2 June 2021

The UK Residential REIT PLC
(the "Company" or "URES")

INITIAL PUBLIC OFFERING

INTENTION TO RAISE Â£150 MILLION TO INVEST IN A DIVERSIFIED PORTFOLIO OF PRIVATELY RENTED RESIDENTIAL REAL ESTATE ASSETS IN THE UK

The UK Residential REIT, a proposed closed-ended real estate investment trust established to invest in a diversified portfolio of affordable, privately rented residential real estate assets in attractive locations outside of London, today announces its intention to proceed with an initial public offering ("IPO") (the "Issue") of new Ordinary Shares and to apply for the admission of its Ordinary Shares to the premium listing segment of the Official List of the FCA and to trading on the Main Market for listed securities of the London Stock Exchange ("Admission").

The UK Residential REIT will invest in a diversified portfolio of affordable, residential properties in strong UK rental markets outside of prime central London. With the IPO net proceeds, the Company intends to acquire a Â£145m seed portfolio of 28 properties, comprising 1,214 residential units. This means that the Company will be income generating immediately upon the acquisition of the Seed Assets and will have no material development risk, minimising cash drag. The Company has identified a Â£440 million pipeline of further investment opportunities and expects the balance of the net proceeds to be invested within twelve months of Admission.

The Company is targeting a dividend yield of 5.5 per cent[1] per annum from 1 July 2022 once fully invested[2] and a net total Shareholder return of 10 per cent per annum. The net total Shareholder return will be divided between income (payable by way of dividends) and potential growth in NAV. Dividends will be supported from rental income from the properties, which has been proven to be resilient in past economic downturns. The Company also aims to target properties that provide scope for capital appreciation through active asset management initiatives including refurbishments and asset repositioning.

URES will be managed by L1 Capital UK Property Advisors Limited. The L1 management team and their affiliates will have an investment of no less than Â£5 million in Ordinary Shares in aggregate[3].

URES is targeting Gross Issue Proceeds of Â£150 million, before expenses by means of a placing, offer for subscription and intermediaries offer of 150 million Ordinary Shares (the "Issue") plus an Issue of up to 50 million Consideration Shares in connection with the acquisition of Seed Assets at an issue price of Â£1.00 per Ordinary Share. Expected market capitalisation following the completion of the acquisition of Seed Assets of Â£200 million.

Panmure Gordon (UK) Limited is sponsor and Panmure Gordon (UK) Limited together with RBC Capital Markets are acting as Joint Bookrunners.

1 The dividend and total return targets are targets only and not profit forecasts. There can be no assurance that these targets will be met. Accordingly, potential investors should not place any reliance on these targets in deciding whether or not to invest in the Company. The Company targets paying dividends equating to approximately 4 per cent. of the Issue Price on an annualised basis in respect of the period from Initial Admission to 30 June 2022, while it is deploying the Net Issue Proceeds.
2 Net Issue Proceeds and associated gearing.
3 Subject to the combined ownership of L1 Capital Management Team, their connected persons and the Seed Assets vendors not being greater than 29.9% of the total issued share capital of the Company

Key Highlights:

Investing in the structurally supported high growth UK Private Rented Sector ("PRS") market

- Â· The PRS market has exhibited growth of 4.1 per cent per annum since 2000 and risen from 2 million households to 4.6 million households in 2020, underpinned by tenants' restricted access to alternative housing tenures, tightened lending requirements since the financial crisis and an inherent structural under-supply of housing within the UK
- Â· Further population and market growth, coupled with the existing dynamics of affordability and under-supply, primes the PRS market for sustained growth over the next five years
- Â· Institutional investment represents just 4 per cent. of the overall PRS market
- Â· Existing assets command an approximate 20% discount to vacant possession value and an approximate 29% discount to the rebuild costs.

Defensive strategy focused on affordable, day one income generating PRS properties, which have the benefit of a track record of historical occupancy providing predictability and security for the future net rental income, let at mid-market rental prices, in attractive regional city locations

- Â· Targeting predominantly core, stable product, with selective investment in under-managed assets, focusing on implementing value-add initiatives to improve asset quality and deliver strong rental growth and capital appreciation
- Â· Focus on regional cities and towns that serve as key employment hubs, which are typically anchored by strong corporate companies and which will have benefitted from recent historical population growth, and in turn wider gentrification that provides the foundations for sustainable long term rental growth
- Â· A focus on PRS homes that are categorised as affordable, relative to the local demographics, or 'mid-market', which encompasses the largest segment of the PRS sector
- Â· Rents charged across the Seed Assets properties are approximately 20 per cent. of the tenant's disposable income.

