

# IPO Prospectus 2017

Aberdeen Standard European Logistics Income PLC

Initial Placing and Offer for Subscription of Ordinary Shares and  
Placing Programme



**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the action you should take, you are recommended to seek your own financial advice immediately from an independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

This document, which comprises a prospectus relating to Aberdeen Standard European Logistics Income PLC (the “**Company**”) prepared in accordance with the Prospectus Rules has been approved by the Financial Conduct Authority (the “**FCA**”) and has been delivered to the FCA in accordance with Rule 3.2 of the Prospectus Rules. This document has been made available to the public as required by the Prospectus Rules.

Applications will be made to the UK Listing Authority and the London Stock Exchange for all of the Ordinary Shares (issued and to be issued) in connection with the Initial Issue to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange’s Main Market for listed securities. Applications will be made for all of the Shares of the Company issued pursuant to each Subsequent Placing under the Placing Programme to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange’s Main Market for listed securities. It is expected that Initial Admission of the Ordinary Shares to be issued under the Initial Issue will become effective and that unconditional dealings will commence in the Ordinary Shares at 8.00 a.m. on 15 December 2017. It is expected that Admissions pursuant to Subsequent Placings under the Placing Programme will become effective and dealings will commence between 15 December 2017 and 16 November 2018. No application has been made or is currently intended to be made for the Shares to be admitted to listing or trading on any other stock exchange.

The Company and each of the Directors, whose names appear on page 40 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

**Prospective investors should read the entire document and, in particular, the section headed “Risk Factors” on pages 22 to 31 of this document when considering an investment in the Company.**

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## **ABERDEEN STANDARD EUROPEAN LOGISTICS INCOME PLC**

*(Incorporated in England and Wales with registered number 11032222 and registered as an investment company under section 833 of the Companies Act)*

**Initial Placing and Offer for Subscription for a target issue of 250 million Ordinary Shares at 100 pence per Ordinary Share**

**Placing Programme for Ordinary Shares and/or C Shares,**

**Admission to the premium listing segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange’s Main Market for listed securities**

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<b>AIFM</b>	<b>Investment Manager</b>
<b>ABERDEEN FUND MANAGERS LIMITED</b>	<b>ABERDEEN ASSET MANAGERS LIMITED</b>

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**Sponsor, Sole Global Coordinator and Bookrunner**

**CANACCORD GENUITY LIMITED**

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Canaccord Genuity Limited (“**Canaccord Genuity**”), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and for no one else in relation to Admission of any Shares, the Initial Issue, the Placing Programme and the other arrangements referred to in this document. Canaccord Genuity will not regard any other person (whether or not a recipient of this document) as its client in relation to Admission of any Shares, the Initial Issue, the Placing Programme and the other arrangements referred to in this document and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing any advice in relation to Admission of any Shares, the Initial Issue, the Placing



Programme, the contents of this document or any transaction or arrangement referred to in this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on Canaccord Genuity by FSMA or the regulatory regime established thereunder, Canaccord Genuity does not make any representation express or implied in relation to, nor accepts any responsibility whatsoever for, the contents of this document or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares, Admission of any Shares, the Initial Issue or the Placing Programme. Canaccord Genuity (and its affiliates) accordingly, to the fullest extent permissible by law, disclaims all and any responsibility or liability (save for any statutory liability) whether arising in tort, contract or otherwise which it might have in respect of the contents of this document or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares, Admission of any Shares, the Initial Issue or the Placing Programme.

The Offer for Subscription will remain open until 5.00 p.m. on 11 December 2017 and the Initial Placing will remain open until 5.00 p.m. on 12 December 2017. Persons wishing to participate in the Offer for Subscription should complete the Application Form set out in the Appendix to this document. To be valid, Application Forms must be completed and returned with the appropriate remittance, by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA or by hand (during business hours only), to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA so as to be received no later than 5.00 p.m. on 11 December 2017.

Investors should rely only on the information contained in this document. No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised by the Company, the AIFM, the Investment Manager or Canaccord Genuity. Without prejudice to the Company's obligations under the Prospectus Rules, neither the delivery of this document nor any subscription for or purchase of Shares pursuant to the Initial Issue and/or the Placing Programme, under any circumstances, creates any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this document.

Canaccord Genuity and its affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services for the Company, the AIFM and/or the Investment Manager, for which they may have received customary fees. Canaccord Genuity and its affiliates may provide such services to the Company, the AIFM and/or the Investment Manager and any of their respective affiliates in the future.

In connection with the Initial Issue and/or Subsequent Placings, Canaccord Genuity and any of its affiliates, acting as investors for its or their own accounts, may subscribe for, or purchase, Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in the Shares and other securities of the Company or related investments in connection with the Initial Issue and/or Subsequent Placings or otherwise. Accordingly, references in this document to Shares being issued, offered, acquired, subscribed or otherwise dealt with, should be read as including any issue or offer to, acquisition of, or subscription or dealing by Canaccord Genuity and any of its affiliates acting as an investor for its or their own account(s).

Neither Canaccord Genuity nor any of its affiliates intends to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. In addition, Canaccord Genuity may enter into financing arrangements with investors, such as share swap arrangements or lending arrangements, in connection with which Canaccord Genuity may, from time to time, acquire, hold or dispose of shareholdings in the Company.

The contents of this document are not to be construed as legal, financial, business, investment or tax advice. Investors should consult their own legal adviser, financial adviser or tax adviser for legal, financial, business, investment or tax advice. Investors must inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer, redemption or other disposal of Shares. Investors must rely on their own representatives, including their own legal advisers and accountants, as to legal, financial, business, investment, tax, or any other related matters concerning the Company and an investment therein.

None of the Company, the AIFM, the Investment Manager or Canaccord Genuity nor any of their respective representatives is making any representation to any offeree or purchaser of Shares regarding the legality of an investment in the Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

This document may not be used for the purpose of, and does not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such offer or solicitation.

This document is not being sent to investors with registered addresses in Canada, Australia, the Republic of South Africa, New Zealand, Japan or, except in the limited circumstances described below, the United States, and does not constitute an offer to sell, or the solicitation of an offer to buy, Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this document is not for release, publication or distribution in or into Canada, Australia, the Republic of South Africa, New Zealand, Japan or, except in the limited circumstances described below, the United States.

### **Notice to U.S. and Other Overseas Investors**

The offer and sale of the Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or under the securities laws of any other state or jurisdiction of the United States or under the applicable securities laws of Canada, Australia, the Republic of South Africa, New Zealand or Japan. Except as set forth in the paragraphs below, the Shares may not be offered, sold, delivered or distributed, directly or indirectly, in, into or within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act, “**U.S. Persons**”) or to any national, resident or citizen of Canada, Australia, the Republic of South Africa, New Zealand or Japan.

In addition, the Company has not been, and will not be, registered under the U.S. Investment Company Act of 1940, as amended (the “**Investment Company Act**”) and, as such, investors will not be entitled to the benefits of the Investment Company Act. No offer, purchase, sale or transfer of the Shares may be made except under circumstances which will not result in the Company being required to register as an investment company under the Investment Company Act.

In connection with the Initial Issue and/or Subsequent Placings, Shares will be offered and sold only: (i) outside the United States to, and for the account or benefit of, non-US persons in “offshore transactions” within the meaning of, and in reliance on, Regulation S under the Securities Act; and (ii) in a concurrent private placement in the United States to a limited number of “qualified institutional buyers” as defined in Rule 144A under the Securities Act that are also “qualified purchasers” within the meaning of section 2(a)(51) of the Investment Company Act and the rules thereunder. There will be no public offer of Shares in the United States. The Shares will be “restricted securities” within the meaning of Rule 144 under the Securities Act and may be resold or transferred only in accordance with the restrictions referred to in this document.

Neither the U.S. Securities and Exchange Commission (the “**SEC**”) nor any state securities commission or other U.S. regulatory authority has approved or disapproved of the Shares or passed upon or endorsed the merits of the offering of the Shares nor have they approved this document or confirmed the adequacy or accuracy of the information contained herein. Any representation to the contrary is a criminal offence in the United States.

Until 40 days after the commencement of the Initial Issue or any Subsequent Placing (as the case may be), an offer or sale of the Ordinary Shares within the United States by any dealer (whether or not participating in the Initial Issue or any Subsequent Placing (as the case may be)) may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with an exemption from registration, or in a transaction not subject to the registration requirements, under the Securities Act.

Subject to certain exceptions, the Shares may not be acquired by, (i) investors using assets of (A) an “employee benefit plan” as defined in Section 3(3) of U.S. Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”) that is subject to Title I of ERISA; (B) a “plan” as defined in Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the “U.S. Tax Code”), including an individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Tax Code; or (C) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the U.S. Tax Code or (ii) a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the

provisions of Title I of ERISA or Section 4975 of the U.S. Tax Code, unless its purchase, holding, and disposition of the Shares will not result in a violation of applicable law and/or constitute a non-exempt prohibited transaction under Section 503 of the U.S. Tax Code or any substantially similar law.

All prospective purchasers of Shares are urged to consult with their own tax advisers concerning the US federal income tax considerations associated with acquiring, owning and disposing of Shares in light of their particular circumstances, as well as any considerations arising under the laws of any non-US state, local or other taxing jurisdiction.

The enforcement by investors of civil liabilities under the United States federal securities laws may be adversely affected by the fact that the Company is incorporated outside the United States, and that its directors are residents of a foreign country. As a result, it may be difficult or impossible for investors to effect service of process within the United States upon the Company or its directors or to realise against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States. In addition, investors should not assume that the courts of the United Kingdom: (a) would enforce judgments of US courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States.

#### **For The Attention of Guernsey Residents**

This document has not been approved or authorised by the Guernsey Financial Services Commission for circulation in Guernsey and may not be distributed or circulated directly or indirectly to any persons in the Bailiwick of Guernsey other than: (i) by a person licensed to do so under the terms of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended; or (ii) to those persons regulated by the Guernsey Financial Services Commission as licensees under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Business (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Business and Company Directors etc. (Bailiwick of Guernsey) Law, 2000. The Guernsey Financial Services Commission does not vouch for the financial soundness of any subscription for Shares or for the correctness of any statements made or opinions expressed with regard to it.

#### **For The Attention of Jersey Residents**

This document does not purport to provide investment advice and shall not be construed as giving advice on the merits or suitability of the subscription or purchase of the Shares. This document is not subject to and has not received approval from either the Jersey Financial Services Commission or the Registrar of Companies in Jersey and no statement to the contrary, explicit or implicit, is authorised to be made in this regard. The Shares being offered may be offered or sold in Jersey only in compliance with the provisions of the Control of Borrowing (Jersey) Order 1958 (“**COBO**”).

#### **For The Attention of Isle of Man Residents**

This document has not been approved or reviewed by the Isle of Man Financial Services Authority or any other governmental or regulatory authority in the Isle of Man. The Initial Placing and/or any Subsequent Placing is available, and may be made, in the Isle of Man and this document is being provided in connection with the Initial Placing and/or any Subsequent Placing in the Isle of Man only to persons: (a) licensed under the Isle of Man Financial Services Act 2008; or (b) falling within exclusion 2(r) of the Isle of Man Regulated Activities Order 2011 (as amended); or (c) whose ordinary business activities involve them in acquiring, holding, managing or disposing of shares or debentures (as principal or agent), for the purposes of their business.

In relation to each member state in the European Economic Area that has implemented the AIFM Directive, no Shares have been or will be directly or indirectly offered to, or placed with, investors in that member state at the initiative of or on behalf of the Company or the AIFM other than in accordance with methods permitted in that member state.

Copies of this document will be available on the Company's website ([www.eurologisticsincome.co.uk](http://www.eurologisticsincome.co.uk)) and the National Storage Mechanism of the FCA at [www.morningstar.co.uk/uk/nsm](http://www.morningstar.co.uk/uk/nsm) and hard copies of this document can be obtained free of charge from the Receiving Agent.

Dated: 17 November 2017

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## SUMMARY

Summaries are made up of disclosure requirements known as “Elements”. These elements are numbered in Sections A–E (A.1–E.7). This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Some Elements are not required to be addressed which means there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted into the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “Not applicable”.

### Section A – Introduction and warnings

Element	Disclosure Requirement	Disclosure
A.1.	Warning	This summary should be read as an introduction to this document. Any decision to invest in Shares should be based on consideration of this document as a whole by the investor. Where a claim relating to the information contained in this document is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating this document before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document or it does not provide, when read together with the other parts of this document, key information in order to aid investors when considering whether to invest in such securities.
A.2.	Subsequent resale or final placement of securities through financial intermediaries	<p>The Company consents to the use of this document by financial intermediaries in connection with the subsequent resale or final placement of securities by financial intermediaries.</p> <p>The offer period within which any subsequent resale or final placement of securities by financial intermediaries can be made and for which consent to use this document is given commences on 17 November 2017 and closes at 11.00 a.m. on 11 December 2017.</p> <p><b>Information on the terms and conditions of any subsequent resale or final placement of securities by any financial intermediary is to be provided at the time of the offer by the financial intermediary.</b></p>

### Section B – Issuer

Element	Disclosure Requirement	Disclosure
B.1.	Legal and commercial name	Aberdeen Standard European Logistics Income PLC
B.2.	Domicile and legal form	The Company was incorporated in England and Wales on 25 October 2017 with registered number 11032222 as a public company limited by shares under the Companies Act. The principal legislation under which the Company operates is the Companies Act.
B.5.	Group description	Not applicable. The Company is not part of a group.



B.6.	Major shareholders	<p>The Directors intend to subscribe for the following Ordinary Shares pursuant to the Initial Issue:</p> <table><tr><td></td><td><i>Ordinary Shares</i></td></tr><tr><td>Pascal Duval</td><td>30,000</td></tr><tr><td>Caroline Gulliver</td><td>25,000</td></tr><tr><td>John Heawood</td><td>20,000</td></tr><tr><td>Tony Roper</td><td>30,000</td></tr><tr><td>Diane Wilde</td><td>20,000</td></tr></table> <p>Standard Life Aberdeen intends to subscribe for 15,000,000 Ordinary Shares pursuant to the Initial Issue, subject to the requirement for Standard Life Aberdeen to hold, in aggregate, no more than 14.99 per cent. of the Initial Issue (either directly or via funds managed by Standard Life Aberdeen), in which event Standard Life Aberdeen would scale back its investment accordingly. The Directors believe that this proposed investment strongly aligns the interests of the Investment Manager with those of Shareholders.</p> <p>As at 16 November 2017 (the latest practicable date prior to the publication of this document) insofar as known to the Company, there are no parties known to have a notifiable interest under English law in the Company’s capital or voting rights.</p> <p>All Shareholders have the same voting rights in respect of the share capital of the Company.</p> <p>Pending the allotment of Ordinary Shares pursuant to the Initial Issue, the Company is controlled by Aberdeen Asset Management PLC. The Company and the Directors are not aware of any other person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.</p>		<i>Ordinary Shares</i>	Pascal Duval	30,000	Caroline Gulliver	25,000	John Heawood	20,000	Tony Roper	30,000	Diane Wilde	20,000
	<i>Ordinary Shares</i>													
Pascal Duval	30,000													
Caroline Gulliver	25,000													
John Heawood	20,000													
Tony Roper	30,000													
Diane Wilde	20,000													
B.7.	Key financial information	Not applicable. No key financial information is included in this document as the Company is yet to commence operations.												
B.8.	Key <i>pro forma</i> financial information	Not applicable. No <i>pro forma</i> financial information is included in this document.												
B.9.	Profit forecast	Not applicable. No profit forecast or estimate is included in this document.												
B.10.	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. There are no audit reports in this document.												
B.11.	Qualified working capital	Not applicable. The Company is of the opinion that, on the basis that the Minimum Net Proceeds are raised, the working capital available to it is sufficient for its present requirements, that is, for at least the next 12 months from the date of this document.												
B.34.	Investment policy	<p><b><i>Investment Objective</i></b></p> <p>To aim to provide a regular and attractive level of income return together with the potential for long term income and capital growth from investing in high quality European logistics real estate.</p>												

