.3 of this Part IX (*Additional Information on St. Modwen and Bidco*). To the best of the knowledge and belief of the St. Modwen Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Bidco Directors, whose names are set out in paragraph 2.2 below, accept responsibility for the information contained in this Document (including any expressions of opinion) relating to the Bidco Group, the Bidco Directors and their respective immediate families and the related trusts of and persons connected with the Bidco Directors, and persons deemed to be acting in concert with Bidco (as such term is defined in the Code). To the best of the knowledge and belief of the Bidco Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 The Blackstone Responsible Persons, whose names are set out in section 2.3 below, accept responsibility for the information contained in this Document (including any expressions of opinion) relating to them (and their close relatives, related trusts and other persons connected with them), Blackstone and Bidco. To the best of the knowledge and belief of the Blackstone Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this Document (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

- 2.1 The St. Modwen Directors and their respective positions are:

Danuta Gray	<i>Chair</i>
Sarwjit Sambhi	<i>Chief Executive Officer</i>
Robert Hudson	<i>Chief Finance and Operations Officer</i>
Ian Bull	<i>Senior Independent Director</i>
Simon Clarke	<i>Non-executive Director</i>
Jenefer Greenwood	<i>Non-executive Director</i>
Jamie Hopkins	<i>Non-executive Director</i>
Dame Alison Nimmo	<i>Non-executive Director</i>
Sarah Whitney	<i>Non-executive Director</i>

The business address of each of the St. Modwen Directors is Park Point, 17 High Street, Longbridge, Birmingham B31 2UQ.

The company secretary of St. Modwen is Lisa Minns.

- 2.2 The Bidco Directors and their respective positions are:

Samir Amichi	<i>Director</i>
Peter Krause	<i>Director</i>

The business address of each of the Bidco Directors is 44 Esplanade, St Helier, Jersey, JE4 9WG.

Bidco is a limited company with its registered office at 44 Esplanade, St Helier, Jersey, JE4 9WG.

2.3 The Blackstone Responsible Persons and their respective positions are:

Kenneth Caplan	Global Co-Head of Blackstone Real Estate
Kathleen McCarthy	Global Co-Head of Blackstone Real Estate
Anthony Myers	Chairman of Blackstone Real Estate Europe
James Seppala	Head of Blackstone Real Estate Europe
Samir Amichi	Head of Blackstone Real Estate Europe Acquisitions
Farhad Karim	Global General Counsel of Blackstone Real Estate and Chief Operating Officer of Blackstone Real Estate Europe

The business address of each of the Blackstone Responsible Persons is 345 Park Avenue, NY 101545, New York, United States.

3. Interests in St. Modwen Shares

3.1 For the purposes of this section 3 and sections 4 to 7:

- (A) “acting in concert” has the meaning given to it in the Code;
- (B) “arrangement” includes indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to securities which may be an inducement to deal or refrain from dealing;
- (C) “dealing” has the meaning given to it in the Code;
- (D) “derivative” has the meaning given to it in the Code;
- (E) “disclosure period” means the period beginning on 7 May 2020 and ending on the Latest Practicable Date;
- (F) “interest” or “interests” in relevant securities shall have the meaning given to it in the Code and references to interests of Bidco Directors or interests of St. Modwen Directors in relevant securities shall include all interests of any other person whose interests in shares the Bidco Directors or, as the case may be, the St. Modwen Directors, are taken to be interested in pursuant to Part 22 of the Companies Act;
- (G) “relevant St. Modwen securities” mean relevant securities (such term having the meaning given to it in the Code in relation to an offeree) of St. Modwen including equity share capital of St. Modwen (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof; and
- (H) “short position” means any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

3.2 As at the Latest Practicable Date, the St. Modwen Directors held the following interests in, or rights to subscribe in respect of, relevant St. Modwen securities:

Name of Director	Number of St. Modwen Shares
Danuta Gray	18,861
Ian Bull	42,500
Jamie Hopkins	12,564
Jenefer Greenwood	10,359
Robert Hudson	232,114
Sarah Whitney	17,371
Sarwjit Sambhi	38,744
Simon Clarke	2,691,657

- 3.3 As at the Latest Practicable Date close relatives and related trusts of the St. Modwen Directors held the following interests in, or rights to subscribe in respect of, relevant St. Modwen securities:

Name	Number of St. Modwen Shares
David Whitney	3,061
Jane Louise Gerard-Pearse	3,795,658
Sally Ann Hayward	3,774,657
Trust for the benefit of the grandchildren of Sir Stanley and Lady Hilda Clarke	849,567
Mary Elizabeth MacGregor	3,816,657
Charles Hayward	3,450
Angus William Hayward	33,500
Eleanor Louise Hayward	33,500
Georgina Rose Hayward	33,500
Matthew William Clarke	33,500
Emily Bess Gerard-Pearse	33,500
Annabel Iona Gerard-Pearse	33,500
Fergus Duncan MacGregor	33,500
Holly Clarke (held on trust)	12,500

- 3.4 As at the Latest Practicable Date, the St. Modwen Directors held the following outstanding options over relevant St. Modwen securities under the St. Modwen Share Plans set out below:

Name	Share Plan	Number of ordinary shares under option/award	Exercise Period	Exercise Price (per share) (£)
Robert Hudson	PSP option	125,802	20/02/22 – 19/02/29	nil
Robert Hudson	PSP option	125,979	11/03/23 – 10/03/30	nil
Robert Hudson	SAYE option	4,545	01/10/23 – 31/03/24	330p
Sarwjit Sambhi	PSP option	271,903	26/04/24 – 25/04/31	nil

4. Interests and Dealings – General

- 4.1 Save as disclosed in section 3 (*Interests in St. Modwen Shares*) above and in section 8 (*Irrevocable Undertakings*), as at the Latest Practicable Date:

- (A) no member of the Bidco Group had any interest in, right to subscribe in respect of, any short position in relation to any relevant St. Modwen securities nor has any member of the Bidco Group dealt in any relevant St. Modwen securities during the disclosure period;
- (B) none of the Bidco Directors nor Blackstone Responsible Persons had any interest in, right to subscribe in respect of, any short position in relation to any relevant St. Modwen securities, nor has any such person dealt in any relevant St. Modwen securities or during the disclosure period;
- (C) no person deemed to be acting in concert with Bidco had any interest in, right to subscribe in respect of, or any short position in relation to any relevant St. Modwen securities, nor has any such person dealt in any relevant St. Modwen securities, during the disclosure period;
- (D) no person who has an arrangement with Bidco had any interest in, right to subscribe in respect of, or any short position in relation to any relevant St. Modwen securities, nor has any such person dealt in any relevant St. Modwen securities during the disclosure period; and
- (E) neither Bidco, nor any person acting in concert with Bidco, has borrowed or lent any relevant St. Modwen securities, save for any borrowed shares which have been either on-lent or sold.

- 4.2 Save as disclosed in section 3 (*Interests in St. Modwen Shares*) above, as at the Latest Practicable Date:
- (A) no member of the St. Modwen Group had any interest in, right to subscribe in respect of or any short position in relation to relevant Bidco securities nor has any such person dealt in any relevant St. Modwen securities or relevant Bidco securities during the disclosure period;
 - (B) none of the St. Modwen Directors had any interest in, right to subscribe in respect of, or any short position under a derivative in relation to any, or had any delivery obligation or any right to require another person to take delivery of relevant St. Modwen securities or relevant Bidco securities nor has any such person dealt in any relevant St. Modwen securities or any relevant Bidco securities during the disclosure period;
 - (C) no person deemed to be acting in concert with St. Modwen had any interest in, right to subscribe in respect of, any short position under a derivative in relation to any, or had any delivery obligation or any right to require another person to take delivery of relevant St. Modwen securities, nor has any such person dealt in any relevant St. Modwen securities during the disclosure period;
 - (D) no person who has an arrangement with St. Modwen had any interest in, right to subscribe in respect of, any short position under a derivative in relation to any, or had any delivery obligation or any right to require another person to take delivery of relevant St. Modwen securities, nor has any such person dealt in any relevant St. Modwen securities during the disclosure period; and
 - (E) neither St. Modwen, nor any person acting in concert with St. Modwen has borrowed or lent any relevant St. Modwen securities, save for any borrowed shares which have been either on-lent or sold.
- 4.3 Save as disclosed herein, no persons have given any irrevocable or other commitment to vote in favour of the Scheme or the Special Resolution to be proposed at the General Meeting.
- 4.4 Save as disclosed herein, none of: (i) Bidco or any person acting in concert with Bidco; or (ii) St. Modwen or any person acting in concert with St. Modwen has any arrangement in relation to relevant securities.
- 4.5 Save as disclosed herein, no agreement, arrangement or understanding (including any compensation arrangement) exists between Bidco or any person acting in concert with it and any of the St. Modwen Directors or the recent directors, shareholders or recent shareholders of St. Modwen having any connection with or dependence upon or which is conditional upon the Acquisition.
- 4.6 Save as disclosed herein and save that Bidco reserves the right to transfer any such shares to any other member of the Wider Bidco Group, there is no agreement, arrangement or understanding whereby the beneficial ownership of any St. Modwen Shares to be acquired by Bidco pursuant to the Scheme will be transferred to any other person.
- 4.7 No relevant securities of St. Modwen have been redeemed or purchased by St. Modwen during the disclosure period.