Acquisition of immediately income producing Seed Portfolio ("portfolio"), which has performed well during the Covid-19 downturn with 96% rent collection in 2020 and 95% average occupancy in past two years

- Â· c. Â£145 million[4] acquisition of a 28-property portfolio, comprising 1,214 residential units, 6 ancillary ground floor commercial units and 2 student blocks located in strong rental macro-locations outside of central London, which include Manchester, Sheffield, Leeds, Liverpool and Bristol
- Â· Tenanted, day-one income generating portfolio, thereby minimising cash drag, representing a net rental yield of 5.8 per cent.
- Â· Seed assets delivered average rental growth of 5.1 per cent. per annum since their original acquisition
- Â· The purchase price represents an attractive 29 per cent. discount to the replacement or rebuilding cost
- Â· Assets let at the mid-market rental segment within their local markets, with rents typically between Â£600 to Â£850 per calendar month.

4 The acquisition of all the Seed Assets is subject to the Company achieving its target fundraise of Â£150 million.

Clear alignment with Investors' interests through equity investment

- Â· Â£5 million commitment from L1 Capital and management through a combination of equity rollover and new cash subscription in the Initial Issue (with a lock-in period of twelve months post Admission)[5]
- Â· Up to Â£50 million equity rollover from existing L1 Capital funds (with a lock-in period of twelve months post Admission)
- Â· 25 per cent of investment advisory fee to be paid in Ordinary Shares
- Â· No performance or transaction fees.

Â£440 million pipeline of near-term acquisition opportunities

Â· Properties, the majority of which have been identified off-market, are located in a range of strong rental cities, diversified geographically across a number of locations in the UK and by property type
Â· Net proceeds expected to be substantially invested within 12 months
Â· Over Â£3 billion of longer-term acquisition opportunities identified and screened, since 2017.

Targeting an attractive 10 per cent. net total shareholder return and a 5.5 per cent dividend yield

Â· Targeting a dividend yield of 5.5 per cent[6] per annum from 1 July 2022 once fully invested[7] and a net total Shareholder return of 10 per cent per annum.

5 Subject to the combined ownership of L1 Capital Management Team, their connected persons and the Seed Assets vendors not being greater than 29.9% of the total issued share capital of the Company.
6 The dividend and total return targets are targets only and not profit forecasts. There can be no assurance that these targets will be met. Accordingly, potential investors should not place any reliance on these targets in deciding whether or not to invest in the Company. The Company targets paying dividends equating to approximately 4 per cent. of the Issue Price on an annualised basis in respect of the period from Initial Admission to 30 June 2022, while it is deploying the Net Issue Proceeds.
7 Net Issue Proceeds and associated gearing.

Experienced Investment Adviser with a proven track record

Â· Founded in 2007, L1 Capital is an independent global investment manager 100% owned by employees which has approximately AUD$3.5 billion (Â£2.0 billion) in assets under management across five funds
Â· L1 Capital currently manages Â£230 million in the UK and has a strong track record with Funds I and II delivering IRRs of 17% and 15% as of 31 December 2020[8].

8 Excluding management fees and expense reimbursements.

Clear and growing ESG alignment

Â· Professional customer-focussed and flexible offering, addressing a key societal issue of under-supplied housing
Â· Focus on portfolio wide energy efficiency improvement, with target to have EPC rating of B or above.

Richard Grainger, Non-Executive Chairman of The UK Residential REIT, said:
"The UK faces a critical shortage of good quality homes for rent, in particular those that are both affordable for the majority of the working population, and which are in well-connected regional city locations that are forecast to see population increases in the future. The rate of new build stock will never keep pace with this demand, which offers an opportunity for professional investors to take the lead by creating a good quality mass market product and delivering a solution to one of the most urgent issues facing society today. L1 Capital has a highly experienced management team who have delivered both rental and capital growth from the seed portfolio, providing evidence of the returns that can be achieved from investing in this segment of the residential market."