		<p><b><i>Investment Policy</i></b></p> <p>To deliver the investment objective through investment in, and management of, a diversified portfolio of “big box” logistics warehouses and “last mile” urban logistics assets in Europe.</p> <p>The Company will invest in a portfolio of assets diversified by both geography and tenant throughout Europe, predominantly targeting well-located assets at established distribution hubs and within population centres. In particular, the Investment Manager will seek to identify assets benefitting from long-term, index-linked, leases as well as those which may benefit from structural change, and will take into account several factors, including but not limited to:</p> <ul style="list-style-type: none"> <li>• the property characteristics (such as location, building quality, scale, transportation links, workforce availability and operational efficiencies);</li> <li>• the terms of the lease (focusing on duration, inflation-linked terms, the basis for rent reviews and the potential for growth in rental income); and</li> <li>• the strength of the tenant’s financial covenant.</li> </ul> <p>The Company may forward fund the development of, or commit to the forward purchase of, new assets when the Investment Manager believes that to do so would enhance returns for Shareholders and/or secure an asset at an attractive yield. The Company intends that forward funded or forward purchased assets will be wholly or predominantly pre-let at the time the investments are committed to.</p> <p><b><i>Diversification of risk</i></b></p> <p>The Company will at all times invest and manage its assets in a manner which is consistent with the spreading of investment risk. The following investment limits and restrictions will apply to the Company and its business which, where appropriate, will be measured at the time of investment and once the Company is fully invested:</p> <ul style="list-style-type: none"> <li>• the Company will only invest in assets located in Europe;</li> <li>• no more than 50 per cent. of Gross Assets will be concentrated in a single country;</li> <li>• no single asset may represent more than 20 per cent. of Gross Assets;</li> <li>• forward funded commitments will be wholly or predominantly pre-let and the Company’s overall exposure to forward funded commitments will be limited to 20 per cent. of Gross Assets;</li> <li>• the Company’s maximum exposure to any single developer will be limited to 20 per cent. of Gross Assets;</li> <li>• the Company will not invest in other closed-ended investment companies;</li> <li>• the Company may only invest in assets with tenants which have been classified by the Investment Manager’s investment process as having strong financial covenants; and</li> <li>• no single tenant will represent more than 20 per cent. of the Company’s annual gross income measured annually.</li> </ul> <p>The Company will not be required to dispose of any asset or to rebalance the Portfolio as a result of a change in the respective valuations of its assets.</p> <p>The Company intends to conduct its affairs so as to qualify as an investment trust for the purposes of section 1158 of the CTA 2010.</p>
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		<p><i>Borrowing and gearing</i></p> <p>The Company intends to use gearing with the objective of improving Shareholder returns. Debt will typically be secured at the asset level and potentially at the Company level with or without a charge over some or all of the Company's assets, depending on the optimal structure for the Company and having consideration to key metrics including lender diversity, cost of debt, debt type and maturity profiles.</p> <p>Borrowings will typically be non-recourse and secured against individual assets or groups of assets and the aggregate borrowings will always be subject to an absolute maximum, calculated at the time of drawdown for a property purchase, of 50 per cent. of Gross Assets. Where borrowings are secured against a group of assets, such group of assets shall not exceed 25 per cent. of Gross Assets in order to ensure that investment risk remains suitably spread.</p> <p>The Board has established gearing guidelines for the AIFM in order to maintain an appropriate level and structure of gearing within the parameters set out above. Under these guidelines, aggregate borrowings are not expected to exceed 35 per cent. of Gross Assets within the first year from Initial Admission, and thereafter are not expected to exceed 30 per cent of Gross Assets. Such limits may be exceeded in the short term from time to time.</p> <p>The Board will keep the level of borrowings under review. In the event of a breach of the investment guidelines and restrictions set out above, the AIFM will inform the Board upon becoming aware of the same, and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service and the AIFM will look to resolve the breach with the agreement of the Board. The Directors may require that the Company's assets are managed with the objective of bringing borrowings within the appropriate limit while taking due account of the interests of Shareholders. Accordingly, corrective measures may not have to be taken immediately if this would be detrimental to Shareholder interests.</p> <p>Any material change to the Company's investment policy set out above will require the approval of Shareholders by way of an ordinary resolution at a general meeting and the approval of the UK Listing Authority. Non-material changes to the investment policy may be approved by the Board.</p>
B.35.	Borrowing limits	<p>The Company intends to use gearing with the objective of improving Shareholder returns. Debt will typically be secured at the asset level and potentially at the Company level with or without a charge over some or all of the Company's assets, depending on the optimal structure for the Company and having consideration to key metrics including lender diversity, cost of debt, debt type and maturity profiles.</p> <p>Borrowings will typically be non-recourse and secured against individual assets or groups of assets and the aggregate borrowings will always be subject to an absolute maximum, calculated at the time of drawdown for a property purchase, of 50 per cent. of Gross Assets. Where borrowings are secured against a group of assets, such group of assets shall not exceed 25 per cent. of Gross Assets in order to ensure that investment risk remains suitably spread.</p> <p>The Board has established gearing guidelines for the AIFM in order to maintain an appropriate level and structure of gearing within the parameters set out above. Under these guidelines, aggregate</p>

		<p>borrowings are not expected to exceed 35 per cent. of Gross Assets within the first year from Initial Admission, and thereafter are not expected to exceed 30 per cent of Gross Assets. Such limits may be exceeded in the short term from time to time.</p> <p>The Board will keep the level of borrowings under review. In the event of a breach of the investment guidelines and restrictions set out above, the AIFM will inform the Board upon becoming aware of the same, and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service and the AIFM will look to resolve the breach with the agreement of the Board. The Directors may require that the Company's assets are managed with the objective of bringing borrowings within the appropriate limit while taking due account of the interests of Shareholders. Accordingly, corrective measures may not have to be taken immediately if this would be detrimental to Shareholder interests.</p>
B.36.	Regulatory status	As an investment trust, the Company will not be regulated as a collective investment scheme by the FCA. However, from Initial Admission, it will be subject to the Listing Rules, Prospectus Rules, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation.
B.37.	Typical investor	An investment in the Shares is only suitable for institutional investors and professionally advised, or non-advised, private investors who understand, and are capable of evaluating, the merits and risks of such an investment and who have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in Shares in the Initial Issue and/or any Subsequent Placing.
B.38.	Investment of 20 per cent. or more in single underlying asset or investment company	No asset will constitute 20 per cent. or more of Gross Assets on Initial Admission.
B.39.	Investment of 40 per cent. or more in single underlying asset or investment company	No asset will constitute 40 per cent. or more of Gross Assets on Initial Admission.
B.40.	Applicant's service providers	<p><b><i>The AIFM</i></b></p> <p>Under the terms of the Management Agreement, the Company has appointed Aberdeen Fund Managers Limited as the Company's alternative investment fund manager for the purposes of the AIFM Rules. The AIFM has delegated portfolio management to Aberdeen Asset Managers Limited as Investment Manager.</p> <p>Pursuant to the terms of the Management Agreement, the AIFM is responsible for portfolio and risk management on behalf of the Company and will carry out the on-going oversight functions and supervision and ensure compliance with the applicable requirements of the AIFM Rules. The AIFM and the Investment Manager are both legally and operationally independent of the Company.</p>



		<p>Pursuant to the terms of the Management Agreement, the AIFM is entitled, with effect from Initial Admission, to receive a stepped annual management fee (the “<b>Annual Management Fee</b>”) calculated by reference to the Net Asset Value (as calculated under IFRS) on the following basis:</p> <table><tr><td></td><td><i>Annual management fee (percentage of Net Asset Value)</i></td></tr><tr><td><i>Net Asset Value</i></td><td></td></tr><tr><td>On such part of the Net Asset Value that is less than or equal to €500 million</td><td>0.95 per cent.</td></tr><tr><td>On such part of the Net Asset Value that is more than €500 million but less than or equal to €1.25 billion</td><td>0.75 per cent.</td></tr><tr><td>On such part of the Net Asset Value that is more than €1.25 billion</td><td>0.60 per cent.</td></tr></table> <p>No Annual Management Fee shall be charged on uninvested funds until such time as 75 per cent. of the Net Proceeds have been invested.</p> <p>The Annual Management Fee is payable in Euros quarterly in arrears, save for any period which is less than a full calendar quarter.</p> <p>In addition, the AIFM is entitled to reimbursement for all cost and expenses properly incurred by the AIFM and/or the Investment Manager in the performance of their respective duties under the Management Agreement.</p> <p>There are no performance, acquisition, exit or property management fees payable to the AIFM and/or the Investment Manager.</p> <p>The AIFM shall also perform certain promotional activities on behalf of the Company, the scope of services and corresponding fees shall be agreed pursuant to a separate promotional services agreement between the AIFM and the Company.</p> <p><b>Administrator and Company Secretary</b></p> <p>The AIFM has also been appointed by the Company under the terms of the Management Agreement to provide day-to-day administration services to the Company and provide the general company secretarial functions required by the Companies Act.</p> <p>In this role, the AIFM will provide certain administrative services to the Company which includes reporting the Net Asset Value, bookkeeping and accounts preparation. The AIFM has delegated the provision of these accounting and administration services to State Street Bank and Trust Company.</p> <p>The AIFM has also delegated the provision of the general company secretarial services to Aberdeen Asset Management PLC.</p> <p>The AIFM will charge an additional fee of €145,000 per annum (subject to an annual uplift at the rate of RPI to be effective from the 1 January each year, commencing 1 January 2019) to the Company for the provision of these services. The AIFM will also be entitled to reimbursement of all out-of-pocket costs, expenses and charges reasonably and properly incurred on behalf of the Company in connection with these services.</p>		<i>Annual management fee (percentage of Net Asset Value)</i>	<i>Net Asset Value</i>		On such part of the Net Asset Value that is less than or equal to €500 million	0.95 per cent.	On such part of the Net Asset Value that is more than €500 million but less than or equal to €1.25 billion	0.75 per cent.	On such part of the Net Asset Value that is more than €1.25 billion	0.60 per cent.
	<i>Annual management fee (percentage of Net Asset Value)</i>											
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On such part of the Net Asset Value that is less than or equal to €500 million	0.95 per cent.											
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On such part of the Net Asset Value that is more than €1.25 billion	0.60 per cent.											

		<p><b>Depository</b></p> <p>National Westminster Bank Plc is the sole depository of the Company and, pursuant to the terms of the Depository Agreement with the AIFM and the Company, shall be responsible for ensuring the Company's cash flows are properly maintained; for the safekeeping of custody and non-custody assets of the Company; and the oversight and supervision of the AIFM and the Company. The Depository is entitled to receive from the Company a periodic fee (together with VAT) equal to 0.01 per cent. of the Net Asset Value per annum calculated quarterly. The Depository is also entitled to certain variable transaction and custody charges on an agreed basis. These costs are borne by the Company.</p> <p><b>Registrar</b></p> <p>Equiniti Limited has been appointed as the Company's Registrar pursuant to the Registrar Agreement. The Registrar is entitled to a fee calculated on the basis of the number of Shareholders and the number of transfers processed (exclusive of any VAT). The Registrar is also entitled to reimbursement of all out-of-pocket costs, expenses and charges properly incurred on behalf of the Company.</p> <p><b>Receiving Agent</b></p> <p>The Company has also appointed Equiniti Limited to provide receiving agent services in connection with the Offer for Subscription. The Receiving Agent shall be entitled to a fee from the Company of not less than £5,500 in connection with these services.</p> <p><b>Auditor</b></p> <p>KPMG LLP has been appointed auditor of the Company. The Auditor will be entitled to an annual fee from the Company, which fee will be agreed with the Board each year in advance of the Auditor commencing audit work.</p>
B.41.	Regulatory status of AIFM, the investment manager and custodian	<p>The AIFM is authorised and regulated by the FCA (FCA registration number 121803) as a full-scope alternative investment fund manager for the purposes of the AIFM Rules.</p> <p>The Investment Manager is authorised and regulated by the FCA (FCA registration number 121891) to provide portfolio management functions.</p> <p>The Depository is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority.</p>
B.42.	Calculation of Net Asset Value	<p>Properties will be valued quarterly by the AIFM (as advised by independent third party valuation advisers as may be appointed by the AIFM from time to time) in accordance with locally accepted professional valuation standards, with such valuations being reviewed quarterly by the Board. The Net Asset Value per Ordinary Share and the Net Asset Value per C Share (if relevant) will be prepared by the AIFM (or its affiliates or delegates) and published quarterly, together with details of the Portfolio, based on the properties' most recent valuations, calculated under IFRS. Such Net Asset Values will be published through a Regulatory Information Service as soon as practicable after the end of the relevant quarter.</p> <p>Consistent with other listed European real estate investment companies, the Directors expect to follow the guidance published by EPRA and to disclose adjusted measures of Net Asset Value per</p>

		<p>Ordinary Share and earnings per Ordinary Share which are designed by EPRA to better reflect the core long-term operations of the business.</p> <p>If the Directors consider that any of the above bases of valuation are inappropriate in any particular case, or generally, they may adopt such other valuation procedures as they consider reasonable in the circumstances.</p> <p>The Directors may temporarily suspend the calculation, and publication, of the Net Asset Value during a period when, in the opinion of the Directors:</p> <ul style="list-style-type: none"> <li>there are political, economic, military or monetary events or any circumstances outside the control, responsibility or power of the Board, and disposal or valuation of investments of the Company or other transactions in the ordinary course of the Company's business is not reasonably practicable without this being materially detrimental to the interests of Shareholders or if, in the opinion of the Board, the Net Asset Value cannot be fairly calculated;</li> <li>there is a breakdown of the means of communication normally employed in determining the calculation of the Net Asset Value; or</li> <li>it is not reasonably practicable to determine the Net Asset Value on an accurate and timely basis.</li> </ul> <p>Any suspension in the calculation of the Net Asset Value, to the extent required under the Articles or by the Listing Rules, will be notified through a Regulatory Information Service as soon as practicable after any such suspension occurs.</p>
B.43.	Cross liability	Not applicable. The Company is not an umbrella collective investment undertaking and as such there is no cross liability between classes or investment in another collective investment undertaking.
B.44.	No financial statements have been made up	The Company has not commenced operations and no financial statements have been made up as at the date of this document.
B.45.	Portfolio	Not applicable. The Company is newly incorporated and does not currently hold any assets.
B.46.	Net Asset Value	Not applicable. The Company has not commenced operations.