5. Directors' service agreements and letters of appointment

St. Modwen Executive Directors

- 5.1 The St. Modwen Executive Directors have entered into service agreements with St. Modwen as summarised below:
- (A) Sarwjit Sambhi's appointment as Group Chief Executive Officer commenced on 2 November 2020 and he is currently engaged under a service agreement with St. Modwen dated 28 September 2020, pursuant to which he receives an annual base salary of £600,000. Rob Hudson's appointment as Group Chief Finance and Operations Officer commenced on 28 September 2015 and he is currently engaged under a service agreement with St. Modwen dated 20 April 2015 (amended by letter dated 27 January

2020), pursuant to which he receives an annual base salary of £375,000. Each St. Modwen Executive Director's base salary is generally reviewed (but not necessarily increased) annually.

- (B) The Group Chief Executive Officer is eligible to receive a St. Modwen pension contribution equal to 5 per cent. of his base salary. The Group Chief Financial Officer is eligible to receive a St. Modwen pension contribution equal to 13 per cent. of his base salary. Each St. Modwen Executive Director can elect to receive a cash allowance in lieu of pension benefits (subject to deductions for tax and national insurance contributions).
- (C) Benefits available to the St. Modwen Executive Directors include a company car or car allowance, private fuel, driver, private medical insurance, permanent health insurance and life assurance.
- (D) The St. Modwen Executive Directors are eligible to participate in St. Modwen's annual bonus scheme, subject to the approval of the St. Modwen Remuneration Committee. The maximum annual bonus potential for each of the St. Modwen Executive Directors is 150 per cent. of salary.
- (E) The St. Modwen Executive Directors are eligible to receive benefits as a result of their being included in the PSP, subject to the approval of the St. Modwen Remuneration Committee. The normal annual award limit is 150 per cent. of base salary. The St. Modwen Executive Directors are also eligible to participate in the SAYE, up to a maximum savings contribution of £500 a month.
- (F) As each St. Modwen Executive Director's service agreement can be terminated at will, their service agreements have no fixed expiry date. The appointment of the St. Modwen Executive Directors is terminable on 12 months' notice, or with immediate effect in the event of the St. Modwen Executive Director's misconduct or fault, in which case he will be not be entitled to any payment other than amounts accrued but unpaid as at termination. In addition, at any point after notice is given, St. Modwen may terminate the St. Modwen Executive Director's appointment with immediate effect and make a payment in lieu of his base salary and benefits (other than accrued holiday and bonus) to which the St. Modwen Executive Director would have been entitled during the unexpired period of notice.
- (G) Each St. Modwen Executive Director is subject to post-termination restrictions for a period of either six or 12 months (depending on the restriction) after termination (less any period of garden leave).

The Chairman and other Non-executive Directors

- 5.2 The non-executive St. Modwen Directors have entered into letters of appointment. The appointment of each non-executive St. Modwen Director is subject to the continued satisfactory performance and re-election at Annual General Meetings.
- 5.3 Each non-executive St. Modwen Director's letter of appointment is terminable by either side on three months' written notice. They may also cease to hold office as a director in accordance with the Articles of Association. In the event that the non-executive St. Modwen Director retires and is not re-elected, their appointment will terminate immediately.
- 5.4 Under the letters of appointment, the non-executive St. Modwen Directors are typically appointed for a fixed three-year term and expected to serve two three-year terms, which may be extended for a further three-year term subject to mutual agreement and satisfactory performance.

5.5 The details of the letters of appointment are summarised in the table below:

Director	Date appointed	Original letter of appointment date	Fees (per annum)
Danuta Gray	1 October 2018	11 September 2018	£174,250
Ian Bull	1 September 2014	21 August 2014	£66,246
Simon Clarke	11 October 2004	4 October 2004	£48,246
Jenefer Greenwood	1 June 2017	15 May 2017	£57,246
Jamie Hopkins	1 March 2018	29 January 2018	£55,246
Sarah Whitney	16 September 2019	12 September 2019	£48,246
Alison Nimmo	1 February 2021	25 January 2021	£48,246

5.6 St. Modwen also maintains directors' and officers' insurance for the benefit of each non-executive St. Modwen Director. St. Modwen has also granted an indemnity to each non-executive St. Modwen Director, indemnifying each non-executive St. Modwen Director against certain losses in respect of acts or omissions whilst in the course of their acting as an St. Modwen Director.

Other service agreements

5.7 Save as disclosed above, there are no service agreements or letters of appointment, between any St. Modwen Director or proposed director of St. Modwen and St. Modwen and save as disclosed above, no such contract or letter of appointment has been entered into or amended within the six months preceding the date of this Document.

5.8 Save as set out in section 9 of Part II (*Explanatory Statement*) of this Document, the effect of the Scheme on the interests of the St. Modwen Directors does not differ from its effect on the like interests of any other holder of Scheme Shares.

6. Market quotations

6.1 The following table shows the Closing Price for St. Modwen Shares as derived from the Official List for the first Business Day of each of the six months before the date of this Document, for 6 May 2021 (being the last Business Day prior to the commencement of the offer period) and for the Latest Practicable Date:

Date	St. Modwen Share price (p)
4 January 2021	382.5
1 February 2021	382.5
1 March 2021	396.0
1 April 2021	410.0
4 May 2021	433.5
6 May 2021	447.5
1 June 2021	547.0
22 June 2021	548

7. Material contracts

7.1 Bidco material contracts

Save as disclosed below, no member of Bidco Group has, during the period beginning on 7 May 2019 and ending on the Latest Practicable Date, entered into any material contract otherwise than in the ordinary course of business.

The following contracts, not being contracts entered into in the ordinary course of business, and which are or may be material, have been entered into by members of Bidco Group in the period beginning on 7 May 2019 and ending on the Latest Practicable Date.

Confidentiality Agreement

See section 12 of Part II (*Explanatory Statement*) of this Document for details of the Confidentiality Agreement entered into by Blackstone, on behalf of Bidco, and St. Modwen.

Amended and Restated Cooperation Agreement

See section 12 of Part II (*Explanatory Statement*) of this Document for details of the Amended and Restated Cooperation Agreement entered into by Bidco and St. Modwen.

Revised Equity Commitment Letter

In connection with their equity financing of Bidco, Blackstone Funds have entered into the Revised Equity Commitment Letter, which sets out the basis on which Blackstone Funds will invest, directly or indirectly, in immediately available funds in Bidco to enable Bidco to pay the consideration payable for the Scheme Shares. Pursuant to the terms of the Revised Equity Commitment Letter, Blackstone Funds will procure that such funds have been paid to Bidco by no later than the date by which Bidco must pay the cash consideration in connection with and pursuant to the Acquisition.

7.2 St. Modwen material contracts

Save as disclosed below, no member of the St. Modwen Group has, during the period beginning on 7 May 2019 and ending on the Latest Practicable Date, entered into any material contract otherwise than in the ordinary course of business.

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by members of the St. Modwen Group in the period beginning on 7 May 2019 and ending on the Latest Practicable Date.

Confidentiality Agreement

See section 12 of Part II (*Explanatory Statement*) of this Document for details of the Confidentiality Agreement entered into by Blackstone, on behalf of Bidco, and St. Modwen.

Amended and Restated Cooperation Agreement

See section 12 of Part II (*Explanatory Statement*) of this Document for details of the Amended and Restated Cooperation Agreement entered into by Bidco and St. Modwen.

8. Irrevocable Undertakings

Directors

The following St. Modwen Directors have given irrevocable undertakings to vote in favour of the resolutions relating to the Acquisition at the Meetings in respect of their own beneficial holdings of St. Modwen Shares which are under their control:

Name	Total Number of St. Modwen Shares	Percentage of existing issued share capital
Danuta Gray	18,861	0.008
Sarwjit Sambhi	38,744	0.017
Rob Hudson	232,114	0.104
Ian Bull	42,500	0.019
Jamie Hopkins	12,564	0.006
Jenefer Greenwood	10,359	0.005
Sarah Whitney	17,371	0.008
Simon Clarke	2,691,657	1.209

The irrevocable undertakings referred to in the table immediately above cease to be binding on the earlier of the following occurrences (i) Bidco announces, with the consent of the Panel, that it does not intend to make or proceed with the Acquisition and no new, revised or replacement offer or scheme is announced at the same time; (ii) the Scheme lapses or is withdrawn in accordance with its terms unless, by such time, Bidco publicly announces its intention to proceed with the Acquisition or to implement the Acquisition by way of an Offer; (iii) the Scheme has not become effective by 23.59 p.m. on the Long Stop Date (or such other time and date as agreed between Bidco and St. Modwen, with the approval of the Court and/or the Panel, if required (other than in circumstances where Bidco has, prior to such date, elected to exercise its right to proceed by way of an Offer and announced the same

in accordance with the requirements of Paragraph 8 of Appendix 7 to the Code, and such Offer has not lapsed or been withdrawn)); or (iv) the date on which any competing offer for the entire issued and to be issued share capital of St. Modwen is declared wholly unconditional or becomes effective.

