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If you sell or transfer or have sold or otherwise transferred all of your Ordinary Shares in BWP REIT plc (the “**Company**”), you should pass this Document as soon as possible to the purchaser or transferee or to the bank, stockbroker or other agent through or to whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you sell or transfer or have sold or otherwise transferred only part of your holding of Ordinary Shares, please consult the bank, stockbroker or other agent through whom the sale or transfer was effected as to the action you should take.

BWP REIT PLC

(Incorporated in England and Wales with registered number 12827322)

Cancellation of admission of Ordinary Shares to trading on IPSX Wholesale

This Document should be read in its entirety. Your attention is drawn, in particular, to the letter from the Chairman of the Company set out in Part 1 of this Document.

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EXPECTED TIMETABLE

<i>Event</i>	2023
Publication of this Document	23 November
Exit from the REIT Regime	24 November
Last day of dealings in Ordinary Shares on IPSX Wholesale	27 November
De-listing	8.00 a.m. on 28 November

Notes:

1. References to times in this Document are to London time, unless otherwise stated.
2. Each of the times and dates in the above timetable is subject to change. If any of the above times and/or dates change, the revised times and dates will be notified to Shareholders by an announcement through a Regulatory Information Service.

PART 1

LETTER FROM THE CHAIRMAN

BWP REIT PLC

(Incorporated in England and Wales with registered number 12827322)

Directors:

Edmund Craston
Andrea O’Keeffe
Ian White

Registered Office:

c/o Alter Domus (UK) Limited
10th Floor, 30 St Mary Axe
London EC3A 8BF

23 November 2023

Dear Shareholders,

Cancellation of admission of the Ordinary Shares to trading on the wholesale market of the International Property Securities Exchange (“IPSX Wholesale”)

1. INTRODUCTION AND BACKGROUND

The Company was launched on IPSX Wholesale in November 2022 with the purpose of acquiring its investment property, Bridgewater Place, which is located on Water Lane in central Leeds (the “**Property**”). The Property is a mixed use, multi-tenanted building providing a combination of office, retail, leisure, and residential accommodation together with basement car parking areas and a service yard. As part of the Company’s investment strategy, the Asset Manager is currently overseeing a comprehensive capital expenditure programme consisting of several key components, the first of which is in relation to remedial works to the cladding on the residential tower and some sections of the commercial building.

The Asset Manager is implementing the refurbishment plans as quickly as possible whilst at the same time trying to minimise disruption to the Property’s existing tenants. The Company is therefore being managed in line with the investment strategy and is on track with its business plan, both of which were set out in the Admission Document. The expectation of both the Board and the Asset Manager is that the refurbishment, once it has been completed will have added significant value to the Property and it will provide high quality, energy efficient, sustainable accommodation in an iconic building with excellent occupier and visitor amenities.

On 4 September 2023, IPSX UK Limited (“**IPSX**”), the operator of IPSX Wholesale, the market on which the Company’s Ordinary Shares are admitted to trading, wrote to IPSX Wholesale’s issuers and Lead Advisers to inform them that the board of directors of IPSX had taken the decision to wind down the operations of IPSX and provided 90 days’ notice of its intention to terminate the admission agreement which was entered into between the Company and IPSX on the Company’s admission to IPSX Wholesale. Therefore, the Company has to cancel its listing before Friday 1 December 2023, the last possible day of dealings on IPSX Wholesale.

As a result of the notice from IPSX and following the advice from its AIFM and Asset Manager, the Company will proceed with the cancellation of the admission of the Company’s Ordinary Shares to trading on IPSX Wholesale and its last day of dealings will be 27 November 2023. In the light of the costs, likely limited liquidity (noting the limited liquidity of the Company’s Shares to date on IPSX) and the ongoing regulatory overhead associated with an alternative listing, the Board, together with its AIFM, Asset Manager and other advisers, does not consider an alternative listing to be in the best interests of the Company and its Shareholders at this time. However, the Board will keep the Company’s listing status under review.

One of the ongoing conditions for remaining within the UK REIT Regime is that a REIT, unless over 70 per cent of its issued share capital is held by institutional investors which is not the case with the Company’s current shareholder base, must have its shares admitted to trading or listed on a recognised

stock exchange. The Company will therefore have to exit the UK REIT Regime as a result of the De-listing. The Company will voluntarily notify HMRC of its exit on 24 November 2023 (the “**Exit Date**”), prior to the De-listing, in order to ensure its REIT status is maintained up until the Exit Date.