### Section C – Securities

Element	Disclosure Requirement	Disclosure
C.1.	Type and class of securities	<p>The Company is targeting an issue of 250 million Ordinary Shares with a nominal value of £0.01 each at an Issue Price of 100 pence pursuant to the Initial Issue. The Company also intends to issue Ordinary Shares with a nominal value of £0.01 each and/or C Shares with a nominal value of £0.10 each pursuant to the Placing Programme.</p> <p>The ISIN of the Ordinary Shares is GB00BD9PXH49 and the SEDOL of the Ordinary Shares is BD9PXH4. The ticker for the Ordinary Shares is ASLI.</p>

		The ISIN of the C Shares is GB00BD9PXJ62 and the SEDOL of the C Shares is BD9PXJ6. The ticker for the C Shares is ASLC.
C.2.	Currency	The Ordinary Shares and C Shares will be denominated in Sterling.
C.3.	Number of securities to be issued	<p>The Company is targeting an issue of 250 million Ordinary Shares pursuant to the Initial Issue comprising of the Initial Placing and the Offer for Subscription with the potential for the Directors to increase the size of the Initial Issue to a maximum of 350 million Ordinary Shares, subject to investor demand.</p> <p>The actual number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Initial Gross Proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service announcement and the Company's website prior to Initial Admission.</p> <p>The Directors have authority to issue, in aggregate, 500 million Shares pursuant to the Initial Issue and the Placing Programme.</p>
C.4.	Description of the rights attaching to the securities	<p>The holders of the Ordinary Shares and C Shares shall only be entitled to receive, and to participate in, any dividends declared in relation to the relevant class of shares that they hold.</p> <p>On a winding-up or a return of capital by the Company, if there are C Shares in issue, the net assets of the Company attributable to the C Shares shall be divided <i>pro rata</i> among the holders of the C Shares. For so long as C Shares are in issue, and without prejudice to the Company's obligations under the Companies Act, the assets attributable to the C Shares shall, at all times, be separately identified and shall have allocated to them such proportion of the expenses or liabilities of the Company as the Directors fairly consider to be attributable to any C Shares in issue.</p> <p>The holders of Ordinary Shares shall be entitled to all of the Company's remaining net assets after taking into account any net assets attributable to any C Shares (if any) in issue.</p> <p>The Ordinary Shares and the C Shares (if any) shall carry the right to receive notice of, attend and vote at general meetings of the Company.</p> <p>The consent of either the holders of Ordinary Shares or the holders of C Shares will be required for the variation of any rights attached to the relevant class of shares.</p>
C.5.	Restrictions on the free transferability of the securities	There are no restrictions on the free transferability of the Shares.
C.6.	Admission	<p>Applications will be made to the UK Listing Authority and to the London Stock Exchange for all of the Ordinary Shares (issued and to be issued) pursuant to the Initial Issue to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities.</p> <p>Applications will be made to the UK Listing Authority and to the London Stock Exchange for all of the Shares being issued pursuant to the Placing Programme to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities.</p>



		<p>It is expected that Initial Admission will become effective, and that dealings in the Ordinary Shares will commence at 8.00 a.m. on 15 December 2017.</p> <p>It is expected that any further Admissions under Subsequent Placings will become effective and dealings will commence between 15 December 2017 and 16 November 2018.</p> <p>All Shares to be issued pursuant to a Subsequent Placing under the Placing Programme will be allotted conditionally upon the relevant Admission occurring.</p>
C.7.	Dividend policy	<p>Subject to compliance with the Companies Act, the Company intends to pay Sterling dividends on a quarterly basis. The Company will declare dividends in Euros, but Shareholders will receive dividend payments in Sterling. The date on which the Euro/ Sterling exchange rate is set will be announced at the time the dividend is declared; and a further announcement will be made once such exchange rate has been set. Distributions made by the Company may take the form of either dividend income or “qualifying interest income” which may be designated as interest distributions for UK tax purposes. It is expected that the majority of the Company’s distributions will take the form of dividend income, rather than qualifying interest income, in the period during which the proceeds of the Initial Issue are invested; with the proportion increasing to a significant majority once that investment process has been completed. Prospective investors should note that the UK tax treatment of the Company’s distributions may vary for a Shareholder in the Company depending upon the classification of such distributions. <b>Prospective investors who are unsure about the tax treatment of distributions which will apply to them should consult their own tax advisers.</b></p> <p>The Company is targeting, for an investor in the Company at launch:</p> <ul style="list-style-type: none"> <li>• an annual dividend yield of 5.5 per cent. per Ordinary Share (in Euro terms); and</li> <li>• a total shareholder return of 7.5 per cent. per annum (in Euro terms),</li> </ul> <p>(the “<b>Target Returns</b>”).</p> <p><b>Timing of Ordinary Share distributions</b></p> <p>The Company’s financial year end is 31 December and the Company’s first financial year will end on 31 December 2018.</p> <p>The Company intends to declare quarterly dividends to Shareholders with dividends declared in respect of the quarters ending on the following dates: 31 March, 30 June, 30 September and 31 December in each year.</p> <p>The Company is targeting a first dividend of no less than 0.7p per Ordinary Share in respect of the period from Initial Admission to 30 June 2018, and expects to pay, in aggregate, dividends totalling no less than 3.0p per Ordinary Share in respect of the period from Initial Admission to 31 December 2018.</p> <p><b><i>Investors should note that the Target Returns, including their declaration and payment frequency, are a target only and not a profit forecast. There may be a number of factors that adversely affect the Company’s ability to achieve the Target Returns and there can be no assurance that the target will be met or that any dividend will be achieved. The Target Returns should not be seen as an indication of the Company’s expected or actual results or returns. Accordingly, investors</i></b></p>

		<p><b><i>should not place any reliance on these targets or assume that the Company will make any distributions at all in deciding whether to invest in the Shares.</i></b></p> <p><b><i>Investors should note that references in this Element C.7 to “dividends” are intended to cover both dividend income, and income which is designated as an interest distribution for UK tax purposes and therefore subject to the interest streaming regime applicable to investment trusts.</i></b></p>
C.22	Information about the Shares	<p>In the event that any C Shares are issued under the Placing Programme, the investments which are attributable to the C Shares following Conversion will be merged with the Company’s existing portfolio of investments. The new Ordinary Shares arising on Conversion of the C Shares will, subject to the Articles, rank <i>pari passu</i> with the Ordinary Shares then in issue.</p> <p>The Ordinary Shares carry the right to receive all dividends declared by the Company or the Directors, subject to the rights of any C Shares in issue.</p> <p>On a winding-up, provided the Company has satisfied all of its liabilities and subject to the rights conferred by any C Shares in issue at that time to participate in the winding-up, the holders of Ordinary Shares will be entitled to all of the surplus assets of the Company.</p> <p>Holders of Ordinary Shares and C Shares (if any) will be entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Ordinary Share or C Share held.</p> <p>The nominal value of the Ordinary Shares is £0.01 per Ordinary Share.</p> <p>The nominal value of the C Shares is £0.10 per C Share.</p> <p>The Shares will be in registered form, will be admitted to the premium listing segment of the Official List and will be traded on the London Stock Exchange’s Main Market for listed securities. The Company will use its reasonable endeavours to procure that, upon Conversion, the new Ordinary Shares thereby arising are admitted to the premium listing segment of the Official List and admitted to trading on the London Stock Exchange’s Main Market for listed securities.</p> <p>There are no restrictions on the free transferability of the Shares, subject to compliance with applicable securities laws.</p>

#### Section D – Risks

Element	Disclosure Requirement	Disclosure
D.1.	Key information on the key risks that are specific to the Company or its industry	<p>The key risk factors relating to the Company and its investment strategy are:</p> <ul style="list-style-type: none"> <li>• The Company is a newly formed company incorporated in England and Wales on 25 October 2017. The Company has no operating results, and it will not commence operations until obtaining funding through the Initial Issue. As the Company lacks an operating history, investors have no basis on which to evaluate the Company’s ability to achieve its investment objective and provide a satisfactory investment return.</li> <li>• The Company’s Target Returns set out in this document are targets only and are based on estimates and assumptions</li> </ul>

		<p>about a variety of factors all of which are beyond the Company's control and which may adversely affect the Company's ability to make its Target Returns. The Company may not be able to implement its investment policy and strategy in a manner that generates dividends in line with the Target Returns or the Company's investment objective.</p> <ul style="list-style-type: none"> <li>• Market conditions and uncertainty regarding economic markets generally could result in declines in the market values of potential investments or declines in the market values of investments after they are made or acquired by the Company.</li> <li>• The level of dividends and other distributions to be paid by the Company may fluctuate and there is no guarantee that any such distributions will be paid.</li> <li>• Borrowings may be employed at the level of the Company and/or at the level of special purpose vehicles for investment purposes, which exposes the Company to risks associated with borrowings.</li> <li>• Both the condition of the European real estate market and the overall economies of the countries in which the Company invests will impact the returns of the Company, and hence may have a negative impact on or delay the Company's ability to execute investments in suitable assets that generate acceptable returns. Market conditions may also negatively impact on the revenues earned from the real estate assets in the Portfolio and the price at which the Company is able to dispose of these assets. In these circumstances, the Company's ability to make distributions to Shareholders from income generated could be affected.</li> <li>• Logistics assets appeal to a broad spread of potential investors including other property specialists and funds, sovereign wealth funds, pension/insurance companies and family offices. Competition for available income producing investment properties is strong, hence there is no assurance that the Company will be able to secure suitable logistics assets.</li> <li>• The valuation of property is inherently subjective owing to the individual nature of each property and is based on a number of assumptions which may not turn out to be true, meaning that actual prices paid by the Company for the real estate assets in the Portfolio may not reflect the valuations of the properties.</li> <li>• Although the Company's investment policy limits the Company's exposure to any one tenant to 20 per cent. of the Company's aggregate gross rental income (measured annually), a downturn in business, bankruptcy or insolvency could force a major tenant of the Company to default on its rental obligations and/or vacate the premises. In addition, under the terms of a lease a tenant may have grounds to terminate a lease earlier than its stated expiry date. Such a default or lease termination could result in a loss of rental income, void costs, an increase in bad debts and decrease the value of the relevant property.</li> <li>• The Company's ability to carry out asset management proposals to maximise returns from properties, including extensions and structural changes, together with the supply, through new development, is often subject to planning/zoning decisions on a local and national level which could lead to</li> </ul>
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		<p>delays and constraints on the Company's financial performance.</p> <ul style="list-style-type: none"> <li>• The discovery of previously undetected environmentally hazardous conditions in the Company's properties could result in unforeseen remedial work or future liabilities even after disposal of such property.</li> </ul> <p>The key taxation and regulation risks relating to the Company are:</p> <ul style="list-style-type: none"> <li>• The Company must comply with the provisions of the Companies Act and, as the Shares will be admitted to the premium segment of the Official List, the Listing Rules and the Disclosure Guidance and Transparency Rules. A breach of the Companies Act could result in the Company and/or the Board being fined or the subject of criminal proceedings. Breach of the Listing Rules could result in the Shares being suspended from listing. Legal and regulatory changes could occur that may adversely affect the Company. Changes in the regulation of companies, such as the Company, may adversely affect the value of the Portfolio and the ability of the Company to pursue its investment objective.</li> </ul>
D.3.	Key information on the key risks that are specific to the Shares	<p>The key risk factors relating to the Shares are:</p> <ul style="list-style-type: none"> <li>• The Ordinary Shares may trade at a discount to the Net Asset Value per Ordinary Share and Shareholders may be unable to realise their investments through the secondary market at the Net Asset Value per Ordinary Share.</li> <li>• Shareholders have no right to have their Shares redeemed or repurchased by the Company at any time. Accordingly, Shareholders' ability to realise their investment at Net Asset Value per Ordinary Share or Net Asset Value per C Share (as the case may be) or at all is dependent on the existence of a liquid market for the Shares.</li> <li>• The Net Proceeds will be denominated in Sterling. However, the assets that the Company proposes to invest in, and the income derived from those assets, will be denominated mainly in Euros. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates. While the Board intends to employ currency hedging to mitigate potential volatility of income returns and to provide greater certainty as to the level of Sterling distributions expected to be paid in respect of the period covered by the relevant currency hedging instrument, it is not seeking to provide a long-term hedge for the Company's income returns, which will continue to be affected by movements in the Euro/ Sterling exchange rate over the longer term.</li> <li>• Subject to legal and regulatory requirements, the Company may issue additional Shares. Any additional issuances by the Company, or the possibility of such issue, may cause the market price of the existing Ordinary Shares to decline.</li> <li>• General movement in local and international stock markets, prevailing and anticipated economic conditions and interest rates, investor sentiment and general economic conditions may all affect the market price of the Shares.</li> </ul>



## Section E – Offer

Element	Disclosure Requirement	Disclosure
E.1.	Net proceeds and costs of the Issue	<p><b><i>The Initial Issue</i></b></p> <p>The Company is targeting an issue of £250 million pursuant to the Initial Issue comprising of the Initial Placing and the Offer for Subscription, with the potential for the Directors to increase the size of the Initial Issue to a maximum of £350 million, subject to investor demand.</p> <p>The Minimum Net Proceeds of the Initial Issue are £150 million. In the event that the Minimum Net Proceeds are not raised the Initial Issue and the Placing Programme will not proceed.</p> <p>The costs and expenses (including irrecoverable VAT) of, and incidental to, the Initial Issue payable by the Company are capped at 1.5 per cent. of the Initial Gross Proceeds.</p> <p><b><i>The Placing Programme</i></b></p> <p>The net proceeds of the Placing Programme are dependent, <i>inter alia</i>, on the level of subscriptions received; and the price at which such Shares are issued and the costs of any Subsequent Placings. It is expected that the costs of issuing Ordinary Shares under the Placing Programme will be covered by issuing such Ordinary Shares at the Placing Programme Price.</p> <p>The costs and expenses of any issue of C Shares under the Placing Programme will be paid out of the gross proceeds of such issue of C Shares and will be borne by holders of C Shares only.</p>
E.2.a.	Reason for offer and use of proceeds	<p>The Initial Issue and the Placing Programme are intended to raise money for investment in accordance with the Company's investment policy.</p> <p>The Company's principal use of cash (including the Net Proceeds) will be to purchase investments in line with the Company's investment objective and investment policy, as well as to pay expenses related to the Initial Issue, ongoing operational expenses and to pay dividends and other distributions to Shareholders in accordance with the Company's dividend policy.</p>
E.3.	Terms and conditions of the offer	<p>Canaccord Genuity has agreed to use its reasonable endeavours to place Ordinary Shares with certain institutional investors pursuant to the Initial Placing at the Issue Price. The Company has agreed to make an offer of Ordinary Shares pursuant to the Offer for Subscription at the Issue Price.</p> <p>The Initial Issue is conditional, <i>inter alia</i>, on:</p> <ul style="list-style-type: none"> <li>Initial Admission having become effective on or before 8.00 a.m. on 15 December 2017 or such later time and/or date as the Company and Canaccord Genuity may agree (being not later than 8.00 a.m. on 15 January 2018);</li> <li>the Placing and Offer Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms at any time prior to Initial Admission; and</li> <li>the Minimum Net Proceeds being raised.</li> </ul> <p>Shares which may be made available under the Placing Programme will be offered at the Placing Programme Price. The Placing Programme will open on the date of this document and will close on</p>

		<p>16 November 2018 (or any earlier date on which it is fully subscribed, as agreed between the Company and Canaccord Genuity).</p> <p>Each allotment and issue of Shares pursuant to a Subsequent Placing under the Placing Programme is conditional, <i>inter alia</i>, on, (i) Admission of the relevant Shares occurring by no later than 8.00 a.m. on such date as the Company and Canaccord Genuity may agree from time to time in relation to that Admission, not being later than 16 November 2018, (ii) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Rules, and (iii) the Placing and Offer Agreement being wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms prior to any subsequent Admission.</p>
E.4.	Material interests	Not applicable. No interest is material to the Initial Issue or the Placing Programme.
E.5.	Name of person selling securities and lock-up agreements	Not applicable. No person or entity is offering to sell Ordinary Shares as part of the Initial Issue.
E.6.	Dilution	<p>No dilution will result from the Initial Issue.</p> <p>If 250 million Shares were to be issued pursuant to Subsequent Placings, and assuming the Initial Issue had been subscribed as to 250 million Ordinary Shares, a subscriber to the Initial Issue who did not participate in any of the Subsequent Placings, would suffer dilution of 50 per cent. in respect of their voting control in the Company immediately after the Initial Issue.</p>
E.7.	Estimated Expenses	<p>The costs and expenses (including irrecoverable VAT) of, and incidental to, the Initial Issue payable by the Company are capped at 1.5 per cent. of the Initial Gross Proceeds.</p> <p>The costs and expenses of the Placing Programme will depend on subscriptions received. It is expected that, where further Ordinary Shares are issued these costs will be covered by issuing Ordinary Shares at the Placing Programme Price. The costs and expenses of any issue of C Shares under the Placing Programme will be paid out of the gross proceeds of such issue and will be borne by holders of C Shares only.</p>

## RISK FACTORS

Investment in the Company carries a high degree of risk, including but not limited to the risks in relation to the Company and the Shares referred to below. If any of the risks referred to in this document were to occur this could have a material adverse effect on the Company's business, financial position, results of operations, business prospects and returns to investors. If that were to occur, the trading price of the Shares and/or their respective Net Asset Values and/or the level of dividends or distributions (if any) received from the Shares could decline significantly and investors could lose all or part of their investment.

Prospective investors should note that the risks relating to the Company, its industry and the Shares summarised in the section of this document headed "Summary" are the risks that the Board believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

The risks referred to below are the risks which are considered to be material but are not the only risks relating to the Company and the Shares. There may be additional material risks that the Company and the Board do not currently consider to be material or of which the Company and the Board are not currently aware. Potential investors should review this document carefully and in its entirety and consult with their professional advisers before acquiring any Shares. Investors should note that the price of the Shares and the distributions (if any) paid in respect of them can go down as well as up.

### RISKS RELATING TO THE COMPANY

#### ***The Company is a newly formed company with no separate operating history***

The Company is a newly formed company incorporated in England and Wales on 25 October 2017. The Company has no operating results, and it will not commence operations until obtaining funding through the Initial Issue. As the Company lacks an operating history, investors have no basis on which to evaluate the Company's ability to achieve its investment objective and provide a satisfactory investment return.