Members of the Clarke family

Members of the Clarke family have given irrevocable undertakings to vote in favour of the resolutions relating to the Acquisition at the Meetings in respect of their respective beneficial holdings of St. Modwen Shares:

Name	Total Number of St. Modwen Shares	Percentage of existing issued share capital
Jane Louise Gerard-Pearse	3,795,658	1.705
Sally Ann Hayward	3,774,657	1.696
Mary Elizabeth MacGregor	3,816,657	1.714
Angus William Hayward	33,500	0.015
Eleanor Louise Hayward	33,500	0.015
Georgina Rose Hayward	33,500	0.015
Matthew William Clarke	33,500	0.015
Emily Bess Gerard-Pearse	33,500	0.015
Annabel Iona Gerard-Pearse	33,500	0.015
Fergus Duncan MacGregor	33,500	0.015

The irrevocable undertakings referred to in the table immediately above cease to be binding on the earlier of the following occurrences: (i) Bidco announces, with the consent of the Panel, that it does not intend to make or proceed with the Acquisition and no new, revised or replacement offer or scheme is announced at the same time; (ii) the Scheme lapses or is withdrawn in accordance with its terms unless, by such time, Bidco publicly announces its intention to proceed with the Acquisition or to implement the Acquisition by way of an Offer; (iii) the Scheme has not become effective by 23.59 p.m. on the Long Stop Date (or such other time and date as agreed between Bidco and St. Modwen, with the approval of the Court and/or the Panel, if required (other than in circumstances where Bidco has, prior to such date, elected to exercise its right to proceed by way of an Offer and announced the same in accordance with the requirements of Paragraph 8 of Appendix 7 to the Code, and such Offer has not lapsed or been withdrawn)); or (iv) the date on which any competing offer for the entire issued and to be issued share capital of St. Modwen is declared wholly unconditional or becomes effective.

Members of the Leavesley family

Members of the Leavesley family have given irrevocable undertakings to vote in favour of the resolutions relating to the Acquisition at the Meetings in respect of their respective beneficial holdings of St. Modwen Shares:

Name	Total Number of St. Modwen Shares	Percentage of existing issued share capital
James David Leavesley (Senior)	4,594,328	2.064
Susan Alexandra Mason	1,079,207	0.485
Roberta Kim Leavesley	1,068,841	0.480
Anna Victoria Clare Mason	592,285	0.266
Rory Thomas Mason	589,124	0.265
Guy William Mason	584,289	0.262
Victoria Nicole Leavesley	566,263	0.254
James David Leavesley (Junior)	548,465	0.246
Gerald Clare Mason	540,830	0.243
Angela Maria Leavesley	358,000	0.161
James Thomas Leavesley	270,745	0.122

The irrevocable undertakings referred to in the table immediately above cease to be binding on the earlier of the following occurrences: (i) Bidco announces, with the consent of the Panel, that it does not intend to make or proceed with the Acquisition and no new, revised or replacement offer or scheme is

announced at the same time; (ii) the Scheme lapses or is withdrawn in accordance with its terms unless, by such time, Bidco publicly announces its intention to proceed with the Acquisition or to implement the Acquisition by way of an Offer; (iii) the Scheme has not become effective by 23.59 p.m. on the Long Stop Date (or such other time and date as agreed between Bidco and St. Modwen, with the approval of the Court and/or the Panel, if required (other than in circumstances where Bidco has, prior to such date, elected to exercise its right to proceed by way of an Offer and announced the same in accordance with the requirements of Paragraph 8 of Appendix 7 to the Code, and such Offer has not lapsed or been withdrawn)); or (iv) the date on which any competing offer for the entire issued and to be issued share capital of St. Modwen is declared wholly unconditional or becomes effective.

9. Offer-related fees and expenses

9.1 Bidco Fees and Expenses

The aggregate fees and expenses incurred by Bidco in connection with the Acquisition (excluding any applicable VAT and other taxes) are expected to be approximately:

Category	Amount (£m)
Financing arrangements ⁽¹⁾	16.7
Financial and corporate broking advice ⁽¹⁾	9.0
Legal advice ⁽¹⁾⁽²⁾	4.9
Accounting advice ⁽¹⁾	1.8
Public relations advice ⁽¹⁾	0.5
Other professional services ⁽¹⁾	3.8
Other costs and expenses ⁽¹⁾	7.2
Total	43.9

(1) The total amount payable in respect of the aggregate fees and expenses for these services depends on whether the Acquisition becomes Effective.

(2) These services include services charged by reference to hourly or daily rates. The amounts included here reflect the services incurred up to the Latest Practicable Date and an estimate of the residual amount of time required until the Effective Date.

9.2 St. Modwen Fees and Expenses

The aggregate fees and expenses incurred by St. Modwen in connection with the Acquisition (excluding any applicable VAT and other taxes) are expected to be approximately:

Category	Amount (£m)
Financial and corporate broking advice ⁽¹⁾	15.9
Legal advice ⁽²⁾	2.1–2.4
Accounting advice	0.05
Public relations advice ⁽²⁾	0.4–0.6
Other professional services ⁽²⁾	0.9
Other costs and expenses	0.07
Total	19.4–19.9

(1) The total amount payable in respect of the aggregate fees and expenses for these services depends on whether the Acquisition becomes Effective.

(2) These services include services charged by reference to hourly or daily rates. The amounts included here reflect the services incurred up to the Latest Practicable Date and an estimate of the residual amount of time required until the Effective Date.

10. Financing arrangements relating to Bidco

The cash consideration payable to the St. Modwen Shareholders under the terms of the Acquisition will be financed by equity to be invested by Blackstone Funds. In connection with the financing of Bidco, Blackstone Funds have entered into the Revised Equity Commitment Letter.

11. Cash confirmation

Rothschild & Co, as financial adviser to Bidco, is satisfied that sufficient resources are available to satisfy in full the consideration payable to St. Modwen Shareholders under the Scheme.

12. Persons acting in concert

12.1 In addition to the Bidco Directors (together with their close relatives and related trusts), the members of the Blackstone Group (and their related pension schemes), the persons who, for the purposes of the Code, are acting in concert with Bidco in respect of the Acquisition and who are required to be disclosed are:

Name	Registered Office	Relationship with Bidco
N.M. Rothschild & Sons Limited	New Court, St Swithin's Lane, London, EC4N 8AL, United Kingdom	Connected adviser

12.2 In addition to the Blackstone Responsible Persons (together with their close relatives and related trusts), the members of the Blackstone Group (and their related pension schemes), the persons who, for the purposes of the Code, are acting in concert with Blackstone in respect of the Acquisition and who are required to be disclosed are:

Name	Registered Office	Relationship with Blackstone
N.M. Rothschild & Sons Limited	New Court, St Swithin's Lane, London, EC4N 8AL, United Kingdom	Connected adviser

12.3 In addition to the St. Modwen Directors (together with their close relatives and related trusts), the persons who, for the purposes of the Code, are acting in concert with St. Modwen in respect of the Acquisition and who are required to be disclosed are:

Name	Registered Office	Relationship with St. Modwen
Lazard & Co., Limited	50 Stratton Street, London, W1J 8LL	Connected adviser
J.P. Morgan Securities plc	25 Bank Street, Canary Wharf, London, E14 5JP	Connected adviser
Numis Securities Limited	10 Paternoster Square, London, EC4M 7LT	Connected adviser

13. No significant change

Other than (i) the increase in the value of St. Modwen's portfolio of investment properties and assets held for sale, as referenced in section 7 of Part I (*Letter from the Chair of St. Modwen*) and Part VI (*St. Modwen Property Valuation Report*) of this Document, and (ii) the increase in the non-current borrowings (and hence net borrowings) of the Group as referenced in the table at paragraph 18.5 in this Part IX (*Additional Information on St. Modwen and Bidco*), there has been no significant change in the financial or trading position of St. Modwen since 30 November 2020, being the date to which the latest audited financial statements of St. Modwen were prepared.

14. Property Valuation Report

For the purposes of Rule 29.5 of the Code, the St. Modwen Directors confirm that Cushman & Wakefield has confirmed that the value of St. Modwen's portfolio of investment properties and assets held for sale as at the date of this Document would not be materially different from the valuation given by Cushman & Wakefield as at 31 May 2021 and contained in Cushman & Wakefield's valuation report set out in Part VI (*St. Modwen Property Valuation Report*) of this Document.