The Board has consulted with its tax advisers and does not expect that the loss of REIT status should result in any material additional tax liabilities in the near term for the Company. The Board, its AIFM, Asset Manager and its other advisers (including especially its tax advisers), will continue to monitor the tax implications of remaining outside the UK REIT Regime and will update Shareholders should a return to the UK REIT Regime in the future appear to be in the Company’s best interests.

The purpose of this Document is therefore to provide a more detailed timetable for the cancellation of admission of the Ordinary Shares to trading on IPSX, further explain the rationale behind the Board’s decision to remain an unquoted company for the time being and set out the principal effects of the De-listing to Shareholders.

2. TIMETABLE REGARDING THE DE-LISTING

The Board has decided to proceed with the De-listing at 8.00 a.m. on 28 November 2023. The last day of dealings in the Company’s Ordinary Shares on IPSX Wholesale will be 27 November 2023.

In advance of the De-listing, the Company will voluntarily give notice to HMRC that it intends to exit the UK REIT Regime with effect from 24 November 2023. As a result, its REIT status will be maintained up until this date, the Exit Date. The Board has consulted with its tax advisers and does not believe that the loss of REIT status should result in any material additional tax liability in the short term.

3. REASONS FOR THE DE-LISTING AND REMAINING UNQUOTED AND PRINCIPAL EFFECTS

3.1. The winding-down of IPSX

IPSX was launched with the intention of offering the opportunity for commercial real estate issuers (including other companies with single-asset property portfolios) to gain admission on a new trading platform in order to raise capital and potentially benefit from entering the UK REIT Regime. However, it was unable to secure enough admissions to be able to continue its operations. As a result, IPSX announced it was winding-down and it informed the Company that it had to de-list prior to 1 December 2023.

3.2. Reasons for remaining de-listed

The Board, together with its AIFM, Asset Manager and other advisers, has carefully considered alternative markets where the Company might be listed. After careful analysis of the options available to the Company, the Board, together with the AIFM and the Asset Manager, have concluded that, at this time, the costs associated with maintaining a public listing are disproportionate to its benefits. Following the De-listing, the Company will benefit from no longer having to pay certain fees associated with its listing, including its annual IPSX fees and those due to certain advisers. There will also be indirect costs savings from the Company’s lower regulatory and compliance burden.

3.3. The principal effects of the De-listing

The two main changes for the Company and Shareholders in connection with the De-listing are: (i) the Company’s tax status as a REIT; and (ii) the ability to trade Ordinary Shares.

- **REIT status**

The Company will exit the UK REIT Regime prior to its delisting from IPSX Wholesale. The Board has consulted with tax advisers and does not believe that the loss of REIT status should result in any material additional tax liability in the near term. The Board, its AIFM, Asset Manager and its other advisers (including especially its tax advisers), will continue to monitor the tax implications of remaining outside the UK REIT Regime and will update Shareholders should a return to the UK REIT Regime in the future be achievable in the light of the REIT conditions and appear to be in the Company’s best interests.

A detailed note on the tax implications for the Company and for Shareholders is set out in Part 2. **Shareholders who are in doubt as to their personal tax position should seek their own advice from professional tax specialists.**

- **Ability to trade Ordinary Shares**

Once the De-listing has occurred there will be no formal market mechanism on which to trade Ordinary Shares. Although there was limited liquidity in the Company's Shares on IPSX and there is no guarantee that an alternative listing platform would provide increased liquidity, the removal of any price formation means that it will be difficult to ascertain any open market valuation of the Ordinary Shares or to find potential buyers of your shareholding. The Board, together with its AIFM and Asset Manager, will consider the options available to the Company to assist with providing liquidity for Shareholders if and when it would be appropriate to do so.

The Company will, for the time being, retain its CREST facility through which market transactions of Ordinary Shares held in uncertificated form are settled. Shareholders should not experience any impact to their CREST accounts in relation to the De-listing. For those Shareholders who hold their shares in certificated form, existing share certificates will also remain valid and will not need to be amended in any way.

In addition, the other principal effects of the De-listing include the following:

- **The Takeover Code**

The Takeover Code will continue to apply to the Company. The protections offered by the Takeover Code will therefore remain and will not be impacted by the De-listing. Further details are provided in paragraph 4 of this Part 1.

- **Changes in applicable rules**

Shareholders should be aware that there will be no obligation on the Company to comply with the UK Market Abuse Regime, the Disclosure Guidance and Transparency Rules nor the IPSX Rules from the date of the De-listing. However, the Company will have to continually comply with the Companies Act.