In addition, although the Board anticipates that the Company will be able to make investments promptly after Initial Admission, due to the time necessary to identify, evaluate, structure, negotiate and close suitable investments, the Board can make no assurances that the Company will be able to invest substantially all of the Net Proceeds promptly after Initial Admission. To the extent that there is a delay in investing the Net Proceeds, the Company's aggregate return on investments will be reduced.

The Company's returns and operating cash flows will depend on many factors, including the performance of its investments, the availability and liquidity of investment opportunities falling within the Company's investment objective and policy, the level and volatility of interest rates and currency exchange rates, conditions in the financial markets and economy and the Company's ability to successfully operate its business and execute its investment strategy. There can be no assurance that the Company's investment strategy will be successful.

#### ***The Company's Target Returns are based on estimates and assumptions that are inherently subject to significant business and economic uncertainties and contingencies, and the actual rate of return may be materially lower than the Target Returns***

The Company's Target Returns set out in this document are targets only and are based on estimates and assumptions about a variety of factors including, without limitation, asset mix, value, performance of the Company's investments, changes in current market conditions, inflation rates, interest rates, currency exchange rates, government regulations or other policies, the worldwide economic environment, changes in law and taxation, natural disasters, terrorism, social unrest and civil disturbances or the occurrence of risks described elsewhere in this document, which are inherently subject to significant business, economic and market uncertainties and contingencies, all of which are beyond the Company's control and which may adversely affect the Company's ability to make its Target Returns. The Company may not be able to implement its investment policy and

strategy in a manner that generates dividends in line with the Target Returns or the Company's investment objective.

***Market conditions and uncertainty regarding economic markets generally could result in declines in the market values of potential investments or declines in the market values of investments after they are made or acquired by the Company***

The Company and the tenants to whom the Company has exposure may be adversely affected by deteriorations in the financial markets and economic conditions throughout the world and in particular the European Union, some of which may magnify the risks described herein and may have other adverse effects. The global capital markets have experienced periods of disruption characterised by the freezing of available credit and significant losses in the principal value of investments and general volatility in the financial markets. During these periods of disruption, general economic conditions deteriorated with material and adverse consequences for the broader financial and credit markets, and the availability of debt and equity capital for the market as a whole, and financial services firms in particular, was reduced significantly. These conditions may reoccur for a prolonged period of time or materially worsen in the future. In addition, uncertainty regarding the United Kingdom referendum decision to leave the European Union (the so called "Brexit"), continuing signs of deteriorating sovereign debt conditions in Europe and the expectation that governments will start to unwind the historic levels of economic stimulus, create uncertainty that could lead to further disruptions, instability and weakening consumer, corporate and financial confidence. The duration and ultimate effect of recent market conditions cannot be forecast, nor is it known whether, or the degree to which, such conditions may remain stable or worsen. Deteriorating market conditions and uncertainty regarding economic markets generally could result in declines in the market values of potential investments or declines in the market values of investments after they are made or acquired by the Company. In addition, such declines could lead to weakened investment opportunities for the Company, could prevent the Company from successfully meeting its investment objective and/or could require the Company to dispose of investments at a loss while such unfavourable market conditions prevail. This could affect the ability of the Company to meet its investment objective and Target Returns.

***Reliance on service providers and other third parties***

The Company has no employees and the Directors have all been appointed on a non-executive basis. The Company is therefore reliant upon the performance of third party service providers for its executive functions and for providing information to enable the Board to carry out its supervisory role. In particular, the AIFM, the Investment Manager and the Registrar will be performing services which are integral to the operation of the Company and providing the information required to enable the Board to make its decisions. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment or to provide information in a timely fashion and meeting the requisite standards could have a materially detrimental impact on the operation of the Company and could affect the ability of the Company to meet its investment objective and Target Returns.

***The level of dividends and other distributions to be paid by the Company may fluctuate and there is no guarantee that any such distributions will be paid***

There is no guarantee that actual (or any) returns can be achieved at or near the Target Returns.

The declaration, payment and amount of any future dividends or distributions by the Company are subject to the discretion of the Directors and will depend upon, among other things, the performance of the Company, the running costs of the Company, the Company's financial position and cash requirements and the ability of the Company to comply with the applicable legal requirements for paying dividends under the Companies Act.

Accordingly, the actual rate of return achieved or dividends or other distributions made may be materially lower than the Target Returns, or may result in a partial or total loss, which could have a material adverse effect on the Company's performance, financial condition and business prospects.

***Risks relating to the use of leverage***

Borrowings may be employed at the level of the Company and/or at the level of special purpose vehicles that may be established by the Company in connection with purchasing or obtaining



leverage against any of its assets in accordance with the Company's borrowing policy from time to time.

Prospective investors should be aware that, whilst the use of borrowings should enhance the Net Asset Value of the Shares when the value of the Company's underlying assets is rising, it will, however, have the opposite effect where the underlying asset value is falling. In addition, in the event that the Company's income falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net revenue of the Company and, accordingly, will have an adverse effect on the Company's ability to pay dividends or other distributions to Shareholders.

The Company will pay interest on its borrowings. As such, the Company is exposed to interest rate risk due to fluctuations in the prevailing market rates.

There is no guarantee that any borrowings of the Company will be refinanced on their maturity either on terms that are acceptable to the Company or at all.

Likewise, there is no assurance that debt funding will continue to be available under acceptable commercial terms and at appropriate rates. Without sufficient debt funding, the Company may be unable to pursue further suitable investments in line with the investment policy and its ability to pay dividends to Shareholders at the targeted rate may be impaired. These outcomes may, in turn, have a material adverse effect on the performance of the Company.

***The Company must be able to operate within its banking covenants***

The borrowings which the Company may use are likely to contain loan-to-value covenants, being the accepted market practice. If assets owned by the Company decrease in value, such covenants could be breached, and the impact of such an event could include: an increase in borrowing costs; a call for additional capital from the lender; payment of a fee to the lender; a sale of an asset; or a forfeit of any asset to a lender. This could result in a total or partial loss of equity value for each specific asset, or indeed the Company as a whole.

**RISKS RELATING TO THE SHARES**

***The Ordinary Shares may trade at a discount to the Net Asset Value per Ordinary Share and Shareholders may be unable to realise their investments through the secondary market at the Net Asset Value per Ordinary Share***

The Ordinary Shares may trade at a discount to the Net Asset Value per Ordinary Share for a variety of reasons, including adverse market conditions, a deterioration in investors' perceptions of the merits of the Company's investment strategy and investment policy, an excess of supply over demand in the Ordinary Shares, and to the extent investors undervalue the activities of the Company and/or the AIFM and/or the Investment Manager.

While the Directors may seek to mitigate any discount to the Net Asset Value per Ordinary Share through such discount management mechanisms as they consider appropriate, there can be no guarantee that they will do so or that such mechanisms will be successful.

***The Shares carry no rights of redemption or repurchase***

Shareholders have no right to have their Shares redeemed or repurchased by the Company at any time. While the Directors retain the right to effect repurchases of Ordinary Shares in the manner described in the section headed "Promotional Activities and Premium/Discount Management" in Part 1 of this document, they are under no obligation to use such powers at any time and Shareholders should not place any reliance on the willingness of the Directors to do so. Shareholders wishing to realise their investment in the Company will normally therefore be required to dispose of their Shares through the secondary market. Accordingly, Shareholders' ability to realise their investment at Net Asset Value per Ordinary Share or Net Asset Value per C Share (as the case may be), or at all, is dependent on the existence of a liquid market for the Shares.

***Exposure to currency risk and risks of currency hedging***

The Net Proceeds will be denominated in Sterling. However, the assets that the Company proposes to invest in, and the income derived from those assets, will be denominated predominantly in Euros. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates. Dividends or other distributions will be declared in Euros. Shareholders, however, will, by default, receive dividend payments or other distributions in Sterling. Accordingly, the value of such dividends or other distributions received by such Shareholders may be affected favourably or unfavourably by fluctuations in currency rates.

The Company currently intends to engage in currency hedging to seek to mitigate the potential volatility of income returns from the Portfolio in Sterling terms and to provide greater certainty as to the level of Sterling distributions expected to be paid in respect of the period covered by the relevant currency hedging instrument; but it will not seek to provide a long-term hedge for the Company's income returns, which will continue to be affected by movements in the Euro/Sterling exchange rate over the longer term, nor will it seek to undertake currency hedging in respect of the capital value of the Portfolio. In connection with any currency hedging transactions, the Company may be required to pledge some of its assets, including cash, to the relevant counterparty to such transactions as collateral. Moreover, the agreements related to the Company's currency hedging transactions typically will give the counterparty the right to terminate the transactions upon the occurrence of certain termination events. Such events may include, among others, the failure to pay amounts owed when due, the failure to provide required reports or financial statements, a decline in the value of the Company's assets pledged as collateral, the failure to maintain sufficient collateral coverage, the failure by the Company to comply with its investment policy and any investment restrictions, key changes in the Board, a significant reduction in the Company's assets and material violations of the terms of, or representations, warranties or covenants under the transaction agreements, as well as other events determined by the counterparty. If a termination event were to occur, the counterparty would be entitled, in its sole discretion and without regard to the Company's investment objective to realise and liquidate pledged assets as collateral, and as a result, the Company's investment return and performance could be materially adversely affected and the Company could incur significant losses. Furthermore, in selecting pledged assets for liquidation, a counterparty will realise the most liquid investments, which would result in the remaining Portfolio of investments being less diverse than would otherwise be the case.

The use of derivatives and other instruments to reduce risk involves costs. Consequently, the use of hedging transactions might result in lower performance for the Shares than if the Company had not sought to hedge exposure against foreign currency exchange risk.

There can be no assurance that appropriate hedging transactions will be available to the Company or that any such hedging transactions will be successful in protecting against currency fluctuations or that the performance of the Shares will not be adversely affected by the currency exchange rate exposure. In addition, the Company may concentrate its hedging activities with a small number of counterparties and the Company is subject to the risk that a counterparty may fail to fulfil its obligations under a hedging contract. To the extent that a counterparty fails to fulfil its obligations, the Company could suffer loss which may impact the Company's ability to pay the Target Returns.

#### ***Counterparty credit risk***

Although the Company will generally only hold its uninvested cash (excluding operational cash) with banks or other counterparties having a single –A (or equivalent) or higher credit rating as determined by an internationally recognised rating agency, or in one or more similarly-rated money market or short-dated debt funds, a default by the bank or losses on the money market or short-dated debt fund would adversely affect the Company. This risk will be of particular significance when the Company has a significant amount of uninvested cash including immediately following Initial Admission.

#### ***The Company may issue additional Shares that dilute existing Shareholders***

Subject to legal and regulatory requirements, the Company may issue additional Shares. Any additional issuances by the Company, or the possibility of such issue, may cause the market price of the existing Ordinary Shares to decline. Furthermore, although Ordinary Shares may not be issued at a discount to their prevailing Net Asset Value per Ordinary Share (unless they are first offered *pro rata* to existing Shareholders, or the issuance is otherwise authorised by Shareholders), the relative voting percentages of existing holders of Ordinary Shares may be diluted by further issues of Ordinary Shares.

#### ***The market price of the Shares may rise or fall rapidly***

General movement in local and international stock markets, prevailing and anticipated economic conditions and interest rates, investor sentiment and general economic conditions may all affect the market price of the Shares. To optimise returns, Shareholders may need to hold the Ordinary Shares for the long term and therefore the Ordinary Shares are not suitable for short term investment.

### ***Placing Programme Price***

Whilst the Ordinary Shares to be issued pursuant to the Placing Programme will be issued at a premium to, and never lower than, the applicable published Net Asset Value per Ordinary Share at the time of issuance, the Placing Programme Price for the Ordinary Shares may be less than the quoted market price for the Ordinary Shares. The Placing Programme Price will be calculated by reference to the latest applicable published unaudited Net Asset Value per Ordinary Share (cum income). Such Net Asset Value per Ordinary Share will be determined on the basis of the information available to the Company at the time and may be subject to subsequent revisions. Accordingly, there is a risk that, had such Placing Programme Price been calculated by reference to information that emerged after the calculation date, it could have been greater or lesser than the Placing Programme Price actually paid by the investors. If such Placing Programme Price should have been less than the Placing Programme Price actually paid, investors will have paid more than intended. If the Placing Programme Price should have been greater than the Placing Programme Price actually paid, investors will have paid less than intended and, in certain circumstances, the Net Asset Value per Ordinary Share of the existing Ordinary Shares may have been diluted.

### ***The Shares will be subject to significant transfer restrictions for investors in certain jurisdictions as well as forced transfer provisions***

The Shares have not been registered, and will not be registered, in the United States under the U.S. Securities Act or under any other applicable securities laws and are subject to restrictions on transfer contained in such laws.

In order to avoid being required to register under the U.S. Securities Act, the Company has imposed significant restrictions on the transfer of the Shares which may materially affect the ability of Shareholders to transfer Shares in the United States or to U.S. Persons. The Shares may not be resold in the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act, the U.S. Investment Company Act and applicable state securities laws. There can be no assurance that Shareholders or U.S. Persons will be able to locate acceptable purchasers in the United States or obtain the certifications required to establish any such exemption. These restrictions may make it more difficult for a U.S. Person to resell the Shares and may have an adverse effect on the market value of the Shares.

### ***Local laws or regulations may mean that the status of the Company and/or the Shares is uncertain or subject to change, which could adversely affect investors' ability to hold Shares***

For regulatory and tax purposes, the status and treatment of the Company and/or the Shares may be different in different jurisdictions. For instance, in certain jurisdictions and for certain purposes, the Shares may be treated as units in a collective investment scheme. Furthermore, in certain jurisdictions, the regulatory and tax status of the Company and/or the Shares may be uncertain or subject to change, or it may differ depending on the availability of certain information or as a result of disclosures made by the Company. Changes in the status or treatment of the Company and/or the Shares for regulatory and/or tax purposes may have unforeseen effects on the ability of investors to hold Shares or the consequences to investors of doing so.

## **RISKS RELATING TO THE AIFM AND THE INVESTMENT MANAGER**

### ***The AIFM and the Investment Manager will allocate resources to activities in which the Company is not engaged, which could have a negative impact on the Company's ability to achieve its investment objective***

The AIFM and the Investment Manager are not required to commit all of their resources to the Company's affairs. Insofar as the AIFM and/or the Investment Manager devote resources to their responsibilities to other business interests, their ability to devote resources and attention to the Company's affairs will be limited. This could adversely affect the Company's ability to achieve its investment objective, which could have a material adverse effect on the Company's performance, financial condition and business prospects.

### ***The AIFM, the Investment Manager and their affiliates may provide services to other clients which could compete directly or indirectly with the activities of the Company and may be subject to conflicts of interest in respect of its activities on behalf of the Company***

The AIFM, the Investment Manager and their affiliates are involved in other financial, investment or professional activities which may on occasion give rise to conflicts of interest with the Company. In particular, the AIFM and the Investment Manager manage funds other than the Company and may

provide investment management, investment advisory or other services in relation to those funds or future funds which may have similar investment policies to that of the Company.

The AIFM, the Investment Manager and their affiliates may carry on investment activities for other accounts in which the Company has no interest. The AIFM, the Investment Manager and their affiliates may also provide management services to other clients, including other collective investment vehicles. The AIFM, the Investment Manager and their affiliates may give advice and recommend investments to other managed accounts or investment funds which may differ from advice given to, or investments recommended or bought for, the Company, even though their investment policies may be the same or similar.

## **RISKS RELATING TO THE COMPANY'S INVESTMENT STRATEGY AND THE PORTFOLIO**

### ***The Company's performance will depend on general European real estate market conditions***

Both the condition of the European real estate market and the overall economies of the countries in which the Company invests will impact the returns of the Company, and hence may have a negative impact on, or delay, the Company's ability to execute investments in suitable assets that generate acceptable returns. Market conditions may also negatively impact on the revenues earned from the real estate assets in the Portfolio and the price at which the Company is able to dispose of these assets. In these circumstances, the Company's ability to make distributions to Shareholders from income generated could be affected.