15. Potential tax liability

If the St. Modwen property portfolio was to be sold at the valuations contained in the valuation report set out in Part VI (*St. Modwen Property Valuation Report*) of this Document, any gains realised on such disposals may be subject to taxation in the UK. The St. Modwen Directors estimate that the potential tax liability that would arise would be approximately £20.3m. In connection with the Acquisition, it is not expected that the aforementioned liability to taxation will crystallise.

16. Consent

Each of Lazard, J.P. Morgan Cazenove, Numis, Rothschild & Co, Cushman & Wakefield and Colliers has given and not withdrawn its written consent to the issue of this Document with the inclusion of references to its name in the form and context in which they are included.

17. Documents published on a website

Copies of the following documents will be available for viewing on St. Modwen's website at www.stmodwen.co.uk/investors and Bidco's website at www.publishdocuments.co.uk by no later than 12.00pm (London time) on the Business Day following the date of publication of this Document (subject to any applicable restrictions relating to persons resident in Restricted Jurisdictions) up to and including the Effective Date or the date the Scheme lapses or is withdrawn, whichever is earlier:

- (A) this Document;
- (B) the Forms of Proxy;
- (C) the Virtual Meeting Guide;
- (D) the articles of association of St. Modwen;
- (E) the memorandum and articles of association of Bidco;
- (F) a draft of the articles of association of St. Modwen as proposed to be amended at the General Meeting;
- (G) the Announcement;
- (H) the financial information relating to St. Modwen referred to in Part A of Part V (*Financial and Ratings Information*) of this Document;
- (I) the written consents referred to in section 16 above;
- (J) the property valuation report contained in Part VI (*St. Modwen Property Valuation Report*) of this Document;
- (K) a valuation in respect of land options in St. Modwen's controlled logistics pipeline held within inventories, prepared by Colliers as at 31 May 2021;
- (L) the Confidentiality Agreement;
- (M) the Deed of Amendment and Restatement, which contains the Amended and Restated Cooperation Agreement;
- (N) the irrevocable undertakings referred to in section 8 above; and
- (O) the Revised Equity Commitment Letter.

18. Sources of information and bases of calculation

18.1 The fully diluted share capital of St. Modwen, being 227,125,292 St. Modwen Shares, has been calculated as at the Latest Practicable Date on the basis of:

- (A) 222,626,988 St. Modwen Shares in issue; and
- (B) 4,840,957 St. Modwen Shares which may be issued on or after the date of this announcement to satisfy the exercise of options and vesting of awards under the St. Modwen Share Plans; less

- (C) 342,653 St. Modwen Shares held by St. Modwen's employee benefit trust which can be used to satisfy the exercise of options and vesting of awards granted under the St. Modwen Share Plans.
- 18.2 All closing prices for St. Modwen Shares are closing middle market quotations of a share derived from the Daily Official List of the London Stock Exchange on the relevant date(s).
- 18.3 All volume-weighted average St. Modwen Share prices are derived from data provided by Bloomberg for the relevant time periods.
- 18.4 The highest share price per St. Modwen Share since the global financial crisis and prior to the announcement of a possible offer on 7 May 2021 is based on the Closing Price of 530 pence on 14 February 2020.
- 18.5 For the purposes of Rule 29.1(d) of the Code, the following adjustments have been made to the value of St. Modwen's property portfolio in order to calculate St. Modwen's estimated EPRA NTA per share as at 31 May 2021:

Summary Balance Sheet (£m)⁽¹⁾	31 May 2021⁽²⁾	30 Nov 2020
Property portfolio	1,494.9	1,371.2
Other assets	159.0	193.0
Net borrowings	(316.0)	(277.0)
Lease liabilities	(7.8)	(8.2)
Other liabilities	(341.0)	(324.9)
Non-controlling interests	(4.3)	(3.7)
Estimated IFRS Net Assets	984.8	950.4
Adjustment of inventories to fair value	13.2	8.9
Deferred tax on revaluations and capital allowances	47.1	22.9
Mark-to-market of derivative financial instruments	2.6	3.9
Intangibles	(4.0)	(3.7)
Estimated EPRA Net Tangible Assets	1,043.7	982.4
Number of shares	225.6	224.4
Estimated EPRA Net Tangible Assets Per Share (pence)	462.6	437.7

(1) Including the Group's share of joint ventures and associates.

(2) Estimated figures.

The estimated EPRA NTA as at 31 May 2021 and the adjustments referred to above have been derived from management's estimate of the financial position of St. Modwen as at 31 May 2021.

The estimated EPRA NTA per share has been calculated on the basis of a diluted share capital of 225,617,204 St. Modwen Shares used in, and derived from, management's estimate of the financial position of St. Modwen as at 31 May 2021. This diluted share capital does not take into account the effect of the Acquisition.

- 18.6 Unless otherwise stated, the financial information relating to St. Modwen has been extracted or derived (without adjustment) from the audited consolidated financial statements for St. Modwen for the financial year ended 30 November 2020.

PART X

DEFINITIONS

“2020 St. Modwen Annual Report”	the annual report and audited accounts of the St. Modwen Group for the year ended 30 November 2020
“Acquisition”	the proposed acquisition by Bidco of the entire issued, and to be issued share capital of St. Modwen, not already owned or controlled by the Bidco Group, to be implemented by means of the Scheme or, should Bidco so elect in accordance with the terms of the Amended and Restated Cooperation Agreement with the consent of the Panel, by means of an Offer, and, where the context admits, any subsequent revision, variation, extension or renewal thereof
“Amended and Restated Cooperation Agreement”	the cooperation agreement between Bidco and St. Modwen, originally entered into on 20 May 2021 and as amended and restated pursuant to the Deed of Amendment and Restatement
“Announcement”	the announcement by Bidco of a firm intention to make an offer for St. Modwen dated 20 May 2021
“Announcement Date”	means 20 May 2021
“associated undertaking”	shall be construed in accordance with paragraph 19 of Schedule 6 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations
“Authorisations”	authorisations, orders, grants, recognitions, confirmations, consents, licences, clearances, certificates, permissions or approvals, in each case of a Third Party
“Bidco”	Brighton Bidco Limited, incorporated in Jersey with registered number 131280
“Bidco Directors”	the persons whose names are set out in paragraph 2.2 of Part IX (<i>Additional Information on St. Modwen and Bidco</i>) of this Document or, where the context so requires, the directors of Bidco from time to time
“Bidco Group”	Bidco and its subsidiary undertakings and where the context permits, each of them
“Blackstone”	The Blackstone Group Inc.
“Blackstone Funds”	(i) Blackstone Real Estate Partners VI L.P.; and (ii) Blackstone Real Estate Partners IX L.P
“Blackstone Group”	The Blackstone Group Inc., together with its affiliates, as the context may require
“Blackstone Responsible Persons”	the persons whose names are set out in paragraph 2.3 of Part IX (<i>Additional Information on St. Modwen and Bidco</i>) of this Document
“Board”	as the context requires, the board of directors of St. Modwen or the board of directors of Bidco and the terms “St. Modwen Board” and “Bidco Board” shall be construed accordingly

“Business Day”	any day (other than a Saturday, Sunday or public or bank holiday) on which clearing banks in London are generally open for normal business
“certificated” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST)
“Closing Price”	the closing middle market quotations of a share derived from the Daily Official List of the London Stock Exchange
“CMA”	the Competition and Markets Authority
“Code”	The City Code on Takeovers and Mergers issued by the Panel, as amended from time to time
“Colliers”	Colliers International Valuation UK LLP
“Companies Act”	the Companies Act 2006, as amended from time to time
“Conditions”	the conditions to the Acquisition and to the implementation of the Scheme set out in Part III (<i>Conditions to the Implementation of the Scheme and to the Acquisition</i>) of this Document
“Confidentiality Agreement”	the confidentiality agreement between The Blackstone Group International Partners and St. Modwen, dated 13 April 2021
“Court”	the High Court of Justice in England and Wales
“Court Meeting”	the meeting of Scheme Shareholders (and any adjournment thereof) convened pursuant to an order of the Court pursuant to section 896 of the Companies Act, notice of which is set out in Part XI (<i>Notice of Court Meeting</i>), for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme
“Court Order”	the order of the court sanctioning the Scheme under section 899 of the Companies Act
“COVID-19 Restrictions”	the measures implemented by the UK Government from time to time in order to address the ongoing COVID-19 pandemic, together with the associated uncertainty as to any additional and/or alternative measures that may be put in place by the UK Government
“CREST”	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the relevant system (as defined in the CREST Regulations) of which Euroclear is the Operator (as defined in the CREST Regulations)
“CREST Manual”	the CREST Reference Manual published by Euroclear and referred to in agreements entered into by Euroclear, as amended from time to time
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended
“Cushman & Wakefield”	Cushman & Wakefield Debenham Tie Leung Limited
“Daily Official List”	the daily official list of the London Stock Exchange
“Dealing Disclosure”	an announcement by a party to an offer or a person acting in concert as required by Rule 8 of the Code