Kee Gan, Chief Investment Officer, L1 Capital UK Property Advisors Limited, the Investment Adviser to The UK Residential REIT, added:
"URES offers shareholders an opportunity to access what is a nascent yet fast growing asset class. Our conviction in the sector is underpinned by the performance of the seed portfolio since inception, with the resilience displayed during the COVID-19 pandemic reinforcing our belief in its long-term attractiveness. We have significant ambitions to scale the strategy, with a growing pipeline of attractive acquisition opportunities underpinning this confidence. This is a compelling proposition that offers shareholders an attractive dividend with scope for rental and capital growth over time through asset management strategies and yield compression."

EXPECTED TIMETABLE

Publication of the Prospectus	Early June 2021
Publication of the results of the Issue	Mid-July 2021
Admission of and dealings in Ordinary Shares	Mid-July 2021

Enquiries:

UK Residential REIT plc	**Via FTI Consulting**
Sponsor and Joint Bookrunner	
Panmure Gordon	**020 7886 2500**
Philip Shields	
Sapna Shah	
Chloe Ponsonby	
David Hawkins	
Tom Scrivens	
Joint Bookrunner	
RBC Capital Markets	**020 7653 4000**
Charlie Foster	
Marcus Jackson	
Elliot Thomas	
Haydon Davidson	
Public Relations adviser	
FTI Consulting	**020 3727 1000**
Dido Laurimore	**ukresidentialreit@fticonsulting.com**
Richard Gotla	
Andrew Davis	
Talia Jessener	
Intermediaries Offer Adviser	
Solid Solutions	**07850 825701**
Nigel Morris	**Intermediaries@solid-solutions.co.uk**

Further Information

INVESTMENT HIGHLIGHTS

ATTRACTIVE INVESTMENT FUNDAMENTALS[9]

The Company is targeting a dividend yield of 5.5 per cent or more per annum from 1 July 2022 when it expects to have fully invested the Net Issue Proceeds and achieved the associated gearing, and a net total Shareholder return of 10 per cent or more per annum[10]. The Company targets paying dividends equating to approximately 4 per cent. on an annualised basis in respect of the period from Initial Admission to 30 June 2022, while it is deploying the Net Issue Proceeds.

The Company intends to pay interim dividends on a quarterly basis in cash. The first interim dividend is expected to be declared in February 2022 and paid within 20 business days of declaration (in respect of the period from Initial Admission to 31 December 2021).

The Company expects the dividend to be supported by PRS rental income generated from the properties (which are typically tenanted and day-one income generating) and as a sector has proven to be inherently stable and predictable over time. The growth in the NAV over time is expected to be supported by rental growth and value-add asset management strategies by the Investment Adviser such as refurbishment or asset repositioning.

9 These dividend and return targets are targets only and not profit forecasts. There can be no assurance that these targets will be met. Accordingly, potential investors should not place any reliance on these targets in deciding whether or not to invest in the Company.
10 All dividend yields referred to are based on the Initial Issue Price.

SEED ASSETS[11]

Subject to the Company achieving its target fundraise of Â£150 million pursuant to the Initial Issue, the Company intends to acquire all the Seed Assets shortly after Initial Admission for an aggregate purchase price of approximately Â£145 million (with approximately Â£14.8 million of the cash consideration, in respect of three properties, deferred until completion of remedial works), representing a net yield of 5.8 per cent. The purchase price will be satisfied by a mixture of cash and the issue of up to approximately 50 million Consideration Shares at the Initial Issue Price upon completion of the relevant acquisitions. The properties are tenanted, day-one income generating and supporting return from income from their acquisition. The aggregate purchase price of the Seed Assets also represents an attractive discount of approximately 29 per cent. to the replacement or rebuilding cost.

The underlying properties held in the Seed Assets comprise 28 properties containing an aggregate of 1,214 residential units, 6 ground floor commercial units, and two additional student properties. The Seed Assets are primarily located in strong rental macro-locations in the UK outside of central London, which include Manchester, Sheffield, Leeds, Liverpool and Bristol, amongst others and strong local micro-locations within the relevant City Centres.