A severe fall in values may result in the Company selling assets from its Portfolio to repay its loan commitments. These outcomes may, in turn, have a material adverse effect on the Company's performance, financial condition and business prospects.

### ***Increasing competition for investment property in the European logistics sector***

Logistics assets appeal to a broad spread of potential investors including other property specialists and funds, sovereign wealth funds, pension/insurance companies and family offices. Other competitors may have greater financial resources than the Company or greater ability to borrow or leverage funds to acquire properties. Competition for available income producing investment properties is strong, hence there is no assurance that the Company will be able to secure suitable logistics assets.

In the event that the Company is unable to invest part or all of the Net Proceeds in suitable European logistics assets, this may affect the Company's ability to meet the Target Returns and may have an adverse effect on the Company's performance, financial condition and business prospects.

### ***The Company's future performance will depend on the evolution of key tenant groups***

The Company's future performance will depend on overall tenant demand and the evolution of key tenant groups. Currently the main groups of tenants interested in logistics properties are manufacturers, logistics companies, physical retailers and e-commerce retailers. The evolution of future demand from these and other tenant groups will be subject to globalisation trends, supply-chain reconfiguration, growth of e-commerce, change in consumer behaviour as well as private consumption and general economic growth. The Company's performance, financial condition and business prospects could be affected, positively or negatively, by all of the above mentioned factors.

### ***The appraised value of the Company's properties may not accurately reflect the current or future value of the Company's assets***

The valuation of property is inherently subjective owing to the individual nature of each property and is based on a number of assumptions which may not turn out to be true, meaning that actual prices paid by the Company for the real estate assets in the Portfolio may not reflect the valuations of the properties.

In determining the value of properties, valuers are required to make assumptions in respect of matters including, but not limited to, the existence of willing buyers in uncertain market conditions, title, condition of structure and services, deleterious materials, plant and machinery and goodwill, environmental matters, statutory requirements and planning, expected future rental revenues from the property and other information. Such assumptions may prove to be inaccurate. Incorrect assumptions underlying the valuation reports could negatively affect the value of any property assets the Company acquires and thereby have a material adverse effect on the Company's



financial condition. This is particularly so in periods of volatility or when there is limited real estate transactional data against which property valuations can be benchmarked. There can also be no assurance that these valuations will be reflected in the actual transaction prices, even where any such transactions occur shortly after the relevant valuation date, or that the estimated yield and annual rental income will prove to be attainable.

To the extent valuations of the Company's properties do not fully reflect the value of the underlying properties, whether due to the above factors or otherwise, this may have a material adverse effect on the Company's performance, financial condition and business prospects.

***Any costs associated with potential investments that do not proceed to completion will affect the Company's performance***

The Company can incur certain third party costs associated with sourcing of suitable assets, including legal fees and the fees of other advisers. Whilst the Company will always seek to minimise any such costs, it can give no assurances as to the on-going level of these costs or that negotiations to acquire such assets will be successful; the greater number of these deals which do not reach completion, the greater impact such costs will have on the Company's performance, financial condition and business prospects.

***A default or lease event involving a major tenant could result in a significant loss of rental income, void costs, a reduction in asset value and increased bad debts***

Although the Company's investment policy limits the Company's exposure to any one tenant to 20 per cent. of the Company's aggregate gross rental income (measured annually), a downturn in business, bankruptcy or insolvency could force a major tenant of the Company to default on its rental obligations and/or vacate the premises. In addition, under the terms of a lease a tenant may have grounds to terminate a lease earlier than its stated expiry date. Such a default or lease termination could result in a loss of rental income, void costs, an increase in bad debts and decrease the value of the relevant property. A default or lease termination by a major tenant could have a material adverse effect on the Company's performance, financial condition and business prospects, particularly where expected distributions to Shareholders are subject to currency hedging.

***The Company's performance may be adversely affected by changes to planning/zoning legislation or practice***

The Company's ability to carry out asset management proposals to maximise returns from properties, including extensions and structural changes, together with the supply of new investments through development, is often subject to planning/zoning decisions on a local and national level which could lead to delays and constraints on the Company's financial performance.

***The Investment Manager's acquisition due diligence may not identify all risks and liabilities***

Prior to entering into any agreement to acquire any property, the Investment Manager, on behalf of the Company, will perform or procure the performance of due diligence on the proposed acquisition target. In so doing, it would typically rely in part on third parties to conduct a significant portion of this due diligence (such as surveyors' reports, legal reports on title and property valuations).

To the extent the Company, the Investment Manager or other third parties underestimate or fail to identify risks and liabilities associated with the investment in question, the Company may incur, directly or indirectly, unexpected liabilities, such as defects in title, an inability to obtain permits, or environmental, structural or operational defects requiring remediation. In addition, if there is a failure of due diligence, there may be a risk that properties are acquired which are not consistent with the Company's investment objective and investment policy, that properties are acquired that fail to perform in accordance with projections or that material defects or liabilities are not covered by insurance proceeds. This may, in turn, have a material adverse effect on the Company's performance, financial condition and business prospects.

***The discovery of previously undetected environmentally hazardous conditions in the Company's properties could result in unforeseen remedial work or future liabilities even after disposal of such property***

Under applicable environmental laws, a current or previous property owner may be liable for the cost of removing or remediating hazardous or toxic substances on, under or in such property, which cost could be substantial. While the Investment Manager undertakes environmental due



diligence before acquiring properties, there is still a risk that third parties may seek to recover from the Company for personal injury or property damage associated with exposure to any release of hazardous substances. Payment of damages could adversely affect the Company's ability to make distributions to Shareholders from rental income.

Furthermore, the presence of environmentally hazardous substances, or the failure to remediate damage caused by such substances, may adversely affect the Company's ability to sell or lease the relevant property at a level that would support the Company's investment strategy which would, in turn, have a material adverse effect on the Company's performance, financial condition and business prospects.

***The Company may not be able to dispose of its investments in a timely fashion and at satisfactory prices***

As the Company's property assets are expected to be relatively illiquid, such illiquidity may affect the Company's ability to dispose of or liquidate the Portfolio in a timely fashion. In addition, to the extent that market conditions are not favourable or deteriorate, the Company may not be able to realise its property assets at satisfactory prices. This could result in a decrease in Net Asset Value and lower returns (if any) for Shareholders.

***The Company may be subject to liability following disposal of investments***

The Company may be exposed to future liabilities and/or obligations with respect to the disposal of real estate assets in the Portfolio. The Company may be required to set aside money for warranty claims or contingent liabilities in respect of property disposals. The Company may be required to pay damages (including but not limited to litigation costs) to the extent that any representations or warranties that it has given to a purchaser prove to be inaccurate or to the extent that it has breached any of its covenants contained in the disposal documentation. In certain circumstances, it is possible that any incorrect representations and warranties could give rise to a right by the purchaser to unwind the contract in addition to the payment of damages. Further, the Company may become involved in disputes or litigation in connection with such disposed investments. Certain obligations and liabilities associated with the ownership of investments can also continue to exist notwithstanding any disposal, such as environmental liabilities. Any such claims, litigation or obligations, and any steps which the Company is required to take to meet the cost, such as sales of assets or increased borrowings, could have an adverse effect on the Company's performance, financial condition and business prospects.

***Portfolio concentration***

The Company intends to invest in a portfolio of assets diversified by both geography and tenant throughout Europe, to include also the United Kingdom and Nordic countries. Investors should be aware of the investment limits and guidelines within the investment policy. It is intended that, once the Net Proceeds have been fully invested no more than 50 per cent. of Gross Assets may be concentrated in a single country and no single asset may represent more than 20 per cent. of Gross Assets (measured at the time of investment). No single tenant will represent more than 20 per cent. of the Company's annual gross income measured annually. Changes in the conditions of the Company's assets, their economies generally or regulatory changes could have an adverse effect on the Company's performance, financial condition and business prospects.

***Interest rate hedging***

The Company may seek to hedge against fluctuations in the cost of borrowing as a result of changes in interest rates. Such hedging transactions may not always achieve the intended effect and can also limit potential gains. While the Company may enter into such transactions to seek to reduce interest rate risks, unanticipated changes in interest rates may result in a poorer overall performance of the Company. For a variety of reasons, the Company may not obtain a perfect correlation between such hedging instruments and fluctuations in the cost of borrowing. Such imperfect correlation may prevent the intended hedge or expose the Company to risk of loss.

**RISKS RELATING TO REGULATION, STRUCTURE AND TAXATION**

***Legal and regulatory***

The Company must comply with the provisions of the Companies Act and, as the Shares will be admitted to the premium segment of the Official List, the Listing Rules, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation. A breach of the Companies Act could

result in the Company and/or the Board being fined or the subject of criminal proceedings. Breach of the Listing Rules could result in the Shares being suspended from listing.

Legal and regulatory changes could occur that may adversely affect the Company. Changes in the regulation of companies, such as the Company, may adversely affect the value of the Portfolio and the ability of the Company to pursue its investment objective.

#### ***Investment trust status***

It is the intention of the Directors to conduct the affairs of the Company so as to satisfy the conditions under section 1158 of the CTA 2010 and the Investment Trust Regulations 2011 for it to be approved by HMRC as an investment trust. In respect of each period for which the Company is an approved investment trust, the Company will be exempt from UK corporation tax on its chargeable gains. There is a risk that the Company does not receive approval of its investment trust status from HMRC or, having received such approval, the Company fails to maintain its status as an investment trust. In such circumstances, the Company would be subject to the normal rates of corporation tax on chargeable gains arising on the transfer or disposal of investments and other assets, which could adversely affect the Company's financial performance, its ability to provide returns to its Shareholders or the post-tax returns received by its Shareholders. In addition, it is not possible to guarantee that the Company will remain a non-close company, which is a requirement to maintain investment trust status, as the Shares are freely transferable. The Company, in the unlikely event that it becomes aware that it is a close company, or otherwise fails to meet the criteria for maintaining investment trust status, will, as soon as reasonably practicable, notify Shareholders of this fact.

#### ***Overseas taxation***

The Company and its subsidiaries may, as well as being subject to taxation in the jurisdictions in which they are tax resident, also be subject to taxation under the tax rules of other jurisdictions in which they invest, including by way of withholding of tax from interest and other income receipts. Although the Company will endeavour to minimise any such taxes this may affect the level of returns to Shareholders.

#### ***Changes in taxation legislation or practice may adversely affect the Company and the tax treatment for Shareholders investing in the Company***

Changes in tax legislation or practice, whether in the United Kingdom or in jurisdictions in which the Company or its subsidiaries invest, could affect the value of the investments held by the Company and its subsidiaries, affect the Company's ability to provide returns to Shareholders, and affect the tax treatment for Shareholders of their investments in the Company (including rates of tax and availability of reliefs).

#### ***OECD consultations on changes in tax law***

Prospective investors should be aware that the Organisation for Economic Co-operation and Development ("OECD") published its Action Plan on Base Erosion and Profit Shifting ("BEPS") in 2013 and that a public consultation process has been undertaken, leading to the publication on 5 October 2015, of a number of Final Reports. BEPS aims to restructure the taxation scheme currently affecting multinational entities by, among other measures, restricting access to benefits otherwise available under certain double tax treaties. Depending on how BEPS is implemented, any changes to tax laws, or double tax treaties based on recommendations made by the OECD in relation to BEPS, may result in additional reporting and disclosure obligations for investors and/or additional tax being suffered by the Company which may adversely affect the value of the investments held by the Company and the market price of the Shares.

#### ***Risks related to diverted profits tax***

The UK government has introduced in Part 3 of the Finance Act 2015 a tax on "diverted profits". The diverted profits tax is a new tax, and the legislation and guidance in relation to it could be subject to change. Where the necessary conditions are met, diverted profits tax is charged at 25 per cent. on the amount of the diverted profits. While the Company has been advised that diverted profits tax should not apply, the imposition of any charge to diverted profits tax if the structure of the Company changed could materially reduce the value of the Shares and returns to Shareholders.

### ***Alternative Investment Fund Managers Directive***

The AIFM Directive imposes a regime for EU managers of AIFs and in respect of marketing of AIFs in the European Union. The AIFM Directive has been implemented in the UK by the AIFM Rules. The AIFM Directive requires that EU alternative investment fund managers of AIFs are authorised and regulated.

The Board has appointed, conditional on Initial Admission, the AIFM as the alternative investment fund manager of the Company. The AIFM is authorised and regulated by the FCA. If the AIFM ceases to act or becomes unable to act as the Company's alternative investment fund manager, then the Company must appoint another suitably authorised person as its alternative investment fund manager or the Company must be its own alternative investment fund manager. In order for the Company to be its own alternative investment fund manager it may be required to be authorised in the United Kingdom to act as an alternative investment fund manager. The Company is not currently authorised to act as an alternative investment fund manager and does not intend to apply for such authorisation to the extent that it is not required to do so. In the event that, and for so long as, the Company does not have an external alternative investment fund manager and is not permitted to act as an alternative investment fund manager in the United Kingdom then the Company may not be able to operate or, as a minimum, the ability of the Company to operate will be adversely affected to a significant extent.

In complying with the AIFM Directive, the Company is likely to have higher management and operating costs than would otherwise be the case.

### ***The Company has not and will not register as an investment company under the Investment Company Act***

The Company is not, and does not intend to become, registered as an investment company under the U.S. Investment Company Act and related rules and regulations. The U.S. Investment Company Act provides certain protections to investors and imposes certain restrictions on companies that are registered as investment companies.

As the Company is not so registered and does not plan to register, none of these protections or restrictions is or will be applicable to the Company. In addition, to avoid being required to register as an investment company under the U.S. Investment Company Act, the Board may, under the Articles and subject to certain conditions, compulsorily require the transfer of Shares held by a person to whom the sale or transfer of Shares may cause the Company to be classified as an investment company under the U.S. Investment Company Act. These procedures may materially affect certain Shareholders' ability to transfer their Shares.

### ***The assets of the Company could be deemed to be "plan assets" that are subject to the requirements of ERISA or Section 4975 of the U.S. Tax Code, which could restrain the Company from making certain investments, and result in excise taxes and liabilities***

Under the current United States Plan Asset Regulations, if interests held by Benefit Plan Investors are deemed to be "significant" within the meaning of the Plan Asset Regulations (broadly, if Benefit Plan Investors hold 25 per cent. or greater of any class of equity interest in the Company) then the assets of the Company may be deemed to be "plan assets" within the meaning of the Plan Asset Regulations. After Initial Admission, the Company may be unable to monitor whether Benefit Plan Investors acquire Shares and therefore, there can be no assurance that Benefit Plan Investors will never acquire Shares or that, if they do, the ownership of all Benefit Plan Investors will be below the 25 per cent. threshold discussed above or that the Company's assets will not otherwise constitute "plan assets" under the Plan Asset Regulations. If the Company's assets were deemed to constitute "plan assets" within the meaning of the Plan Asset Regulations, certain transactions that the Company might enter into in the ordinary course of business and operation might constitute non-exempt prohibited transactions under the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") or the U.S. Tax Code, resulting in excise taxes or other liabilities under ERISA or the U.S. Tax Code. In addition, any fiduciary of a Benefit Plan Investor or an employee benefit plan subject to Similar Law that is responsible for the Plan's investment in the Shares could be liable for any ERISA violations or violations of such Similar Law relating to the Company.

## **IMPORTANT INFORMATION**

### **GENERAL**

No broker, dealer or other person has been authorised by the Company to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of Shares other than those contained in this document and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company.

Prospective investors should not treat the contents of this document as advice relating to legal, taxation, investment or any other matters. Prospective investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of Shares. Prospective investors must rely upon their own legal advisers, accountants and other financial advisers as to legal, tax, investment or any other related matters concerning the Company and an investment in the Shares.

This document should be read in its entirety before making any application for Shares. All Shareholders are entitled to the benefit of, and are bound by and are deemed to have notice of, the provisions of the Articles.

In connection with the Initial Placing and any Subsequent Placings, Canaccord Genuity or any of its affiliates acting as an investor for its or their own account(s) may subscribe for Ordinary Shares and, in that capacity, may retain, purchase, sell, offer to sell, or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or related investments in connection with the Initial Placing or otherwise. Accordingly, references in this document to Ordinary Shares and/or C Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, Canaccord Genuity or any of its affiliates acting as an investor for its or their own account(s). Canaccord Genuity does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this document and the offering of Shares in certain jurisdictions may be restricted and accordingly persons into whose possession this document is received are required to inform themselves about and to observe such restrictions.