“Deed of Amendment and Restatement”	the deed of amendment and restatement dated 24 June 2021 between Bidco and St. Modwen in respect of the amendment and restatement of the cooperation agreement between Bidco and St. Modwen originally entered into on 20 May 2021
“Disclosed”	the information disclosed by or on behalf of St. Modwen: (i) in the 2020 St. Modwen Annual Report; (ii) in the Announcement; (iii) in any other announcement to a Regulatory Information Service prior to the publication of the Announcement; (iv) fairly disclosed in writing (including via the virtual data room operated by or on behalf of St. Modwen in respect of the Acquisition) or orally in meetings and calls by St. Modwen management prior to the date of the Announcement to Bidco or Bidco’s advisers (in their capacity as such)
“Disclosure Guidance and Transparency Rules”	the Disclosure Guidance and Transparency Rules sourcebook issued by the FCA
“Document”	this circular dated 24 June 2021 addressed to St. Modwen Shareholders containing the Scheme and an explanatory statement in compliance with section 897 of the Companies Act
“Effective”	in the context of the Acquisition: (i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (ii) if the Acquisition is implemented by way of the Offer, the Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Code
“Effective Date”	the date on which the Scheme becomes effective in accordance with its terms
“EPRA”	European Public Real Estate Association
“Equiniti”	Equiniti Limited
“ESOP”	the St. Modwen 2017 Employee Share Option Plan
“ESOS”	the St. Modwen 2007 Executive Share Option Scheme, including the 2012 Approved Addendum
“Euroclear”	Euroclear UK & Ireland Limited
“Excluded Shares”	(i) any St. Modwen Shares which are registered in the name of, or beneficially owned by, any member of Bidco Group (or their nominees) immediately prior to Scheme Record Time; and (ii) any St. Modwen Shares held in treasury
“Explanatory Statement”	the explanatory statement (in compliance with section 897 of the Companies Act) relating to the Scheme, as set out in this Document
“FCA Handbook”	the FCA’s Handbook of rules and guidance as amended from time to time
“Form(s) of Proxy”	either or both (as the context demands) of the blue Form of Proxy in relation to the Court Meeting and the yellow Form of Proxy in relation to the General Meeting
“FSMA”	the Financial Services and Markets Act 2000 (as it may have been, or may from time to time be, amended, modified, re-enacted or replaced)

“General Meeting”	the general meeting of St. Modwen convened by the notice set out in Part XII (<i>Notice of General Meeting</i>) of this Document, including any adjournment thereof
“holder”	a registered holder and includes any person(s) entitled by transmission
“IFRS”	International Financial Reporting Standards as issued by the International Accounting Standard Board, as adopted by the European Union
“J.P. Morgan Cazenove”	J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove
“Lazard”	Lazard & Co., Limited
“Latest Practicable Date”	close of business on 22 June 2021, being the latest practicable date before publication of this Document
“Listing Rules”	the listing rules made under FMSA by the FCA (in exercising its primary markets function under Part VI of FSMA) and contained in the FCA Handbook, as amended from time to time
“London Stock Exchange”	London Stock Exchange plc
“Long Stop Date”	22 November 2021 or such later date as may be agreed in writing between Bidco and St. Modwen (with the Panel’s consent and as the Court may approve (if such approval(s) are required))
“Market Abuse Regulation”	Regulation (EU) No 596/2014, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018
“Meetings”	the Court Meeting and the General Meeting
“Numis”	Numis Securities Limited
“Offer”	subject to the consent of the Panel, should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of Bidco to acquire the entire issued and to be issued share capital of St. Modwen, other than St. Modwen Shares owned or controlled by the Bidco Group and, where the context admits, any subsequent revision, variation, extension or renewal of such offer
“offer period”	the offer period (as defined by the Code) relating to St. Modwen which commenced on 7 May 2021
“Official List”	the official list maintained by the FCA
“Opening Position Disclosure”	an announcement pursuant to Rule 8 of the Code containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the Acquisition
“Overseas Shareholders”	holders of Scheme Shares who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
“Panel”	The Panel on Takeovers and Mergers
“Phase 2 CMA Reference”	a reference of the Acquisition to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013

“PSP”	the St. Modwen 2017 Performance Share Plan as amended from time to time
“Registrar of Companies”	means the registrar of companies in England and Wales
“Regulatory Information Service”	a regulatory information service as defined in the FCA Handbook
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to St. Modwen Shareholders
“Revised Equity Commitment Letter”	means the revised equity commitment letter entered into between Bidco, on the one hand, and Blackstone Funds, on the other hand, dated 24 June 2021 (which replaces the equity commitment letter originally entered into between Bidco, on the one hand, and Blackstone Funds, on the other hand, dated 20 May 2021)
“Rothschild & Co”	N.M. Rothschild & Sons Limited
“Sanction Hearing”	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act and, if such hearing is adjourned, reference to commencement of any such hearing shall mean the commencement of the final adjournment thereof
“SAYE”	the St. Modwen Saving Related Share Option Scheme, as amended from time to time;
“Scheme” or “Scheme of Arrangement”	the proposed scheme of arrangement under Part 26 of the Companies Act between St. Modwen and holders of Scheme Shares, as set out in Part IV (<i>The Scheme of Arrangement</i>) of this Document, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by St. Modwen and Bidco
“Scheme Conditions”	the conditions of the Scheme as set out in Part A (<i>Conditions to the Scheme and Acquisition</i>) of Part III (<i>Conditions to the Implementation of the Scheme and to the Acquisition</i>) of this Document
“Scheme Record Time”	6:00 p.m. on the Business Day immediately after the Sanction Hearing
“Scheme Shareholders”	holders of Scheme Shares
“Scheme Shares”	all St. Modwen Shares: <ul style="list-style-type: none"> (i) in issue at the date of this Document and which remain in issue at the Scheme Record Time; (ii) (if any) issued after the date of this Document but before the Voting Record Time and which remain in issue at the Scheme Record Time; and (iii) (if any) issued at or after the Voting Record Time but at or before the Scheme Record Time on terms that the holder thereof shall be bound by this Scheme or in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by this Scheme which remain in issue at the Scheme Record Time, and in each case other than the Excluded Shares

“SEC”	the US Securities and Exchange Commission
“Special Resolution”	the special resolution to be approved at the General Meeting in connection with, among other things, the approval of the Scheme and the alteration of the Articles of Association of St. Modwen and such other matters as may be necessary to implement the Scheme and the delisting of St. Modwen Shares
“SRN”	Shareholder Reference Number
“St. Modwen”	St. Modwen Properties PLC, incorporated in England and Wales with registered number 00349201
“St. Modwen Profit Forecasts”	has the meaning given in section 8 of Part I (<i>Letter from the Chair of St. Modwen</i>) of this Document as further explained in Part XIII (<i>St. Modwen Profit Forecasts</i>) of this Document
“St. Modwen Directors”	the persons whose names are set out in paragraph 2.1 of Part IX (<i>Additional Information on St. Modwen and Bidco</i>) of this Document or, where the context so requires, the directors of St. Modwen from time to time
“St. Modwen Executive Directors”	the executive directors of St. Modwen, being Sarwjit Sambhi and Robert Hudson as at the date of this Document
“St. Modwen Group”	St. Modwen and its subsidiary undertakings and where the context permits, each of them
“St. Modwen Meetings” or “Meetings”	the Court Meeting and the General Meeting
“St. Modwen Pension Scheme”	the retirement benefit arrangement known as the St. Modwen Pension Scheme, currently governed by a definitive trust deed and rules dated 21 June 2001 (as amended)
“St. Modwen Remuneration Committee”	the remuneration committee of the board of directors of St. Modwen
“St. Modwen Share Plans”	each of the PSP, ESOS, ESOP and SAYE
“St. Modwen Shareholders”	the holders of St. Modwen Shares from time to time
“St. Modwen Shares”	the existing unconditionally allotted or issued and fully paid ordinary shares of 10 pence each in the capital of St. Modwen and any further such ordinary shares which are unconditionally allotted or issued before the Scheme becomes Effective but excluding in both cases any such shares held or which become held in treasury
“subsidiary”	has the meaning given in section 1159 of the Companies Act
“subsidiary undertaking”	has the meaning given in section 1162 of the Companies Act
“Third Party”	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Government”	the government of the UK

“uncertificated” or “in uncertificated form”	a share or other security recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“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 and Exchange Act, 1934 as amended
“Virtual Meeting Guide”	the guide prepared by Lumi AGM UK Limited explaining how St. Modwen Shareholders and Scheme Shareholders can remotely access and participate in the Meetings via the Virtual Meeting Platform
“Voting Record Time”	6.30 p.m. on the day which is two Business Days prior to the date of the Court Meeting and the General Meeting or, if the Court Meeting and/or the General Meeting is adjourned, 6:30 p.m. on the day which is two Business Days before the date of such adjourned meeting
“Wider Bidco Group”	Bidco Group and associated undertakings and any other body corporate, partnership, joint venture or person in which Bidco and such undertakings (aggregating their interests) have an interest of more than 20 per cent. of the voting or equity capital or the equivalent
“Wider St. Modwen Group”	St. Modwen and associated undertakings and any other body corporate, partnership, joint venture or person in which St. Modwen and such undertakings (aggregating their interests) have an interest of more than 20 per cent. of the voting or equity capital or the equivalent (excluding, for the avoidance of doubt, Bidco and all of its associated undertakings which are not members of the St. Modwen Group)
“£” or “GBP”	Pounds sterling, the lawful currency for the time being of the UK and references to “pence” and “p” shall be construed accordingly