The properties typically target the mid-market rental segment within their local markets (typical rent between Â£600 to Â£850 per calendar month). The average occupancy rate of the Seed Assets properties is approximately 95 per cent over the past 2 years. The Seed Assets have also experienced robust rental collection rates over calendar year 2020 (average 97 per cent. collection rate) despite the COVID induced macroeconomic downturn, which is a reflection of the overall defensiveness of the mid-market rental segment and the properties' locations. The Seed Assets have achieved an average rental growth of 5.1 per cent. per annum (weighted by income) since their original acquisition by the Seed Asset Vendors.

11 The acquisition of all the Seed Assets is subject to the Company achieving its target fundraise of Â£150 million.

ACCESS TO PIPELINE ASSETS

The Investment Adviser has access to certain investment opportunities through established industry contacts and sector knowledge. The Investment Adviser has identified a pipeline of PRS properties which are currently in negotiation (pending a successful Initial Issue) or that the Investment Adviser is aware may be available to acquire, with an aggregate value in excess of approximately Â£440 million (the **Pipeline Assets**).

The Pipeline Assets primarily comprise off-market sourced properties, which the Investment Adviser believes meets the requirements of the Company's investment objective and investment policy. The Pipeline Assets have been originated and made available principally through existing relationships and prior transactional experience from a network of key contacts. For example, the Pipeline Assets include assets being negotiated from three separate vendors where the Investment Adviser team has transacted in excess of Â£50 million of assets in the past.

The Investment Adviser believes that it has differentiated access to suitable investment opportunities through an ability to complete due diligence promptly, its targeting of a "sweet spot" transaction size of Â£5 million to Â£30 million which is less than is typical for transactions entered into by major institutional investors, its ability to transact with a high degree of execution certainty and to settle in cash. Furthermore, the Investment Adviser believes that the Company will have a competitive advantage in sourcing transactions in certain cases by offering vendors possible relief against capital gains tax charges via the Company purchasing properties through SPVs (rather than the properties directly). This will also provide stamp duty relief for the Company.

There is no guarantee that the Group will complete the acquisition of any or all of the Pipeline Assets described above. However, the Investment Adviser believes that sufficient assets will be available for acquisition so as to enable the Company to invest or commit substantially all of the Net Issue Proceeds within twelve months following Initial Admission.

ASSET MANAGEMENT CAPABILITY AND OPPORTUNITY

An important part of the Company's strategy will be for some investment to be in properties which have, in the opinion of the Investment Adviser, historically been under-managed or under-invested. The Company will look to complete investments in properties whose valuation represents an attractive discount to the replacement cost and where scope to add value has been identified as part of the due diligence process. Where appropriate, the Investment Adviser will look to capitalise on its scale, relationships and capabilities to deliver asset management initiatives to support both rental income growth and capital appreciation in the Portfolio. For example, the Investment Adviser may selectively reposition or refurbish individual apartments to improve the appearance of the apartments and appeal to a wider tenant mix thereby improving occupancy levels. The Investment Adviser has historically deemed investments with attractive asset management potential as "core-plus" assets. The Investment Adviser intends to strategically execute refurbishment programmes across select "core-plus" assets in the Portfolio only when existing tenants decide to leave. This phased approach helps to maintain strong occupancy levels throughout the refurbishment program and reduce let-up risk (as opposed to a full building refurbishment programme whereby assets would need to be vacant for a comparatively lengthy period of time). In addition, the Investment Adviser will selectively invest in opportunistic property assets where the Investment Adviser believes the risk-adjusted returns are attractive. Having completed initial due diligence on the Pipeline Assets, the Investment Adviser has identified certain opportunities in the Pipeline Assets to add value that it will look to capitalise on shortly following Initial Admission.

As an example of such potential in relation to an existing Seed Asset, the Investment Adviser has recently commenced a refurbishment programme on a block of apartments in Bristol city centre (Flat 2, 22 Pritchard Street). Given the central location of the property (BS2 postcode), the Investment Adviser identified there being scope for adding value by commencing a full-refurbishment programme of the apartments and communal areas. In order to maintain occupancy levels, the Investment Adviser will only refurbish individual units on an apartment-by-apartment basis as and when tenants decide to leave. As of the date of this announcement, the rents for 1 bedroom apartments at Flat 2, 22 Pritchard Street have increased from an average of approximately Â£750 per calendar month to Â£1,100 per calendar month (c. 46% increase).