### **FOR THE ATTENTION OF PROSPECTIVE INVESTORS IN IRELAND**

The Shares will not be offered, sold, placed or underwritten in Ireland (a) except in circumstances which do not require the publication of a prospectus pursuant to Article 3(2) of Directive 2003/71/EC as implemented in Ireland pursuant to the Irish Companies Act 2014, the Prospectus (Directive 2003/71/EC) Regulations 2005 (S.I. No. 324 of 2005), as amended and any rules issued by the Central Bank of Ireland pursuant thereto; (b) otherwise than in compliance with the provisions of the Irish Companies Act 2014; (c) otherwise than in compliance with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (S.I. No. 60 of 2007) (as amended), and the bookrunner(s) and any introducer appointed by the Company will conduct themselves in accordance with any codes or rules of conduct and any conditions or requirements, or any other enactment, imposed or approved by the Central Bank of Ireland with respect to anything done by them in relation to the Company; (d) otherwise than in compliance with the provisions of the European Union (Market Abuse) Regulations 2016 and any rules issued by the Central Bank of Ireland pursuant thereto; and (e) except to professional investors as defined in the AIFM Directive and otherwise in accordance with the AIFM Directive, Commission Delegated Regulation 231/2013, the Irish European Union (Alternative Investment Fund Managers) Regulations 2013 (S.I. no 257 of 2013), as amended, and any rules issued by the Central Bank of Ireland pursuant thereto.

## **FOR THE ATTENTION OF RESIDENTS OF THE NETHERLANDS**

The Initial Placing and any Subsequent Placing is solely directed to qualified investors (*gekwalficeerde beleggers*) within the meaning of section 1:1 of the Financial Supervision Act (*Wet op het financieel toezicht*), as amended from time to time. No approved prospectus is required in connection with the Initial Placing and/or any Subsequent Placing in the Netherlands pursuant to the Prospectus Directive (Directive 2003/71/EC), as amended.

## **FOR THE ATTENTION OF RESIDENTS OF ITALY**

Subject to the accomplishment of the procedure set forth under Article 28-quater of Regolamento Emittenti in order to be marketed in Italy to Professional Investors under Italian Law, no Shares may be offered, sold or delivered, nor may copies of this prospectus or any other document relating to the Shares be distributed in the Republic of Italy, except to “professional clients” under Italian law, as defined under Article 26 paragraph 1, letter d) of the Regolamento Intermediari and “selected investors”, being any investor subscribing for and/or acquiring Shares in Italy, to the extent permitted under applicable law, for a minimum overall amount in Sterling of at least €500,000.

Any offer, sale or delivery of the Shares in the Republic of Italy or distribution of copies of this prospectus or any other document relating to the Shares in the Republic of Italy under the above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Legislative Decree 24 February 1998, no. 58 (as from time to time amended and supplemented), Regolamento Intermediari and Legislative Decree No. 385 of 1 September 1993 (as from time to time amended and supplemented); and
- (b) in compliance with any other applicable laws and regulations.

## **FOR THE ATTENTION OF UNITED STATES RESIDENTS**

The Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. There will be no public offer of the Shares in the United States. The Shares are being offered or sold only outside the United States to non-U.S. Persons in offshore transactions in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder. The Company has not been and will not be registered under the U.S. Investment Company Act and investors will not be entitled to the benefits of the U.S. Investment Company Act.

The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States and any re-offer or resale of any of the Shares in the United States or to U.S. Persons may constitute a violation of U.S. law or regulation.

## **FOR THE ATTENTION OF PROSPECTIVE INVESTORS IN CANADA, JAPAN, AUSTRALIA OR THE REPUBLIC OF SOUTH AFRICA**

The offer and sale of Shares has not been and will not be registered under the applicable securities laws of Canada, Japan, Australia or the Republic of South Africa (an “**Excluded Territory**”). Subject to certain exemptions, the Shares may not be offered to or sold within an Excluded Territory or to any national, resident or citizen of an Excluded Territory.

## **FOR THE ATTENTION OF PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA**

In relation to each Relevant Member State, no Shares have been offered or will be offered pursuant to the Initial Issue or the Placing Programme to the public in that Relevant Member State prior to the publication of a document in relation to the Shares which has been approved by the



competent authority in that Relevant Member State, or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that offers of Shares to the public may be made at any time under the following exemptions under the Prospectus Directive, if they are implemented in that Relevant Member State:

- (a) to any legal entity which is a “qualified investor” as defined in the Prospectus Directive;
- (b) to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive (as defined below), 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Shares shall result in a requirement for the publication of a document pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State and each person who initially acquires any Shares or to whom any offer is made under the Initial Issue (other than UK resident investors subscribing under the Offer for Subscription) or the Placing Programme will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2(1) of the Prospectus Directive.

For the purposes of this provision, the expression an “offer to the public” in relation to any offer of Shares in any Relevant Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (and the amendments thereto, including Directive 2010/73/EU) (the “**2010 PD Amending Directive**”), to the extent implemented in the Relevant Member State and includes any relevant implementing measure in each Relevant Member State.

In addition, Shares will only be offered to the extent that the Shares: (i) are permitted to be marketed into the relevant EEA jurisdiction pursuant to the AIFM Directive (if and as implemented into local law); or (ii) can otherwise be lawfully offered or sold (including on the basis of an unsolicited request from a professional investor).

#### **UNITED STATES (U.S.) TAX WITHHOLDING AND REPORTING UNDER THE FOREIGN ACCOUNT TAX COMPLIANCE ACT (“FATCA”)**

The FATCA provisions of the US Tax Code may impose a 30 per cent. withholding tax on payments of US source interest and dividends made on or after 1 July 2014 and of gross proceeds from the sale of certain US assets made on or after 1 January 2017 to a foreign financial institution (or “**FFI**”) that, unless exempted or deemed compliant, does not enter into, and comply with, an agreement with the US Internal Revenue Service (“**IRS**”) to provide certain information on its U.S. shareholders. A portion of income that is otherwise non US-source may be treated as US-source for this purpose.

The Company may be treated as an FFI for these purposes. If the Company is treated as an FFI, to avoid the withholding tax described above, the Company may need to enter into an agreement (an “**IRS Agreement**”) with the IRS or alternatively, comply with the requirements of the intergovernmental agreement (an “**IGA**”) between the United States and the United Kingdom in respect of FATCA (including any legislation enacted by the United Kingdom in furtherance of the IGA). An FFI that fails to comply with the applicable IGA or, if required, does not enter into an IRS Agreement or whose agreement is voided by the IRS will be treated as a “non-Participating FFI”.

In general, an IRS Agreement will require an FFI to obtain and report information about its “U.S. accounts”, which include equity interests in a non-US entity other than interests regularly traded on an established securities market. The following assumes that the Company will be an FFI and that its Shares will not be considered regularly traded on an established securities market for purposes of FATCA. The Company’s reporting obligations under FATCA would generally be less extensive if its Shares were considered regularly traded on an established securities market for purposes of FATCA. An IRS Agreement would require the Company (or an intermediary financial institution, broker or agent (each, an “**Intermediary**”) through which a beneficial owner holds its interest in Shares) to agree to: (i) obtain certain identifying information regarding the holder of such Shares to

determine whether the holder is a US person or a US owned foreign entity and to periodically provide identifying information about the holder to the IRS; and (ii) comply with withholding and other requirements. In order to comply with its information reporting obligation under the IRS Agreement, the Company will be obliged to obtain information from all Shareholders. To the extent that any payments in respect of the Shares are made to a Shareholder by an Intermediary, such Shareholder may be required to comply with the Intermediary's requests for identifying information that would permit the Intermediary to comply with its own IRS Agreement. Any Shareholder that fails to properly comply with the Company's or an Intermediary's requests for certifications and identifying information or, if applicable, a waiver of non-US law prohibiting the release of such information to a taxing authority, will be treated as a "Recalcitrant Holder". The Company will not be required to enter into an IRS Agreement provided that it complies with legislation enacted by the UK that generally requires similar information to be collected and reported to the UK authorities.

Under the UK IGA (including any legislation enacted in furtherance of the IGA) or an IRS Agreement, an Intermediary (and possibly the Company) may be required to deduct a withholding tax of up to 30 per cent. on payments (including gross proceeds and redemptions) made on or after 1 January 2017 to a Recalcitrant Holder or a Shareholder that itself is an FFI and, unless exempted or otherwise deemed to be compliant, does not have in place an effective IRS Agreement (i.e. the Shareholder is a non-Participating FFI). Neither the Company nor an Intermediary will make any additional payments to compensate a Shareholder of the Company or beneficial owner for any amounts deducted pursuant to FATCA. It is also possible that the Company may be required to cause the disposition or transfer of Shares held by Shareholders that fail to comply with the relevant requirements of FATCA and the proceeds from any such disposition or transfer may be an amount less than the then current fair market value of the Shares transferred.

If the Company (or any Intermediary) is treated as a non-Participating FFI, the Company may be subject to a 30 per cent. withholding tax on certain payments to it.

Further, even if the Company is not characterised under FATCA as an FFI, it nevertheless may become subject to such 30 per cent. withholding tax on certain US source payments to it unless it either provides information to withholding agents with respect to its "substantial US owners" or certifies that it has no such "substantial US owners." As a result, Shareholders may be required to provide any information that the Company determines necessary to avoid the imposition of such withholding tax or in order to allow the Company to satisfy such obligations.

The foregoing is only a general summary of certain provisions of FATCA. Prospective investors should consult with their own tax advisers regarding the application of FATCA to their investment in the Company. The application of the withholding rules and the information that may be required to be reported and disclosed are uncertain and subject to change.

The Company may have similar requirements pursuant to the Common Reporting Standards.

If prospective investors are in any doubt as to the consequences of their acquiring, holding or disposing of Shares, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

## **INTERMEDIARIES**

The Company consents to the use of this document by Intermediaries in connection with any subsequent resale or final placement of Ordinary Shares in relation to the Offer for Subscription in the UK by Intermediaries who are appointed by the Company and/or Canaccord Genuity, a list of which will appear on the Company's website. Such consent is given from the date any Intermediaries are appointed to participate in connection with any subsequent resale or final placement of Ordinary Shares until the closing of the period for the subsequent resale or final placement of Ordinary Shares on 11 December 2017, being the date upon which the Offer for Subscription closes, unless closed prior to that date.

**Any Intermediary that uses this document must state on its website that it uses this document in accordance with the Company's consent and the conditions attached thereto. Any application made by investors to any Intermediary is subject to the terms and conditions imposed by each Intermediary.**

**Information on the terms and conditions of any subsequent resale or final placement of Shares by any Intermediary is to be provided at the time of the offer by the Intermediary.**

The Company accepts responsibility for the information in this document with respect to any subscriber for Ordinary Shares pursuant to any subsequent resale or final placement of Ordinary Shares by Intermediaries appointed by the Company and/or Canaccord Genuity.

The Intermediaries authorised at the date of this document to use this document are:

AJ Bell Securities	4 Exchange Quay, Salford Quays, Manchester M5 3EE
Alliance Trust Savings	PO Box 164, 8 West Marketgait, Dundee DD1 9YP
Barclays Bank Plc	1 Churchill Place, London E14 5HP
Equiniti Financial Services	Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA
Redmayne Bentley	9 Bond Court, Leeds LS1 2JZ

Any new information with respect to Intermediaries unknown at the time of approval of this document will be available on the Company's website: [www.eurologisticsincome.co.uk](http://www.eurologisticsincome.co.uk).

## **PRESENTATION OF FINANCIAL INFORMATION**

The Company is newly formed and as at the date of this document has not commenced operations and has no assets or liabilities which will be material in the context of the Initial Issue and, therefore, no financial statements have been prepared as at the date of this document. All future financial information for the Company will be prepared under IFRS and in accordance with EPRA's best practice recommendations.

Certain financial and statistical information contained in this document has been rounded to the nearest whole number or the nearest decimal place. Therefore, the actual arithmetic total of the numbers in a column or row in a certain table may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this document reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

## **PRESENTATION OF INDUSTRY, MARKET AND OTHER DATA**

Market, economic and industry data used throughout this document is sourced from various industry and other independent sources. The Company and the Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## **CURRENCY PRESENTATION**

Unless otherwise indicated, all references in this document to "GBP", "Sterling", "£" or "p" are to the lawful currency of the UK; all references to "U.S.\$", "U.S. Dollars" or "\$" are to the lawful currency of the United States and all references to "Euros" and "€" are to the lawful currency of the participating Member States of the European Union.

All references in this document to Euro amounts have been ascribed a Sterling equivalent by using the Bloomberg Sterling/Euro rate as at 12 noon on 15 November 2017.

## **WEBSITE**

The contents of the Company's website, [www.eurologisticsincome.co.uk](http://www.eurologisticsincome.co.uk), do not form part of this document. Investors should base their decision whether or not to invest in the Shares on the contents of this document alone.

## **FORWARD LOOKING STATEMENTS**

This document contains forward looking statements, including, without limitation, statements containing the words "believes", "estimates", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or similar expressions. Such forward looking statements involve unknown risks, uncertainties and other factors which may cause the actual results, financial condition, performance or achievement of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward looking statements. These forward looking statements speak only as at the date of

this document. Subject to its legal and regulatory obligations (including under the Prospectus Rules), the Company expressly disclaims any obligations to update or revise any forward looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based unless required to do so by law or any appropriate regulatory authority, including FSMA, the Listing Rules, the Prospectus Rules and the Disclosure Guidance and Transparency Rules.

Nothing in the preceding two paragraphs should be taken as limiting the working capital statement in paragraph 8 of Part 8 of this document.

#### **GOVERNING LAW**

Unless otherwise stated, statements made in this document are based on the law and practice currently in force in England and Wales.

## EXPECTED TIMETABLE

### Expected Initial Issue Timetable

Initial Placing and Offer for Subscription opens	17 November 2017
Latest time and date for receipt of applications under the Offer for Subscription	5.00 p.m. on 11 December 2017
Latest time and date for receipt of commitments under the Initial Placing	5.00 p.m. on 12 December 2017
Announcement of the results of the Initial Issue	8.00 a.m. on 13 December 2017
Initial Admission and dealings in the Ordinary Shares issued in uncertificated form commence	8.00 a.m. on 15 December 2017
Crediting of CREST stock accounts in respect of the Ordinary Shares	15 December 2017
Share certificates despatched in respect of the Ordinary Shares	week commencing 18 December 2017 (or as soon as possible thereafter)

### Expected Placing Programme Timetable

Placing Programme opens	17 November 2017
Publication of Placing Programme Price in respect of each Subsequent Placing	on, or as soon as practicable following, the announcement of each placing pursuant to the Placing Programme
Admission and crediting of CREST stock accounts in respect of each Subsequent Placing	as soon as practicable following the allotment of Shares pursuant to the Placing Programme
Share certificates despatched in respect of Shares issued pursuant to the Placing Programme	as soon as practicable following the allotment of Shares pursuant to the Placing Programme
Placing Programme closes and last date for Shares to be admitted pursuant to the Placing Programme	16 November 2018

*The dates and times specified are subject to change subject to agreement between the Company and Canaccord Genuity. All references to times in this document are to London time unless otherwise stated.*



## INITIAL ISSUE AND PLACING PROGRAMME STATISTICS

### Initial Issue Statistics

Issue Price	100 pence
Target number of Ordinary Shares being issued	250 million
Target Initial Gross Proceeds*	£250 million
Estimated Net Proceeds*	£246.25 million
Net Asset Value per Ordinary Share at Initial Admission	98.5 pence

\* Assuming Initial Gross Proceeds of £250 million. The Company is targeting Initial Gross Proceeds of £250 million subject to a maximum of £350 million. The Minimum Net Proceeds are £150 million. The number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Initial Gross Proceeds and the Net Proceeds, is not known as at the date of this document but will be notified by the Company via a Regulatory Information Service prior to Initial Admission. If the Initial Issue does not proceed (because the Minimum Net Proceeds are not raised or otherwise), subscription monies received will be returned without interest at the risk of the applicant.