PART XI

NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
COMPANIES COURT (ChD)

CR-2021-000948

IN THE MATTER OF ST. MODWEN PROPERTIES PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that, by an order dated 18 June 2021 made in the above matters, the High Court of Justice in England and Wales (the “**Court**”) has given permission for a meeting (the “**Court Meeting**”) to be convened of the holders of Scheme Shares as at the Voting Record Time (each as defined in the Scheme (defined below)) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement proposed to be made pursuant to Part 26 of the Companies Act 2006 between St. Modwen Properties PLC (the “**Company**”) and the Scheme Shareholders (the “**Scheme**”) and that such meeting will be held at 12:00 p.m. on 21 July 2021 at The Queen Elizabeth II Centre, Broad Sanctuary, Westminster, London SW1P 3EE.

A copy of the Scheme and a copy of the statement required to be published pursuant to section 897 of the Companies Act 2006 are incorporated in the document of which this notice forms part.

Voting on the resolution to approve the Scheme will be by poll, which shall be conducted as the Chair of the Court Meeting may determine.

COVID-19 Restrictions

COVID-19 restrictions remain in place at the time of publication of this notice, and the UK Government has urged people to maintain social distancing and reduce time spent in crowded areas. Whilst the Company anticipates that Scheme Shareholders and other attendees will be legally permitted to attend the Court Meeting in person, Scheme Shareholders are strongly encouraged not to attend the Court Meeting in person, and are instead encouraged to attend the Court Meeting remotely via the Virtual Meeting Platform and to transmit a proxy appointment and voting instruction in advance of the Court Meeting, appointing “the Chair of the Court Meeting” as their proxy.

Any changes to the arrangements for the Court Meeting will be communicated to Scheme Shareholders before the Court Meeting through the Company’s website at www.stmodwen.co.uk/investors and by announcement through a Regulatory Information Service.

Instructions for accessing the Virtual Meeting Platform

Scheme Shareholders will be given the opportunity to remotely attend, submit questions and/or any objections and vote at the Court Meeting via a virtual meeting platform provided by Lumi AGM UK Limited (the “**Virtual Meeting Platform**”).

Scheme Shareholders can access the Virtual Meeting Platform using a web browser, on any PC or equivalent thereof or smartphone device. The web browser must be compatible with the latest browser versions of Chrome, Firefox, Internet Explorer 11 (Internet Explorer v. 10 and below are not supported), Edge and Safari. To remotely attend, submit questions and objections and/or vote using this method, please go to <https://web.lumiagm.com>.

Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID which is 186-391-785. You will then be prompted to enter your unique Shareholder Reference Number (“SRN”) and PIN. Your SRN can be found on your share certificate and your PIN is the first two and last two digits of your SRN. If you are unable to access your SRN and PIN, please call Equiniti between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK. Calls from outside the UK will be charged at the applicable international rate. Different charges

may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Equiniti cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Access to the Court Meeting via the Virtual Meeting Platform will be available from 11:45 a.m. on 21 July 2021, although the voting functionality will not be enabled until the Chair of the Court Meeting declares the poll open. Scheme Shareholders will be permitted to submit questions and objections via the Virtual Meeting Platform to the St. Modwen Directors during the course of the Court Meeting. Scheme Shareholders may also submit questions and objections in advance of the Court Meeting by email to co-sec@stmodwen.co.uk. Emails must be received no less than 48 hours before the start of the Court Meeting. The Chair of the Court Meeting will ensure that relevant matters relating to the formal business of the Court Meeting are addressed in the Court Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair's discretion, otherwise be undesirable in the interests of the Company or the good order of the Court Meeting.

During the Court Meeting, you must ensure you are connected to the internet at all times in order to submit questions and objections and vote when the Chair commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the Court Meeting. The Virtual Meeting Guide contains further information on accessing and participating in the Court Meeting remotely via the Virtual Meeting Platform and is available on St. Modwen's website at www.stmodwen.co.uk/investors.

Right to Appoint a Proxy; Procedure for Appointment

Scheme Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting as soon as possible, using any of the methods (online, electronically through CREST, by post or by email) set out below. Scheme Shareholders are also strongly encouraged to appoint "the Chair of the meeting" as their proxy, in particular given the ongoing uncertainties associated with the COVID-19 pandemic.

The transmission of a proxy appointment or voting instruction online, electronically through CREST, by post or by email or by any other procedure described below will not prevent you from attending, submitting questions and/or any objections and voting at the Court Meeting, in each case either in person or remotely via the Virtual Meeting Platform, if you are entitled to and wish to do so.

(a) *Online appointment of proxies*

Proxies may be appointed online by logging on to the following website: www.sharevote.co.uk and following the instructions therein. If you have not previously registered for electronic communications you will first be asked to register as a new user, for which you will require your investor code which can be found on your share certificate. For an electronic proxy appointment to be valid, the appointment must be received by Equiniti not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting or any adjournment thereof. Full details of the procedure to be followed to appoint a proxy online are given on the website.

If you prefer, you may request a hard copy proxy form directly by calling St. Modwen's registrars, Equiniti between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK or by writing to 'Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA' stating your name, and the address to which the hard copy should be sent.

(b) *Electronic appointment of proxies through CREST*

If you hold St. Modwen Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Court Meeting (or any adjournment thereof) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “CREST Proxy Instruction”) must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Equiniti (ID: RA19) not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the Court Meeting or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. If the CREST proxy appointment or instruction is not received by this time, the blue Form of Proxy may be emailed to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting or any adjournment thereof.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. For further information on the logistics of submitting messages in CREST, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

(c) *Sending blue Forms of Proxy by post or by email*

As an alternative to appointing proxies online or electronically through CREST, Scheme Shareholders may request a blue Form of Proxy for use at the Court Meeting. Instructions for its use are set out on the form. It is requested that the blue Form of Proxy (together with any power of attorney or other authority, if any, under which it is signed, or a duly certified copy thereof) be returned to the Company’s Registrar, Equiniti, either (i) by post to ‘Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA’, or (ii) by emailing a scanned copy to ProxyVotes@equiniti.com, so as to be received as soon as possible and ideally not later than 12:00 p.m. on 19 July 2021 (or, in the case of an adjournment of the Court Meeting, 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time appointed for the adjourned meeting).

If the blue Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to ProxyVotes@equiniti.com any time prior to the commencement of the Court Meeting or handed to the Chair of the Court Meeting at the Court Meeting. However, if the yellow Form of Proxy for the General Meeting is not lodged by the relevant time, it will be invalid.

Voting Record Time

Entitlement to attend (in person or remotely via the Virtual Meeting Platform) and vote (in person, remotely via the Virtual Meeting Platform or by proxy) at the Court Meeting or any adjournment thereof and the number of votes which may be cast at the Court Meeting will be determined by reference to the register of members of the Company at 6:30 p.m. on 19 July 2021 or, if the Court Meeting is adjourned, 6:30 p.m. on the date which is two Business Days before the date fixed for the adjourned meeting. Changes to the register of members after the relevant time shall be disregarded in determining the rights of any person to attend (in person or remotely via the Virtual Meeting Platform) and vote (in person, remotely via the Virtual Meeting Platform or by proxy) at the Court Meeting.

Joint Holders

In the case of joint holders of Scheme Shares, the vote of the senior who tenders a vote, whether in person, remotely or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s). For this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

Corporate Representatives

As an alternative to appointing a proxy, any holder of Scheme Shares which is a corporation may appoint one or more corporate representatives who may exercise on its behalf all its powers as a member, provided that if two or more corporate representatives purport to vote in respect of the same shares, if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way, and in other cases the power is treated as not exercised.

By the said order, the Court has appointed Danuta Gray, or failing that person, Sarwjit Sambhi, or, failing that person, any other St. Modwen director or the St. Modwen company secretary to act as chair of the meeting and has directed the chair to report the result thereof to the Court.

The said Scheme of Arrangement will be subject to the subsequent sanction of the Court.