A GROWING UK PRS MARKET

For the past 20 years, the UK PRS market has grown at approximately 4.1 per cent. per annum, from 2.0 million households in 2000 to a total of 4.6 million households in 2020. Accordingly, the PRS market now constitutes the second largest tenure of the overall residential housing market. The sector growth has been underpinned by a number of factors, in particular tenants' restricted access to alternative housing tenures. Tightened lending requirements since the financial crisis have limited the number of individuals able to afford mortgage deposits, hence reducing overall owner occupation. A 2019 Knight Frank survey[12] detailed that 66 per cent. of tenants in the UK choose to rent because they do not have the deposit for a mortgage. Furthermore, there is an inherent structural undersupply of housing within the UK. Against a backdrop demand of 300,000 additional residential households per annum, there is a consistent supply shortage of 100,000 households per annum. The Company believes that factors pushing residents away from other forms of residency include population growth, declining household sizes, affordability of home purchases and fiscal headwinds surrounding buy to let, and that factors pulling residents towards the PRS market include lifestyle flexibility, social aspiration, labour mobility, focus on life experiences and growth in consumerism.

The Investment Adviser believes that further population and market growth, coupled with the existing dynamics of affordability and under-supply, primes the PRS market for sustained growth over the next 5 years. By 2025, the PRS market is projected to grow from 4.6 million to 5.2 million households, with an average rental growth of 2.1 per cent. per annum[13].

Additionally, legislation changes to Stamp Duty Land Tax, Capital Gains Tax and a phase out of mortgage interest deductibility has created a less attractive tax environment for private buy-to-let investors. Although institutional investment represents 4 per cent. of the overall PRS market, the Investment Adviser believes that institutional ownership is primed for substantial growth as private investment becomes less accretive from a tax perspective.

12 See the 'Multihousing 2019' tenant survey by Knight Frank.

13 Comprised of aggregated data from Savills (UK residential property forecasts as of March 2021), JLL (UK residential forecasts 2020-2025), CBRE (residential forecasts Q1 2021) and Knight Frank market reports (rental forecast February 2021).

DEFENSIVE INVESTMENT STRATEGY AND BUSINESS MODEL

The Company typically looks to acquire existing built and day-one income generating PRS properties, which have the benefit of a track record of historical occupancy providing predictability and security for the future net rental income.

Furthermore, where the properties are already built, there will be no material development or construction risk.

Additionally, the Investment Adviser focuses on PRS homes which are categorised as affordable relative to the local demographics, or targets the 'mid-market' which encompasses the largest segment of the PRS sector. Rents charged across the Seed Assets properties are approximately 20 per cent. of the tenant's disposable income. Affordability helps support a defensive and stable tenant base, and in the event a tenant leaves, the Company's buildings are able to appeal to the mass market. According to a Knight Frank 2019 tenant survey, the number one criterion for renting (61 per cent. of respondents) is affordability.

The Company is targeting a mid-market price point where the Investment Adviser believes tenants have been impacted to a lesser extent than other segments by the Covid-19 pandemic and associated governmental policy responses with mid-market tenants less reliant on the furlough scheme than other segments. According to data from the UK Office for National Statistics, approximately 68 per cent. of employees furloughed in 2020 were paid under Â£10.00 per hour versus the target market for the Company which typically targets tenants earning a salary from Â£14 per hour to Â£23 per hour.

The Company is targeting a mid-market price point where the Investment Adviser believes tenants have been impacted to a lesser extent than other segments by the Covid-19 pandemic and associated governmental policy responses with mid-market tenants less reliant on furlough schemes than other segments.

In many cases, households have accumulated more in savings than in periods prior to the imposition of lockdown requirements (such as a result of eating out less) and trading down by tenants to lower priced rental properties has been moderate. The Investment Adviser believes that many tenants residing in properties in its target price point have continued to prioritise rental payments despite financial difficulties arising out of the Covid-19 pandemic. Rental collection rates averaged approximately 96% between May 2020 to December 2020. However, the length of governmental stimulus programmes arising out of the pandemic is unknown and the Investment Adviser has increased its focus on stress testing intended tenants' ability to pay rents during referencing processes.