### Placing Programme Statistics

Maximum size of the Placing Programme	500 million Shares in aggregate (including the Initial Issue)
Placing Programme Price	in respect of the Ordinary Shares, not less than the latest published Net Asset Value (cum-income) per Ordinary Share at the time of issue, or 100 pence per C Share for any issue of C Shares*

\* Please refer to the paragraph headed "The Placing Programme Price" under Part 6 of this document for full details.

## DEALING CODES

The dealing codes for the Ordinary Shares will be as follows:

ISIN	GB00BD9PXH49
SEDOL	BD9PXH4
Ticker	ASLI

The dealing codes for any C Shares issued pursuant to the Placing Programme will be as follows:

ISIN	GB00BD9PXJ62
SEDOL	BD9PXJ6
Ticker	ASLC

## DIRECTORS, MANAGEMENT AND ADVISERS

<b>Directors (all non-executive)</b>	<p>Pascal Duval (<i>Chairman</i>)  Caroline Gulliver (<i>Senior Independent Director</i>)  John Heawood  Tony Roper  Diane Wilde</p>
<b>Registered Office</b>	<p>all of the registered office below:  Bow Bells House  1 Bread Street  London  EC4M 9HH</p>
<b>AIFM</b>	<p>Aberdeen Fund Managers Limited  Bow Bells House  1 Bread Street  London  EC4M 9HH</p>
<b>Investment Manager</b>	<p>Aberdeen Asset Managers Limited  10 Queen's Terrace  Aberdeen  AB10 1YG</p>
<b>Company Secretary</b>	<p>Aberdeen Asset Management PLC  10 Queen's Terrace  Aberdeen  AB10 1YG</p>
<b>Administrator</b>	<p>State Street Bank and Trust Company (London Branch)  20 Churchill Place  Canary Wharf  London  E14 5HJ</p>
<b>Sponsor, Sole Global Coordinator and Sole Bookrunner</b>	<p>Canaccord Genuity Limited  88 Wood Street  London  EC2V 7QR</p>
<b>Solicitors to the Company</b>	<p>Gowling WLG (UK) LLP  4 More London Riverside  London  SE1 2AU</p>
<b>Solicitors to the Sponsor, Sole Global Coordinator and Sole Bookrunner</b>	<p>Hogan Lovells International LLP  Atlantic House  Holborn Viaduct  London  EC1A 2FG</p>
<b>Reporting Accountants</b>	<p>KPMG LLP  319 St Vincent Plaza  Glasgow  G2 5AS</p>
<b>Registrar and Receiving Agent</b>	<p>Equiniti Limited  Aspect House  Spencer Road  Lancing  West Sussex  BN99 6DA</p>
<b>Depository</b>	<p>National Westminster Bank Plc  135 Bishopsgate  London  EC2M 3UR</p>
<b>Auditor</b>	<p>KPMG LLP  319 St Vincent Street  Glasgow  G2 5AS</p>

## PART 1

### INFORMATION ON THE COMPANY

#### 1. INTRODUCTION

Aberdeen Standard European Logistics Income PLC was incorporated on 25 October 2017 as a public company limited by shares. The Company intends to carry on business as an investment trust within the meaning of section 1158 of the CTA 2010.

The Company is seeking to raise Initial Gross Proceeds of £250 million by way of the Initial Placing and Offer for Subscription which together comprise an offer by the Company of up to 250 million Ordinary Shares at the Issue Price, being 100 pence per Ordinary Share. The Company may increase the size of the Initial Issue up to a maximum of £350 million if considered appropriate to satisfy investor demand.

The Company will seek to invest in a diversified portfolio of European logistics properties consisting of “big box” logistics warehouses and “last mile” urban logistics facilities.

The Company has an independent board of non-executive directors and has engaged Aberdeen Fund Managers Limited as the Company’s alternative investment fund manager to provide portfolio and risk management services to the Company. The AIFM has delegated portfolio management to Aberdeen Asset Managers Limited. Both the AIFM and the Investment Manager are each wholly owned subsidiaries of Standard Life Aberdeen plc. Aberdeen Standard Investments is one of Europe’s largest real estate investment managers.

Standard Life Aberdeen intends to subscribe for 15,000,000 Ordinary Shares pursuant to the Initial Issue, subject to the requirement for Standard Life Aberdeen to hold, in aggregate, no more than 14.99 per cent. of the Initial Issue (either directly or via funds managed by Standard Life Aberdeen), in which event Standard Life Aberdeen would scale back its investment accordingly. The Directors believe that this proposed investment strongly aligns the interests of the Investment Manager with those of Shareholders.

Aberdeen Standard Investments is Europe’s second largest real estate investor, managing £44.8 billion of assets in direct real estate, listed real estate, multi-manager and commercial real estate debt (data as at 30 September 2017). Aberdeen Standard Investments has a dedicated team of over 280 real estate investment professionals, based in 14 global locations (London, Edinburgh, Frankfurt, Madrid, Paris, Stockholm, Oslo, Copenhagen, Helsinki, Amsterdam, Brussels, Hong Kong, Singapore and Boston) and manages over 1,400 direct real estate assets worldwide.

Further information on the Investment Manager is set out in Part 4 of this document.

Applications will be made to the UK Listing Authority and to the London Stock Exchange for all of the Ordinary Shares (issued and to be issued pursuant to the Initial Issue) to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange’s Main Market for listed securities. It is expected that Initial Admission will become effective, and that dealings in the Ordinary Shares issued pursuant to the Initial Issue will commence, at 8.00 a.m. on 15 December 2017.

#### 2. INVESTMENT OBJECTIVE, INVESTMENT POLICY AND INVESTMENT RESTRICTIONS

##### ***Investment Objective***

To aim to provide a regular and attractive level of income return together with the potential for long term income and capital growth from investing in high quality European logistics real estate.

##### ***Investment Policy***

To deliver the investment objective through investment in, and management of, a diversified portfolio of “big box” logistics warehouses and “last mile” urban logistics assets in Europe.

The Company will invest in a portfolio of assets diversified by both geography and tenant throughout Europe, predominantly targeting well-located assets at established distribution hubs and within population centres. In particular, the Investment Manager will seek to identify assets benefitting from long-term, index-linked, leases as well as those which may benefit from structural change, and will take into account several factors, including but not limited to:

- the property characteristics (such as location, building quality, scale, transportation links, workforce availability and operational efficiencies);

- the terms of the lease (focusing on duration, inflation-linked terms, the basis for rent reviews and the potential for growth in rental income); and
- the strength of the tenant's financial covenant.

The Company will invest either directly or through holdings in special purpose vehicles, partnerships, trusts or other structures. The Company may forward fund the development of, or commit to the forward purchase of, new assets when the Investment Manager believes that to do so would enhance returns for Shareholders and/or secure an asset at an attractive yield. The Company intends that forward funded or forward purchased assets will be wholly or predominantly pre-let at the time the investments are committed to.

#### *Diversification of risk*

The Company will at all times invest and manage its assets in a manner which is consistent with the spreading of investment risk. The following investment limits and restrictions will apply to the Company and its business which, where appropriate, will be measured at the time of investment and once the Company is fully invested:

- the Company will only invest in assets located in Europe;
- no more than 50 per cent. of Gross Assets will be concentrated in a single country;
- no single asset may represent more than 20 per cent. of Gross Assets;
- forward funded commitments will be wholly or predominantly pre-let and the Company's overall exposure to forward funded commitments will be limited to 20 per cent. of Gross Assets;
- the Company's maximum exposure to any single developer will be limited to 20 per cent. of Gross Assets;
- the Company will not invest in other closed-ended investment companies;
- the Company may only invest in assets with tenants which have been classified by the Investment Manager's investment process, as having strong financial covenants; and
- no single tenant will represent more than 20 per cent. of the Company's annual gross income measured annually.

The Company will not be required to dispose of any asset or to rebalance the Portfolio as a result of a change in the respective valuations of its assets.

The Company intends to conduct its affairs so as to qualify as an investment trust for the purposes of section 1158 of the CTA 2010.

#### *Borrowing and gearing*

The Company intends to use gearing with the objective of improving Shareholder returns. Debt will typically be secured at the asset level and potentially at the Company level with or without a charge over some or all of the Company's assets, depending on the optimal structure for the Company and having consideration to key metrics including lender diversity, cost of debt, debt type and maturity profiles.

Borrowings will typically be non-recourse and secured against individual assets or groups of assets and the aggregate borrowings will always be subject to an absolute maximum, calculated at the time of drawdown for a property purchase, of 50 per cent. of Gross Assets. Where borrowings are secured against a group of assets, such group of assets shall not exceed 25 per cent. of Gross Assets in order to ensure that investment risk remains suitably spread.

The Board has established gearing guidelines for the AIFM in order to maintain an appropriate level and structure of gearing within the parameters set out above. Under these guidelines, aggregate borrowings are not expected to exceed 35 per cent. of Gross Assets within the first year from Initial Admission, and thereafter are not expected to exceed 30 per cent of Gross Assets. Such limits may be exceeded in the short term from time to time.

The Board will keep the level of borrowings under review. In the event of a breach of the investment guidelines and restrictions set out above, the AIFM will inform the Board upon becoming aware of the same, and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service and the AIFM will look to resolve the breach with the agreement of the Board. The Directors may require that the Company's assets are managed with the objective of bringing borrowings within the appropriate limit while taking due account of the

interests of Shareholders. Accordingly, corrective measures may not have to be taken immediately if this would be detrimental to Shareholder interests.

Any material change to the Company's investment policy set out above will require the approval of Shareholders by way of an ordinary resolution at a general meeting and the approval of the UK Listing Authority. Non-material changes to the investment policy may be approved by the Board.

### 3. FUNCTIONAL AND PRESENTATION CURRENCY

The currency of the primary economic environment in which the Company will operate will be Euros (€). However, the Company may from time to time, where opportunities arise, invest in European countries which do not use Euros, such as the UK, Denmark, Norway and Sweden.

The presentational currency of the Company's financial statements will be Euros. Distributions will also be declared in Euros, but will be paid by the Company to Shareholders in Sterling.

### 4. HEDGING POLICY

The Ordinary Share price of the Company will be quoted in Sterling, but the majority of the assets and liabilities of the Company will be denominated in non-Sterling currencies, predominantly in Euros. In addition, the income from assets will be generated predominantly in Euros but distributions, whilst declared in Euros, will be paid in Sterling. The Board intends to employ currency hedging (expected to be for periods of no more than twelve months at a time), when it deems it appropriate, in order to mitigate the potential volatility of income returns from the Portfolio in Sterling terms and to provide greater certainty as to the level of Sterling distributions expected to be paid in respect of the period covered by the relevant currency hedging instrument; but it will not seek to provide a long-term hedge for the Company's income returns, which will continue to be affected by movements in the Euro/Sterling exchange rate over the longer term, nor will it seek to undertake currency hedging in respect of the capital value of the Portfolio.

The Company intends to hedge the majority of interest rate exposure associated with the gearing it uses. This will either be done by borrowing on a fixed rate basis or through the use of interest rate swaps or caps.

Any hedging will be used solely for efficient portfolio management and risk management rather than investment purposes.

### 5. DIVIDEND POLICY AND TARGET RETURNS

Subject to compliance with the Companies Act, the Company intends to pay Sterling dividends on a quarterly basis. The Company will declare dividends in Euros, but Shareholders will receive dividend payments in Sterling. The date on which the Euro/Sterling exchange rate is set will be announced at the time the dividend is declared; and a further announcement will be made once such exchange rate has been set. Distributions made by the Company may either take the form of dividend income, or of "qualifying interest income" which may be designated as interest distributions for UK tax purposes. It is expected that the majority of the Company's distributions will take the form of dividend income, rather than qualifying interest income, in the period during which the proceeds of the Initial Issue are invested; with the proportion increasing to a significant majority once that investment process has been completed. Prospective investors should note that the UK tax treatment of the Company's distributions may vary for a Shareholder in the Company depending upon the classification of such distributions. **Prospective investors who are unsure about the tax treatment which will apply to them in respect of any distributions made by the Company should consult their own tax advisers.**

The Company is targeting, for an investor in the Company at launch:

- an annual dividend yield of 5.5 per cent. per Ordinary Share (in Euro terms); and
- a total shareholder return of 7.5 per cent. per annum (in Euro terms),  
(the "Target Returns").

#### Timing of Ordinary Share distributions

The Company's financial year end is 31 December and the Company's first financial year will end on 31 December 2018.



The Company intends to declare quarterly dividends to Shareholders, with dividends declared in respect of the quarters ending on the following dates: 31 March, 30 June, 30 September and 31 December in each year.

The Company is targeting a first dividend of no less than 0.7p per Ordinary Share in respect of the period from Initial Admission to 30 June 2018, and expects to pay, in aggregate, dividends totalling no less than 3.0p per Ordinary Share in respect of the period from Initial Admission to 31 December 2018.

***Investors should note that the Target Returns, including their declaration and payment frequency, are a target only and not a profit forecast. There may be a number of factors that adversely affect the Company's ability to achieve the Target Returns and there can be no assurance that the target will be met or that any dividend will be achieved. The Target Returns should not be seen as an indication of the Company's expected or actual results or returns. Accordingly, investors should not place any reliance on these targets or assume that the Company will make any distributions at all in deciding whether to invest in the Shares.***

***Investors should note that references in this Paragraph 5 to "dividends" are intended to cover both dividend income and income which is designated as an interest distribution for UK tax purposes and therefore subject to the interest streaming regime applicable to investment trusts.***

## **6. INVESTMENT STRATEGY AND RISK MANAGEMENT POLICY**

The Investment Manager believes that attractive risk-adjusted returns can be generated from building a portfolio of institutional grade, income producing, logistic assets including 'big box' and 'last mile' facilities, diversified by location, use, size, lease duration and tenant concentration.

The Investment Manager will target properties which it believes exhibit some or all of the following characteristics:

- well located for their purpose with excellent accessibility;
- modern and flexible logistics space, which is capable of being let to one or several tenants depending on what the market demands;
- located in areas identified as having supply constraints;
- let to tenants of good creditworthiness on market standard leases;
- freehold or long leasehold;
- low vacancy rates; and
- with opportunities to enhance value through active asset management.

The extent to which the Portfolio exhibits some or all of these characteristics will depend on conditions in the local real estate market and the specific properties.

### **Transaction process**

The Investment Manager will be responsible for sourcing and managing the transaction process for new acquisitions. The Investment Manager intends to source potential acquisitions through its property teams based in Europe. The teams based in the target markets have an in-depth knowledge of the local markets and a wide network of relationships for identifying and selecting the best investment opportunities. The Investment Manager believes that having local teams on the ground provides for in-depth local insight and, in turn, is a significant competitive advantage that should enable it to implement the Company's investment policy in the key cities and regions.

Furthermore the Investment Manager believes its approach focusing on income durability, location and propensity for rental growth, combined with its ability to carry out active asset management, enables the Investment Manager to invest in properties where the competition from other investors is weaker than for the big, long leased properties with no asset management requirements, where competition among potential buyers is very high.

Each transaction is assessed against individual fund criteria and, if considered potentially suitable, a detailed financial and economic analysis and review is undertaken of the property, the location, quality of construction, the existing leases, the rents being paid versus market level, the tenants and the market prospects. This process is informed by a significant database of proprietary

information held by the Investment Manager, experienced investment professionals, including people on the ground in the relevant markets and a dedicated research function that assists in identifying rental and capital growth prospects at country, regional, city, sub-market and sector level.

The Investment Manager operates a pan-European Investment Committee which approves all investment plans, transactions, financing decisions and material asset management activity. The Investment Committee includes senior members of the real estate team.

If, following analysis, property inspections and negotiations with the owner of the property, the fund managers wish to proceed with an acquisition, Investment Committee approval is required.

### **Asset selection**

The Investment Manager has extensive experience of managing properties across Europe in sectors such as logistics and light industrial, but particularly in countries where the Investment Manager has local property investment teams being: Germany, France, Belgium, Netherlands, Spain, UK, Sweden, Norway, Finland and Denmark. Logistical and light industrial properties require technical specifications appropriate for their target market as well as the ability for this to be changed as logistical processes evolve, for example with the advance of the internet consumer. Location relative to key transport hubs and how these may change are also key drivers in the selection process.

The Investment Manager believes that parcel delivery centres around major conurbations are an interesting sub-sector of the logistics market as distribution companies increasingly focus on the 'last mile or kilometre' delivery strategy.