Dated 24 June 2021

SLAUGHTER AND MAY

One Bunhill Row
London EC1Y 8YY

Solicitors for the Company

Nominated Persons:

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**nominated person**") does not, in that capacity, have a right to appoint a proxy, such right only being exercisable by shareholders of the Company. However nominated persons may, under an agreement between him/her and the shareholder by whom he/she was nominated have a right to be appointed (or to have someone else appointed) as a proxy for the Court Meeting. If a nominated person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

PART XII

NOTICE OF GENERAL MEETING

ST. MODWEN PROPERTIES PLC

Notice is hereby given that a general meeting of St. Modwen Properties PLC (the “**Company**”) will be held at The Queen Elizabeth II Centre, Broad Sanctuary, Westminster, London SW1P 3EE on 21 July 2021 at 12:15 p.m. (or as soon thereafter as the Court Meeting (as defined in Part X (*Definitions*) of the Document of which this notice forms part) concludes or is adjourned) for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution.

SPECIAL RESOLUTION

THAT:

- (A) for the purpose of giving effect to the scheme of arrangement dated 24 June 2021 (the “**Scheme**”) between the Company and the holders of Scheme Shares (as defined in the Scheme), a copy of which has been produced to this meeting and for the purposes of identification signed by the chair of this meeting, in its original form or with or subject to any modification, addition, or condition agreed by the Company and Bidco and approved or imposed by the High Court of Justice of England and Wales, the directors of the Company (or a duly authorised committee thereof) be authorised to take all such action as they may consider necessary or appropriate for implementing the Scheme; and
- (B) with effect from the passing of this resolution, the articles of association of the Company be and are hereby amended by the adoption and inclusion of the following new Article 188.

“188. Scheme of Arrangement

188.1 In this Article 188, references to the “Scheme” are to the Scheme of Arrangement under Part 26 of the Companies Act 2006 between the Company and the holders of Scheme Shares (as defined in the Scheme) dated 24 June 2021 (with or subject to any modification, addition or condition approved or imposed by the Court and agreed by the Company and Brighton Bidco Limited (“Bidco”)) and (save as defined in this Article) terms defined in the Scheme shall have the same meanings in this Article.

188.2 Notwithstanding any other provisions in these Articles, if the Company issues or transfers out of treasury any St. Modwen Shares (other than to Bidco, any subsidiary of Bidco, any parent undertaking of Bidco or any subsidiary of such parent undertaking, or any nominee of Bidco (each a “Bidco Company”)) on or after the date of the adoption of this Article 188 and prior to the Scheme Record Time, such St. Modwen Shares shall be issued or transferred subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or subsequent holder or holders of such St. Modwen Shares shall be bound by the Scheme accordingly.

188.3 Notwithstanding any other provision of these Articles, subject to the Scheme becoming Effective, any shares issued, transferred out of treasury or transferred pursuant to Article 188.4 below, to any person (other than a Bidco Company) after the Scheme Record Time (a “**New Member**”) (each a “**Post-Scheme Share**”) shall be issued or transferred on terms that they shall (on the Effective Date (as defined in the Scheme) or, if later, on issue or transfer (but subject to the terms of Articles 188.4 and 188.5 below)), be immediately transferred to Bidco (or such person as it may direct) (the “**Purchaser**”), who shall be obliged to acquire each Post-Scheme Share in consideration of and conditional upon the payment by or on behalf of Bidco to the New Member of an amount in cash for each Post-Scheme Share equal to the consideration to which a New Member would have been entitled under the Scheme had such Post-Scheme Share been a Scheme Share.

188.4 Any person who is beneficially entitled to shares issued or transferred to a New Member (other than, for the avoidance of doubt, a person who becomes beneficially entitled to shares by virtue

of a transfer pursuant to this Article 188.4) may, prior to the issue or transfer of Post-Scheme Shares to the New Member pursuant to the exercise of an option under one of the St. Modwen Share Plans (as defined in the Scheme), give not less than two business days' written notice to the Company in such manner as the Board shall prescribe of his or her intention to transfer the beneficial ownership of some or all of such Post-Scheme Shares to his or her spouse or civil partner and may, if such notice has been validly given, on or before such Post-Scheme Shares being issued or transferred to the New Member, immediately transfer to his or her spouse or civil partner beneficial ownership of any such Post-Scheme Shares, provided that such Post-Scheme Shares (including both legal and beneficial ownership thereof) will then be immediately transferred to the Purchaser pursuant to Article 188.3 above. If notice has been validly given pursuant to this Article 188.4 but the beneficial owner does not immediately transfer to his or her spouse or civil partner both the legal and beneficial ownership of the Post-Scheme Shares in respect of which notice was given, such legal and beneficial ownership will be transferred to the Purchaser pursuant to Article 188.3 above. If notice is not given pursuant to this Article 188.4, both the legal and beneficial ownership of the Post-Scheme Shares will be immediately transferred to the Purchaser pursuant to Article 188.3 above.

188.5 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) carried out after the Effective Date (as defined in the Scheme), the value of the consideration per Post-Scheme Share to be paid under Article 188.3 shall be adjusted by the Company in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganisation or alteration. References in this Article 188 to such shares shall, following such adjustment, be construed accordingly.

188.6 To give effect to any transfer of Post-Scheme Shares required pursuant to Article 188.3, the Company may appoint any person as attorney and/or agent for the New Member to transfer the Post-Scheme Shares to the Purchaser and do all such other things and execute and deliver all such documents or deeds as may in the opinion of such attorney or agent be necessary or desirable to vest the Post-Scheme Shares in the Purchaser and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder) in favour of the Purchaser and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register the Purchaser as holder thereof and issue to it certificate(s) for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares. The Purchaser shall settle the consideration due to the New Member pursuant to Article 188.3 above by sending a cheque drawn on a UK clearing bank in favour of the New Member (or any subsequent holder), or by any alternative method communicated by the Purchaser to the New Member, for the purchase price of such Post-Scheme Shares no later than 14 days after the date on which the Post-Scheme Shares are issued to the New Member.

188.7 If the Scheme shall not have become effective by the applicable date referred to in (or otherwise set in accordance with) section 6(B) of the Scheme, this Article 188 shall cease to be of any effect.

188.8 Notwithstanding any other provision of these Articles, both the Company and the Board shall refuse to register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date other than to the Purchaser pursuant to the Scheme.”

By Order of the Board
Lisa Minns
General Counsel and Company Secretary
St. Modwen Properties PLC

Registered Office:
Park Point, 17 High Street
Longbridge, Birmingham
B312UQ

Registered in England No. 00349201

24 June 2021

Notes:

The following notes explain your general rights as a shareholder and your right to attend and vote at the General Meeting or to appoint someone else to vote on your behalf.

1. COVID-19 Restrictions

COVID-19 restrictions remain in place at the time of publication of this notice, and the Government has urged people to maintain social distancing and reduce time spent in crowded areas. Whilst the Company anticipates that St. Modwen Shareholders and other attendees will be legally permitted to attend the General Meeting in person, St. Modwen Shareholders are strongly encouraged not to attend the General Meeting in person, and are instead encouraged to attend the General Meeting remotely via the Virtual Meeting Platform and to transmit a proxy appointment and voting instruction in advance of the General Meeting, appointing "the Chair of the General Meeting" as their proxy.

Any changes to the arrangements for the General Meeting will be communicated to St. Modwen Shareholders before the General Meeting through the Company's website at www.stmodwen.co.uk/investors and by announcement through a Regulatory Information Service.

2. Instructions for accessing the Virtual Meeting Platform

St. Modwen Shareholders will be given the opportunity to remotely attend, submit questions and vote at the General Meeting via a virtual meeting platform provided by Lumi AGM UK Limited (the "Virtual Meeting Platform").

St. Modwen Shareholders can access the Virtual Meeting Platform using a web browser, on any PC or any equivalent thereof or smartphone device. The web browser must be compatible with the latest browser versions of Chrome, Firefox, Internet Explorer 11 (Internet Explorer v. 10 and below are not supported), Edge and Safari. To remotely attend, submit questions and/or vote using this method, please go to <https://web.lumiagm.com>.

Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID which is 186-391-785. You will then be prompted to enter your unique Shareholder Reference Number ("SRN") and PIN. Your SRN can be found on your share certificate and your PIN is the first two and last two digits of your SRN. If you are unable to access your SRN and PIN, please call Equiniti between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Equiniti cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Access to the Court Meeting will be available from 11:45 a.m. on 21 July 2021, although the voting functionality will not be enabled until the Chair of the Court Meeting declares the poll open. St. Modwen Shareholders will be permitted to submit questions (via the Virtual Meeting Platform) to the St. Modwen Directors during the course of the General Meeting. St. Modwen Shareholders may also submit questions in advance of the Court Meeting by email to co-sec@stmodwen.co.uk. Emails must be received no less than 48 hours before the start of the General Meeting. The Chair of the General Meeting will ensure that relevant matters relating to the formal business of the General Meeting are addressed in the General Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair's discretion, otherwise be undesirable in the interests of the Company or the good order of the General Meeting.

During the General Meeting, you must ensure you are connected to the internet at all times in order to submit questions and vote when the Chair commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the General Meeting. The Virtual Meeting Guide contains further information on accessing and participating in the General Meeting remotely via the Virtual Meeting Platform and is available on the Company's website at www.stmodwen.co.uk/investors.