Furthermore, the ability of the Company to make purchases of a block of apartments typically attracts on average an approximate 20 per cent. discount to the Vacant Possession Value (effectively a bulk purchase discount). Additionally, the Company will typically invest at a discount to rebuild cost (as a reference point the Seed Assets are being acquired by the Company at approximately a 29 per cent. discount to the replacement or rebuild cost).

ALIGNMENT WITH INVESTORS' INTERESTS THROUGH EQUITY ROLLOVER

In addition to the cash consideration payable for the Seed Assets, up to approximately Â£50 million of Consideration Shares will be issued to Equity Trustees Limited acting as trustee of the L1 Capital UK Residential Property Funds (being funds currently managed by L1 UK Property Investments Pty Ltd, an affiliate of the Investment Adviser, and in which members of the L1 management team and their connected persons have invested). All the Consideration Shares will be subject to lock-up restrictions for a period of 12 months from the date of Initial Admission, subject to certain customary exceptions, and subsequently will be subject to certain orderly market dealing arrangements for a further 24 month period, which promote an alignment of interest with other investors.

Even if only the Minimum Gross Proceeds are raised, members of the L1 Capital management team and their connected persons will have an investment of not less than Â£5 million in Ordinary Shares in aggregate through a combination of Consideration Shares and cash subscriptions in the Initial Issue[14].

14 Subject to the combined ownership of L1 Capital Management Team, their connected persons and the Seed Assets vendors not being greater than 29.9% of the total issued share capital of the Company

DIRECTORS, MANAGEMENT AND ADMINISTRATION

The Directors are responsible for the determination of the Company's investment policy and have overall responsibility for the Company's activities, including the review of investment activity and performance and the control and supervision of the Company's service providers. All of the Directors are non-executive and are independent of the AIFM and the Investment Adviser. The Directors will meet at least four times per annum.

The Directors are as follows:

Richard Grainger, Non-Executive Chairman

Richard is currently Chairman of McKay Securities Plc (also a UK REIT) and Liberation Group and was previously Chairman of Safestore Plc. He spent 25 years working in corporate finance, firstly with Hill Samuel Bank Limited and latterly with Close Brothers Group Plc where he was Chief Executive of their corporate finance division. Since finishing his executive career, Richard has chaired numerous public, private and management owned businesses. He qualified as a Chartered Accountant with Price Waterhouse.

Malcolm Cooper, Non-Executive Director, Chair of Audit Committee

Malcolm Cooper is currently a Non-Executive Director at Morgan Sindall plc, Southern Water plc and MORhomes plc. Malcolm was previously a Non-Executive Director of CLS Holdings plc for over 11 years, where he was a Senior Independent Director and also chaired the Audit Committee and was a member of the Remuneration Committee. For 15 years, Malcolm ran one of the largest and most successful corporate treasury teams at National Grid plc, having previously worked in a number of finance and treasury roles at companies including British Gas plc. He has also been a member of the Listing Authority Advisory Panel, President of the Association of Corporate Treasurers, and Chair of the Education Committee of the Association of Corporate Treasurers.

Louise Bonham, Non-Executive Director

Louise was previously Co-Head of EMEA Asset Services and a member of the UK & Ireland Executive Committee at Cushman and Wakefield. Prior to Cushman and Wakefield, Louise was the Chief Operating Officer at CBRE for the EMEA Advisory and Transaction Services business. Louise also held prior roles covering REIT Equities Research at Deutsche Bank and in the Real Estate teams at Brunswick Group and Deloitte. Louise is also a qualified Chartered Accountant.

Philip Cropper, Non-Executive Director

Phillip has over 35 years of real estate experience with CBRE holding the final position of Vice Chairman of CBRE Hotels Europe and CEO of CBRE Loan Servicing Limited. Other executive roles at CBRE include 15 years establishing CBRE's Capital Advisors, and 10 years at CBRE UK Valuation and Investment Consulting. He was Chief Executive of the FCA regulated CBRE Indirect Investment Services Limited. He was for 10 years a Special Advisor to the Board of Resolution Properties, a role he currently holds for the board of Waypoint Capital. Philip is a Fellow of the Royal Institution of Chartered Surveyors.

AIFM

The Company has appointed Carne Global AIFM Solutions (C.I.) Limited as the Company's alternative investment fund manager pursuant to the AIFM Agreement.