- **AIF status benefits and protections**

The De-listing will not impact upon the Company's status as an Alternative Investment Fund ("AIF") under the UK AIFMD Rules and the Company will continue to benefit from the regulatory protections provided by the UK AIFMD Rules. There will therefore be no impact on the Company's AIFM or depositary appointments as a result of the De-listing.

4. TAKEOVER CODE

At the time of the admission of the Company's Ordinary Shares to trading on IPSX Wholesale, the Company noted that it was subject to the Takeover Code.

When the De-listing becomes effective, the Company's securities will no longer be admitted to trading on a regulated market or a multilateral trading facility in the United Kingdom or on any stock exchange in the Channel Islands or the Isle of Man. However, the Takeover Code will still apply to the Company as it is considered by the Panel to have its place of central management and control in the United Kingdom. This is known as the "residency test".

Following the De-listing the protections offered by the Takeover Code will remain unless: (i) the place of central management and control of the Company is moved out with the United Kingdom, the Channel Islands or the Isle of Man or (ii) the Company re-registers as a private company and the period of ten years expires from the date of De-listing.

Therefore, the Company will continue to be subject to the Takeover Code after the De-listing provided that the residency test is satisfied.

5. CONCLUSION

The Board, the AIFM and the Asset Manager expect to keep Shareholders informed as to the progress of the Company's refurbishment plan and will continue to assess the options available to the Company regarding its future over the longer term including for example but without limitation remaining an unlisted company and/or re-listing and re-entering the UK REIT Regime.

The Company also expects to update Shareholders on its annual financial results for the year ended 30 September 2023 in due course.

Yours faithfully,

Edmund Craston
Chairman

PART 2

TAXATION AND REIT STATUS

This section relates to UK tax considerations relevant to the De-listing and the Group's exit from the UK REIT Regime.

Shareholders who are in any doubt as to their tax position are strongly recommended to consult their own professional advisers.

The information set out below relates to UK taxation applicable to the Company. The information is based on existing UK taxation law and HMRC published practice in force as at the date of this Document and is, therefore, subject to any subsequent changes (possibly with retrospective effect). The information is given by way of general summary only and does not constitute legal or tax advice to any person.

1. REIT CONDITIONS: LISTED/TRADED CONDITION

In order to qualify as a REIT, the Company's shares must either be listed on a recognised stock exchange throughout each accounting period or traded on a recognised stock exchange in each accounting period.

With effect from the De-listing the Company would fail to meet this condition and it will therefore not qualify as a REIT. Therefore, the Company will voluntarily exit the UK REIT Regime prior to the De-listing.

2. EXIT FROM THE UK REIT REGIME

Upon exit from the UK REIT Regime the assets of the Company are treated as though they had been disposed of immediately before cessation and reacquired immediately after cessation. The deemed disposal of the asset takes place at market value, i.e. the price that the assets might reasonably be expected to fetch on sale in the open market. Any gain would be exempt from tax on capital gains and sets a new base cost for capital purposes going forward subject to anti-avoidance measures.

The Company would continue to be obliged to meet its distribution requirements under the UK REIT Regime for the period until its exit from the UK REIT Regime. Any undistributed tax exempt property rental business profits are required to be distributed as Property Income Distributions post-exit (subject to comments below regarding the overpayment of PIDs).

Following exit from the UK REIT Regime all UK REIT requirements would cease and the entity would be subject to UK corporation tax on taxable profits.

Exit from the UK REIT Regime within 10 years of joining

As the Company would leave the regime within 10 years of joining, it is subject to some special rules. In particular, if any assets are sold within two years of leaving, they will not benefit from rebasing to market value at entry and the computation of any profit or gain on disposal will use the original cost of the asset to the company.

Capital allowances

On exit from the UK REIT Regime, the transfer takes place at tax written-down value such that no balancing allowance or charge arise at exit.

Tax losses

On leaving the UK REIT Regime, the property rental business would be treated as ceased and any property rental losses in the current year cannot be carried forward for future use and would be reported as REIT tax exempt losses.

Losses of a residual business may be carried forward and set against future profits and gains, as can losses generated following exit of the UK REIT Regime.

Conversion process

The exit process will take place by notification to HMRC of the Board's decision to leave the UK REIT Regime and in such notification the Company will provide an effective date of the exit, being the following day after the date of the notice.