3. Entitlement to attend and vote

Pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001 (as amended), the Company has specified that only those St. Modwen Shareholders registered on the register of members of the Company at 6:30 p.m. on 19 July 2021 (the "Voting Record Time") (or, if the meeting is adjourned to a time more than 48 hours after the Voting Record Time, by 6:30 p.m. on the day which is two days prior to the time of the adjourned meeting) shall be entitled to attend (in person or remotely via the Virtual Meeting Platform) and vote (in person, remotely via the Virtual Meeting Platform or by proxy) at the General Meeting in respect of the number of shares registered in their name at that time. If the meeting is adjourned to a time not more than 48 hours after the Voting Record Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purposes of determining the number of votes they may cast) at the adjourned meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

4. Appointment of proxies

St. Modwen Shareholders are strongly encouraged to submit proxy appointments and instructions for the General Meeting as soon as possible, using any of the methods (online, electronically through CREST, by post or by email) set out below. St. Modwen Shareholders are also strongly encouraged to appoint "the Chair of the General Meeting" as their proxy, in particular given the ongoing uncertainties associated with the COVID-19 pandemic.

A member entitled to attend and vote at the meeting may appoint one or more proxies to exercise all or any of the member's rights to attend, submit questions and, on a poll, to vote (in each case, either in person or remotely via the Virtual Meeting Platform), instead of him or her. A proxy need not be a member of the Company but must attend the meeting (either in person or remotely) for the member's vote to be counted. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member.

The transmission of a proxy appointment or voting instruction online, electronically through CREST, by post or by email or by any other procedure described below will not prevent you from attending, submitting questions and voting at the General Meeting, in each case either in person or remotely via the Virtual Meeting Platform, if you are entitled to and wish to do so.

(a) *Online appointment of proxies*

Proxies may be appointed online by logging on to the following website: www.sharevote.co.uk and following the instructions therein. If you have not previously registered for electronic communications you will first be asked to register as a new user, for which you will require your investor code which can be found on your share certificate. For an electronic proxy appointment to be valid, the appointment must be received by Equiniti not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the General Meeting or any adjournment thereof. Full details of the procedure to be followed to appoint a proxy online are given on the website.

If you prefer, you may request a hard copy proxy form directly by calling St. Modwen's registrars, Equiniti between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK or by writing to 'Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA', stating your name, and the address to which the hard copy should be sent.

(b) *Electronic appointment of proxies through CREST*

If you hold St. Modwen Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the General Meeting (or any adjournment thereof) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Equiniti (ID: RA19) not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the General Meeting or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. For further information on the logistics of submitting messages in CREST, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

St. Modwen may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

(c) *Sending yellow Forms of Proxy by post or by email*

As an alternative to appointing proxies online or electronically through CREST, St. Modwen Shareholders may request a yellow Form of Proxy for use at the General Meeting. Instructions for its use are set out on the form. It is requested that the yellow Form of Proxy (together with any power of attorney or other authority, if any, under which it is signed, or a duly certified copy thereof) be returned to the Company's Registrar, Equiniti, either (i) by post to 'Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA', or (ii) by emailing a scanned copy to ProxyVotes@equiniti.com, so as to be received as soon as possible and ideally not later than 12:15 p.m. on 19 July 2021 (or, in the case of an adjournment of the General Meeting, 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time appointed for the adjourned meeting).

If the yellow Form of Proxy for the General Meeting is not lodged by the relevant time, it will be invalid.

5. Joint holders

In the case of joint holders, the vote of the senior who tenders a vote, whether in person, remotely or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s). Seniority shall be determined by the order in which the names of the joint holders stand in the Company's register of members in respect of the joint holding.

6. Corporate representatives

Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers, provided that if two or more representatives purport to vote in respect of the same shares: if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way; and in other cases, the power is treated as not exercised.

7. Votes to be taken by a poll and results

At the General Meeting voting on the Special Resolution will be by poll. The results of the polls will be announced through a Regulatory Information Service and published on the Company's website as soon as reasonably practicable following the conclusion of the General Meeting.

8. Nominated persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a Nominated Person) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies in section 4 above does not apply to Nominated Persons. The rights described in that section can only be exercised by shareholders of the Company.

9. Website providing information regarding the General Meeting

Information regarding the General Meeting, including information required by section 311A of the Companies Act, and a copy of this Notice may be found on our website at: www.stmodwen.co.uk/investors.

10. Issued share capital and total voting rights

As at 22 June 2021 (being the latest practicable date prior to the publication of this notice) the Company's issued share capital consisted of 222,626,988 ordinary shares of 10 pence each, carrying one vote each (excluding shares held in treasury). Therefore, the total voting rights in the Company as at 22 June 2021 were 222,626,988 votes.

11. Further questions and communication

Under section 319(a) of the Companies Act 2006, any shareholder attending the General Meeting has the right to ask questions. As set out in section 1 above, St. Modwen Shareholders will be permitted to submit questions (via the Virtual Meeting Platform) to the St. Modwen Directors during the course of the General Meeting. The Chair of the General Meeting will ensure that all such questions relating to the formal business of the General Meeting are addressed during the General Meeting, unless no response is required to be provided under the Companies Act 2006 or the provision of a response would, at the Chair's discretion, otherwise be undesirable in the interests of the Company or the good order of the General Meeting.

St. Modwen Shareholders who have any queries about the General Meeting should contact the Shareholder Helpline operated by Equiniti, St. Modwen's registrars, between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (except English and Welsh public holidays) on 0333 207 6530 from within the UK or on +44 333 207 6530 if calling from outside the UK. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Equiniti cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

St. Modwen Shareholders may not use any electronic address or fax number provided in this Notice or in any related documents to communicate with the Company for any purpose other than those expressly stated. Any electronic communications, including the lodgement of any electronic proxy form, received by the Company, or its agents, that is found to contain any virus will not be accepted.

PART XIII

ST. MODWEN PROFIT FORECASTS

1. St. Modwen Profit Forecasts

On 9 February 2021 St. Modwen released its results for the year ended 30 November 2020, and on 1 March 2021 St. Modwen released the 2020 St. Modwen Annual Report. Included within these documents were the following statements, which for the purposes of Rule 28 of the Code constitute profit forecasts (the “**St. Modwen Profit Forecasts**”):

In relation to the St. Modwen Group:

“...we expect delivery of our growth strategy to increase adjusted EPRA EPS to c. 28 pence and improve our total accounting return to c. 9-10% in the medium term”

“Assuming no material disruption in trading conditions, we expect adjusted EPRA EPS for 2021 to be close to 2019 levels.”

In relation to St. Modwen Homes:

“Assuming housing market conditions remain as is, we expect operating profit to grow meaningfully in 2021 due to the expected growth in volumes and margins.”

The St. Modwen Directors confirm that, as at the date of this Document, the St. Modwen Profit Forecasts remain valid and confirm that the St. Modwen Profit Forecasts have been properly compiled on the basis of the assumptions stated below and that the basis of accounting used is consistent with St. Modwen’s accounting policies which are in accordance with IFRS and are those that St. Modwen applied in preparing its financial statements for the financial year ended 30 November 2020.

Further information on the basis of preparation of the St. Modwen Profit Forecasts, including the principal assumptions on which they are based, is set out below.

2. Basis of preparation and principal assumptions

The St. Modwen Profit Forecasts are based upon internal St. Modwen forecasts and exclude any impact from any successful acquisition of, or any unsuccessful attempt to acquire, St. Modwen (for the purposes of this Part XIII (*St. Modwen Profit Forecasts*) only, the “**Acquisition**”). In particular, the St. Modwen Profit Forecasts exclude any costs associated with the Acquisition and do not take into account any future effect that may result from completion of the Acquisition.

In confirming the St. Modwen Profit Forecasts, the St. Modwen Directors have made the following assumptions:

- (A) *factors outside the influence or control of the St. Modwen Directors:*
- (i) no material change in the political, economic and/or market environment that would materially affect St. Modwen;
 - (ii) no material change in legislation or regulatory requirements impacting on St. Modwen’s operations or its accounting policies;
 - (iii) no business disruptions that materially affect St. Modwen or its properties, including natural disasters, acts of terrorism, cyber-attack and/or technological issues and, specifically, no material adverse impact on the Company from increased Covid-19 related restrictions;
 - (iv) no significant one-off events or litigation that would have a material impact on the operating results or financial position of St. Modwen’s business;
 - (v) no material change to prevailing interest, tax and inflation rates; and

- (vi) no material changes to St. Modwen's obligations to its customers, suppliers, development and joint venture partners and/or other stakeholders.
- (B) *factors within the influence or control of the St. Modwen Directors:*
- (i) no significant acquisitions, disposals, partnership or joint venture agreements being entered into by St. Modwen which would have a materially dilutive effect on St. Modwen's earnings;
 - (ii) no material change to the senior leadership team of St. Modwen;
 - (iii) no material change in the dividend or financial policies of St. Modwen; and
 - (iv) no material change in the existing investment policy or operational strategy of St. Modwen.