The AIFM is a leading fund governance provider established by investment professionals to provide tailored governance solutions and advisory services to traditional and alternative asset managers. The AIFM's main business is the provision of fund management services to investment funds such as the Company.

The AIFM is registered pursuant to the FSL to carry on fund services business as a manager of collective investment funds and AIF services business as a manager of AIFs and is regulated by the Jersey Financial Services Commission.

INVESTMENT ADVISER

The Company and the AIFM have appointed the Investment Adviser to provide certain services in relation to the Company and the Portfolio.

The Investment Adviser is part of the L1 Capital Pty Ltd group (together, **L1** or **L1 Capital**) and is 100 per cent. owned by its employees. L1 Capital was founded in 2007 by Mark Landau and Raphael Lamm and has grown to become a substantial international asset manager, with investment strategies across equities, convertible instruments and property. At present, L1 Capital has approximately AUD$3.5 billion (Â£2.0 billion) in assets under management.

The core management team of the Investment Adviser (whose details are set out below) is supported by wider a team of other accounting, asset management, compliance, public relations, administrative and support staff. The key individuals responsible for executing the Company's investment strategy at the Investment Adviser are:

(a) **Kee Gan, Chief Investment Officer & Co-Founder**

Kee Gan was a co-founder of the L1 Capital UK Residential Property Fund strategy in 2017. Prior to L1 Capital, Kee spent 11 years in Investment Banking with a final position as a Director at Deutsche Bank working across Leveraged Finance and M&A for Private Equity clients in London, Hong Kong and Sydney. Prior to investment banking, Kee was an Associate Consultant at Bain & Company.

(b) **David Lamm, Director & Co-Founder**

David was a co-founder of the L1 Capital UK Residential Property Fund strategy in 2017. David has over 10 years of investment management experience at Kentgrove Capital. Previous roles include portfolio manager at the Alter Family office, Associate within the investment banking division at Credit Suisse and Senior Associate Consultant at Bain and Company. David is also Chairman of ASX listed NGE Capital.

(c) **Laura Wicks, Asset Manager**

Laura Wicks has over 12 years of experience in residential property management. Prior to joining L1 Capital, Laura held prior roles as an Asset Management Director of PRS at Jones Lang LaSalle, Head of Property Management at Get Living, Regional Director of Property Management at Countrywide plc and more recently was responsible for Built to Rent asset management strategy for Realstar Group.

(d) **Sam Smith, Asset Manager and Advisory**

Sam has over 17 years in residential property real-estate experience. Sam was previously a Director of PRS Operations as at Lambert Smith Hampton. Prior to Lambert Smith Hamptons, Sam was a Senior Relationship Manager at Get Living. Prior to Get Living, Sam was a member of Foxtons Central London Property Management division.

(e) **Benjamin Lazar, Chief Operating Officer**

Benjamin is the Chief Operating Officer and has over 10 years of experience in financial services and strategy consulting. Prior to joining the Investment Adviser, Benjamin was a consultant at the Boston Consulting Group. Prior to Boston Consulting Group, Benjamin was a Manager within Deloitte's Transaction Services team. Benjamin graduated from the University of Melbourne.

(f) **Danielle Moyles, Asset Manager (MRICS)**

Danielle has over 8 years' experience in asset management. Prior to joining the Investment Advisor, Danielle was a Development Manager at Hammerson PLC. Danielle is also a Chartered Member of the Royal Institute of Chartered Surveyors (MRICS) and a Member of ULI (Urban Land Institute). Danielle graduated from the University of Cambridge.

Disclaimer

This announcement is an advertisement and is not intended to be investment advice. This announcement does not constitute, and may not be construed as, an offer to sell or an invitation to purchase investments of any description or a recommendation regarding the issue or the provision of investment advice by any party. No information set out in this announcement is intended to form the basis of any contract of sale, investment decision or any decision to purchase shares in the Company.

Investors could lose all or part of their investment. The value of the Ordinary Shares and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested.

This announcement which has been prepared by, and is the sole responsibility of, the Company, has been approved for the purposes of section 21 of the Financial Services and Markets Act 2000 by Carne Global Advisers (UK) Limited , which is authorised and regulated by the FCA.