Due to the availability of capital allowances deductions and tax deductions of financing costs, the Company's loss of its status as a REIT is not expected to result in any material additional tax liabilities in the near term.

Re-entering the REIT Regime

As noted in Part 1 of this Document, the Board will continue to assess the options available to the Company regarding its future over the longer term including for example but without limitation remaining an unlisted company and/or re-listing and seeking to re-join the UK REIT Regime. Should the Company decide to join the REIT Regime it would have to satisfy certain conditions set out in the UK REIT Regime (including, without limitation, the listed / traded condition described above) and provide notice in writing to HMRC confirming that certain conditions are met, before the beginning of the accounting period for which it wishes to become a REIT.

PART 3

DEFINITIONS

The following definitions apply throughout this Document, unless the context requires otherwise:

Admission Document	the admission document dated 14 November 2022 published by the Company in relation to its launch on IPSX
AIFM	M7 Real Estate Financial Services Ltd, private limited company incorporated in England and Wales with registered number 08850690 and having its registered office at 10 Queen Street Place, London EC4R 1AG
Asset Manager	M7 Real Estate Limited, a private limited company incorporated in England and Wales with registered number 14340285 and having its registered office at 10 Queen Street Place, London EC4R 1AG
Company	BWP REIT plc, a public limited company incorporated in England and Wales with registered number 12827322 and having its registered office at C/O Alter Domus (UK) Limited, 10th Floor, 30 St Mary Axe, London EC3A 8BF
Companies Act	the Companies Act 2006, as amended from time to time
CREST	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & International Limited is the operator (as also defined in the CREST Regulations)
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended from time to time
CTA 2010	the Corporation Tax Act 2010, as amended from time to time
Directors or Board	the directors of the Company, whose names are set out in this Document
Disclosure Guidance and Transparency Rules	the UK disclosure guidance and transparency rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000, as amended from time to time
De-listing	the cancellation of admission of the Ordinary Shares to trading on IPSX
EU AIFM Delegated Regulation	the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision
EU AIFM Directive	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010, and the EU AIFM Delegated Regulation

Exit Date	24 November 2023, the date on which the Company will notify HMRC that it is leaving the UK REIT Regime in the light of the De-listing
Group	the Company and its subsidiary undertakings (as such term is defined in section 1162 of the Companies Act) from time to time
IPsx	IPsx UK Limited, a private limited company incorporated in England and Wales with registered number 10519448 and having its registered office at Birchin Court, 20 Birchin Lane, London EC3V 9DU
IPsx Rules	the rules published by the International Property Securities Exchange, including the IPsx Admission Agreement, the IPsx Rules for Issuers, the IPsx Rules for Members and the IPsx Disciplinary and Appeals Procedures, each as amended from time to time
IPsx Wholesale	the wholesale market of the International Property Securities Exchange
Lead Adviser	has the meaning given to it in the IPsx Rules
Ordinary Shares or Shares	the ordinary shares of 10 pence each in the capital of the Company and Ordinary Share means any one of them
Property Income Distributions or PIDs	the distribution by the Company of the profits of its Property Rental Business (as defined for the purposes of Part 12 of the CTA 2010), including distributions received by it from other UK REITs, by way of a dividend in cash or the issue of share capital in lieu of a cash dividend in accordance with Section 530 of the CTA 2010
REIT	a company or group to which Part 12 of the CTA 2010 applies (including, where relevant, a group UK REIT within the meaning of Part 12 of the CTA 2010)
Shareholders	holders of Ordinary Shares from time to time and Shareholder means any one of them
Takeover Code	the City Code on Takeovers and Mergers
UK REIT Regime	Part 12 of the CTA 2010 (and related regulations), as amended from time to time
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland, and a reference to “£” or “ pounds sterling ” being the lawful currency of the UK
UK AIFMD Rules	(i) the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) and any other implementing measure which operated to transpose EU AIFM Directive in to UK law before 31 January 2020 (as amended from time to time including by the Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2019 (SI 2019/328)); and

- (ii) the UK versions of the EU AIFM Delegated Regulation and any other delegated regulations in respect of the EU AIFM Directive, each being part of UK law by virtue of the European Union (Withdrawal) Act 2018, as further amended and supplemented from time to time including by the Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2019 (SI 2019/328), the Technical Standards (Alternative Investment Funds Management Directive) (EU Exit) Instrument 2019 (FCA 2019/37) and the Exiting the European Union: Specialist Sourcebooks (Amendments) Instrument 2019 (FCA 2019/25)