The target returns and dividends set out in this announcement are targets only and are not profit forecasts. There can be no assurance that these targets can or will be met and they should not be seen as an indication of the Company's expected or actual results or returns. The Company's ability to distribute dividends will be determined by the existence of sufficient distributable reserves, legislative requirements and available cash reserves. Accordingly, investors should not place any reliance on these targets in deciding whether to invest in Ordinary Shares or assume that the Company will make any distributions at all.

Recipients of this announcement who are considering acquiring Ordinary Shares following publication of the Prospectus are reminded that any such acquisition must be made only on the basis of the information contained in the Prospectus which may be different from the information contained in this announcement. A subscription for Ordinary Shares is subject to specific legal or regulatory restrictions in certain jurisdictions. Persons distributing this announcement must satisfy themselves that it is lawful to do so. The Company assumes no responsibility in the event that there is a violation by any person of such restrictions.

The Company may decide not to go ahead with the possible Issue and there is therefore no guarantee that a Prospectus will be published, the Issue will be made or Admission will occur. Potential investors should not base their financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning a possible offer. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of a possible offer for the person concerned.

This document may not be published, distributed or transmitted by any means or media, directly or indirectly, in whole or in part, in or into the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The securities mentioned herein have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**US Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States and, subject to limited exceptions, will not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, in or into the United States or to, or for the account or benefit of, any US person (as defined under Regulation S under the US Securities Act). The Company has not been, and will not be, registered under the U.S. Investment Company Act of 1940, as amended. No public offering of securities is being made in the United States.

Neither this announcement nor any copy of it may be: (i) taken or transmitted into or distributed in Canada, Australia, Japan or the Republic of South Africa or to any resident thereof, or (ii) taken or transmitted into or distributed in Japan or to any resident thereof. Any failure to comply with these restrictions may constitute a violation of the securities laws or the laws of any such jurisdiction. The distribution of this announcement in other jurisdictions may be restricted by law and the persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts regarding the Company's investment strategy, financing strategies, investment performance, results of operations, financial condition, prospects and the dividend policies of the Company and the instruments in which it will invest. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward- looking statements. These factors include, but are not limited to, changes in general market conditions, legislative or regulatory changes, changes in taxation regimes or development planning regimes, the Company's ability to invest its cash in suitable investments on a timely basis and the availability and cost of capital for future investments.

The Company expressly disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect actual results or any change in the assumptions, conditions or circumstances on which any such statements are based unless required to do so by the UK Market Abuse Regulation, FSMA, the Listing Rules, the UK Prospectus Regulation or the Prospectus Regulation Rules of the Financial Conduct Authority or other applicable laws, regulations or rules.

Panmure Gordon (UK) Limited ("**Panmure**") is authorised and regulated by the FCA and RBC Europe Limited (trading as RBC Capital Markets) (**RBC**) is authorised by the Prudential Regulation Authority (the **PRA**) and regulated by the PRA and the FCA. Panmure Gordon and RBC (together the **Joint Bookrunners**) are acting exclusively for the Company and for no one else in connection with the Issue and will not be responsible to anyone (whether or not a recipient of this document) other than the Company for providing the protections afforded to clients of Panmure and RBC or for affording advice in relation to the Issue, the contents of this document or any matters referred to herein. This does not exclude any responsibility which either of the Joint Bookrunners may have under FSMA or the regulatory regime established thereunder.

Apart from the liabilities and responsibilities (if any) which may be imposed on the Joint Bookrunners by FSMA or the regulatory regime established thereunder, the Joint Bookrunners make no representations, express or implied, nor accepts any responsibility whatsoever for the contents of this announcement nor for any other statement made or purported to be made by the Joint Bookrunners or on their behalf in connection with the Company, the Ordinary Shares, the Issue or Admission. Each of the Joint Bookrunners and its Affiliates accordingly disclaim all and any liability (save for any statutory liability) whether arising in tort or contract or otherwise which it or they might otherwise have in respect of this document or any such statement.

For the avoidance of doubt, the contents of the Company's website are not incorporated by reference into, and do not form part of, this announcement.

Information to Distributors

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

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

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Directive 2014/65/EU, or the UK MiFID Laws, as applicable; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Ordinary Shares and determining appropriate distribution channels.