### **Active asset management**

The Investment Manager believes that an active asset management strategy (i.e. defining, implementing and regularly reviewing business plans for each property in the Portfolio) is an important element in helping to deliver investment performance. An important part of this is that the properties are managed by local asset managers in the countries where the properties are located who have better access to tenants, advisers and consultants to help generate outperformance.

Active asset management means the individual asset manager involved in acquiring the property is also responsible for implementing the business plan once acquired, resulting in carefully researched and robust assumptions and a focus on long-term performance from purchase through to any potential sale. The types of active asset management initiatives which the Investment Manager may utilise are:

- re-negotiating leases to capture market rental growth and/or extend lease duration;
- managing any vacancies to maximise rental performance;
- exploiting ancillary development opportunities on or around the properties;
- assessing and effecting changes of use where this would add value;
- undertaking refurbishments to increase rents; and
- changing unit size and configuration to maximise the potential income from a property.

The majority of the Portfolio will comprise properties where the main asset management activities are likely to be renegotiating leases, managing vacancies, growing rental income and undertaking light refurbishments.

## **7. MEETINGS, REPORTS AND ACCOUNTS**

The audited accounts of the Company will be prepared on a Euro-denominated basis under IFRS. The Company's annual report and accounts will be prepared up to 31 December each year, with the first accounting period of the Company ending on 31 December 2018. It is expected that copies of the report and accounts will be published by the end of April each year. Copies will be sent to Shareholders shortly following publication. Shareholders will also receive an unaudited half-yearly report covering the six months to 30 June each year, which is expected to be published within the following three months. The first financial report and accounts that Shareholders will receive will be the half-yearly report for the period ending on 30 June 2018 (covering the period from incorporation of the Company).

The Company intends to hold its first annual general meeting before 30 June 2019 and will hold an annual general meeting each year thereafter. Other general meetings may be convened from time to time by the Directors by sending notices to Shareholders.

## **8. NET ASSET VALUE**

Properties will be valued quarterly by the AIFM (as advised by independent third party valuation advisers as may be appointed by the AIFM from time to time) in accordance with locally accepted professional valuation standards, with such valuations being reviewed quarterly by the Board. The Net Asset Value per Ordinary Share and the Net Asset Value per C Share (if relevant) will be prepared by the AIFM (or its affiliates or delegates) and published quarterly, together with details of the Portfolio, based on the properties' most recent valuations, calculated under IFRS. Such Net Asset Values will be published through a Regulatory Information Service as soon as practicable after the end of the relevant quarter.

Consistent with other listed European real estate investment companies, the Directors expect to follow the guidance published by EPRA and to disclose adjusted measures of Net Asset Value per Ordinary Share and earnings per Ordinary Share which are designed by EPRA to better reflect the core long-term operations of the business.

If the Directors consider that any of the above bases of valuation are inappropriate in any particular case, or generally, they may adopt such other valuation procedures as they consider reasonable in the circumstances.

The Directors may temporarily suspend the calculation, and publication, of the Net Asset Value during a period when, in the opinion of the Directors:

- there are political, economic, military or monetary events or any circumstances outside the control, responsibility or power of the Board, and disposal or valuation of investments of the Company or other transactions in the ordinary course of the Company's business is not reasonably practicable without this being materially detrimental to the interests of Shareholders or if, in the opinion of the Board, the Net Asset Value cannot be fairly calculated;
- there is a breakdown of the means of communication normally employed in determining the calculation of the Net Asset Value; or
- it is not reasonably practicable to determine the Net Asset Value on an accurate and timely basis.

Any suspension in the calculation of the Net Asset Value, to the extent required under the Articles or by the Listing Rules, will be notified through a Regulatory Information Service as soon as practicable after any such suspension occurs.

## **9. CASH USES AND CASH MANAGEMENT ACTIVITIES**

The Company will convert the large majority of the Net Proceeds into Euros as soon as practicable following receipt.

The Company's principal use of cash (including the Net Proceeds) will be to fund investments in accordance with its investment policy, as well as expenses related to the Initial Issue, on-going operational expenses and to pay dividends and other distributions to Shareholders, as set out in the section entitled "Dividend Policy and Target Returns" above.

The Company may from time to time have surplus cash (for example, following the disposal of an investment). Pending reinvestment of such cash, it is expected that any surplus cash will be temporarily invested in (predominantly Euro-denominated) cash equivalents, money market instruments, bonds, commercial paper or other debt obligations with banks or other counterparties having a single –A (or equivalent) or higher credit rating as determined by an internationally recognised rating agency; or "government and public securities" as defined for the purposes of the FCA rules.

## **10. PROMOTIONAL ACTIVITIES AND PREMIUM/DISCOUNT MANAGEMENT**

The Company plans to promote its Shares to a broad range of investors which have the potential to be long term supporters of the investment strategy. The Company will seek to achieve this primarily through participating in the Investment Managers' investment trust promotional programme. In addition, the Investment Manager's investor relations team, in conjunction with the

Company's corporate broker, will promote the Shares through regular contact with both current and potential investors.

The Shares will be supported by the Investment Manager's wider marketing of investment companies targeted at all types of investors; this includes maintaining close relationships with adviser and execution-only platforms, advertising in the trade press, maintaining relationships with financial journalists and the provision of digital information on Aberdeen Standard Investments' website.

In order to support the promotion of the Company, the Board will seek to manage the share price relative to the underlying Net Asset Value by assisting in providing liquidity to the market through the issuance of shares to meet investor demand. In addition, to reduce the volatility of any share price discount, the Board will monitor the Company's share price relative to the underlying Net Asset Value and the discounts of peer group companies.

### ***Premium Management***

In the event that the Ordinary Shares trade at a premium to the Net Asset Value per Ordinary Share, the Company may issue new Ordinary Shares. The Directors have authority to issue up to 500 million Shares (including the Ordinary Shares to be issued pursuant to the Initial Issue) pursuant to the Placing Programme. Shareholders' pre-emption rights over this unissued share capital have been disapplied so that the Directors will not be obliged to offer any new Shares under the Placing Programme to Shareholders *pro rata* to their existing holdings; this ensures that the Company retains full flexibility, following Initial Admission and for the duration of the Placing Programme, in issuing new Shares to investors. Unless authorised by Shareholders, no Ordinary Shares will be issued at a price less than the prevailing Net Asset Value per Ordinary Share at the time of their issue.

If there is sufficient demand at any time during the period in which the Placing Programme is in effect, and if the Directors consider it appropriate to avoid the dilutive effect that the proceeds of an issue might otherwise have on the existing assets of the Company, the Company may seek to raise further funds through the issue of C Shares. Any such issue would be subject to the listing of the C Shares on the premium listing segment of the Official List and their admission to trading on the London Stock Exchange. The rights conferred on the holders of C Shares or other classes of shares issued with preferred or other rights shall not (unless otherwise expressly provided by the terms of the issue of the relevant shares) be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

The Articles contain the C Share rights, full details of which are set out in paragraph 4.21 of Part 8 of this document.

The Company has authority to issue up to 500 million Ordinary Shares and/or C Shares, in aggregate pursuant to the Placing Programme (including the Initial Issue). Shareholders' pre-emption rights over this unissued share capital have been disapplied.

A new class of C Shares may be issued by the Company if there are C Shares in issue that have not been converted into Ordinary Shares prior to the date on which the Company issues such further C Shares.

Investors should note that the issuance of new Shares is entirely at the discretion of the Board, and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions or as to the number of new Shares that may be issued.

### ***Repurchase of Ordinary Shares***

The Directors will consider repurchasing Ordinary Shares in the market if they believe it to be in Shareholders' interests and as a means of correcting any imbalance between the supply of and demand for the Ordinary Shares.

In exercising their powers to buy back Ordinary Shares, the Directors have complete discretion as to the timing, price and volume of Ordinary Shares so purchased. No expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions. The implementation of any Ordinary Share buyback programme and the timing, price and volume of Ordinary Shares purchased will be subject at all times to compliance with the Companies Act, the Articles, the Listing Rules and all other applicable legal and regulatory requirements.

In accordance with the Companies Act, Ordinary Shares may only be repurchased out of the proceeds of a fresh issue of shares made for the purpose of the repurchase or out of distributable

profits. The Directors intend, following Initial Admission, to apply to the Court to cancel the Company's share premium account so as to create a new special reserve which may be treated as distributable profits and, amongst other things, out of which share buy-backs may be funded.

A special resolution has been passed granting the Directors authority to repurchase up to 14.99 per cent. of the Company's issued ordinary share capital immediately following Initial Admission during the period expiring on the conclusion of the Company's first annual general meeting. Renewal of this buy-back authority will be sought at each annual general meeting of the Company or more frequently if required.

Purchases of Ordinary Shares will only be made through the market at prices (after allowing for costs) below the latest published Net Asset Value per Ordinary Share and otherwise in accordance with guidelines established from time-to-time by the Board. Under the current Listing Rules, the maximum price that may be paid by the Company on the purchase of any Ordinary Shares pursuant to a general authority is 105 per cent. of the average of the middle market quotations for the Ordinary Shares for the five Business Days immediately preceding the date of purchase or, if higher, that stipulated by article 5(6) of the Market Abuse Regulation. The minimum price will not be below the nominal value of one penny in respect of the Ordinary Shares.

### ***Treasury Shares***

Any Ordinary Shares repurchased pursuant to the general buy-back authority may be held in treasury. The Companies Act allows companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. These shares may be subsequently cancelled or sold for cash. This would give the Company the ability to reissue Ordinary Shares quickly and cost efficiently, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base.

The Board intends only to authorise the sale of Ordinary Shares from treasury at prices at or above the latest published Net Asset Value per Ordinary Share (plus costs of the relevant sale). This should result in a positive overall effect for Shareholders if Ordinary Shares are bought back at a discount and then sold at a price at or above the Net Asset Value per Ordinary Share (plus costs of the relevant sale).

## **11. THE INITIAL ISSUE AND THE PLACING PROGRAMME**

### ***The Initial Issue***

The target size of the Initial Issue is £250 million (before expenses) with the potential for the Directors to increase the size of the Initial Issue up to a maximum of £350 million, subject to investor demand.

The total number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Initial Gross Proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service announcement prior to Initial Admission.

Canaccord Genuity has agreed to use its reasonable endeavours to procure Placees pursuant to the Initial Placing for Ordinary Shares at the Issue Price on the terms and subject to the conditions set out in the Placing and Offer Agreement and this document.

The Company has agreed to make an offer of Ordinary Shares pursuant to the Offer for Subscription at the Issue Price, subject to the terms and conditions of the Offer for Subscription. These terms and conditions should be read carefully before an application is made. Investors should consult their independent financial adviser if they are in any doubt about the contents of this document or the acquisition of Ordinary Shares.

If the Initial Gross Proceeds do not equal or exceed £150 million, the Initial Issue will not proceed.

Further details about the Initial Issue are set out in Part 5 of this document.

### ***The Placing Programme***

The Company has authority to issue up to 500 million Ordinary Shares and/or C Shares in aggregate pursuant to the Placing Programme (including the Initial Issue).

Any C Shares issued pursuant to the Placing Programme will be issued at a fixed price of 100 pence per C Share. Any Ordinary Shares issued pursuant to the Placing Programme will be issued at a price calculated by reference to the estimated cum income Net Asset Value per Ordinary Share together with a premium at least sufficient to cover the costs and expenses of the



relevant Subsequent Placing pursuant to the Placing Programme (including without limitation, any placing commissions).

Ordinary Shares and/or C Shares issued under the Placing Programme may be issued under this document provided that it is updated by a supplementary prospectus (if required) under section 87G of FSMA.

Further details about the Placing Programme are set out in Part 6 of this document.

## **12. CONTINUATION RESOLUTION**

The Company has been established with an indefinite life, however, in accordance with the Articles, the Directors are required to propose an ordinary resolution at the sixth annual general meeting of the Company following Initial Admission and every third annual general meeting thereafter that the Company should continue its business as presently constituted (the “**Continuation Resolution**”).

If any Continuation Resolution is not passed, the Directors will cease further investment, the properties in the Portfolio will be sold in an orderly fashion as market demand appears and the net funds, determined by the Directors as available for distribution, will be distributed to Shareholders. Failure to pass the Continuation Resolution will not therefore result in the immediate winding-up of the Company.

## **13. NON-MAINSTREAM POOLED INVESTMENTS**

As an investment trust, the Shares will be “excluded securities” under the FCA’s rules on non-mainstream pooled investments. Accordingly, the promotion of the Shares is not subject to the FCA’s restriction on the promotion of non-mainstream pooled investments.

## **14. TAXATION**

Potential investors are referred to Part 7 of this document for details of the taxation of the Company and Shareholders in the UK. Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own professional advisers immediately.

## **15. RISK FACTORS**

The Company’s performance is dependent on many factors and potential investors should read the whole of this document and in particular the section entitled “Risk Factors” on pages 22 to 31 of this document.

## PART 2

### THE INVESTMENT RATIONALE AND STRATEGY AND PIPELINE

#### 1. INVESTMENT RATIONALE AND STRATEGY

Aberdeen Standard Investments has 25 offices in Europe of which 14 have real estate capabilities with over 280 investment professionals managing €2.6 billion in European logistics assets as part of 56 European real estate portfolios.

The Investment Manager believes there is an attractive opportunity to invest in income producing, European logistics assets that will include both large format 'big box' facilities and also smaller format, 'last mile', facilities.

The European logistics market is large and growing with tenant demand being driven by rapid growth of e-commerce across Europe, supply chain reconfiguration amongst existing operators and increased globalisation of traded goods. This trend is creating demand for high quality modern 'big box' logistics facilities from emerging e-commerce businesses, traditional retailers and manufacturers upgrading their distribution capabilities and the third party logistics operators servicing the sector. Additionally, a rapid acceleration of e-commerce and consumer demand for rapid fulfilment is creating demand for new 'last mile' facilities that often need to be located in, or with close proximity to, densely populated urban areas where land is often in scarce supply. With strong occupier take-up of facilities exceeding the completion of additional supply, vacancy rates have fallen to the lowest level for at least a decade.

As a consequence of strong occupier demand, tenants are prepared to secure favoured assets by signing long, index-linked and fixed uplift, lease contracts. Such indexed leases typically offer annual CPI uplifts, often with an upward only review mechanism.

Urban, 'last mile' logistics demand has produced high rental growth in the UK and is expected to grow rapidly in Europe as e-commerce participation rates rise. The logistics sector typically offers high yields which provide a significant premium over current financing costs and tenants include financially robust major retailers, e-commerce businesses, distribution specialists and manufacturers.

The Investment Manager believes that pricing is currently attractive, based on long-run trading levels with low historical correlation between the UK and Continental European property markets resulting in diversification benefits and facilitates exposure to markets at different points in their cycle.

Due to the significant disparity across Continental Europe, the Investment Manager believes this necessitates a targeted investment strategy using detailed knowledge of local markets provided through the local offices of the Investment Manager.

Consequently, the strategy will focus initially on major logistics hubs and 'last mile' facilities in Continental Europe and the Nordic region.

The investment philosophy of the Investment Manager is founded on a belief that property markets are inherently cyclical and imperfect, which creates opportunities for long term investors like the Company who are focussed on property fundamentals and who operate a disciplined business plan approach to active asset management.

E-commerce is having a transformational effect on supply chain networks. In the Investment Manager's opinion, significant structural changes to the way that consumers are behaving and retailers are operating are benefiting industrial property. Whilst the UK market has seen a sizeable shift in investors' attitudes towards logistics assets, the market in Continental Europe and the Nordics has not yet seen such interest. The current logistics rental value growth story is one of the least reliant on the UK's steady but faltering economic growth, particularly following the referendum vote to leave the EU, where a cyclical demand impact has been witnessed.

In the Investment Manager's opinion, logistics networks are now as important as store networks and we are, in fact, early in the process of this transition: the results of a survey published in 2015 found that less than 20 per cent. of retailers believed their logistics supply chain was fit for purpose for omni-channel retailing (*Source: EY*). Crucially, sales generated through e-commerce require more warehouse space than those generated through stores by a factor of three, with such warehouses stocking large quantities and more diverse ranges of goods for onward distribution. This reduced operational density is the first driver of strong net new demand for logistics. The

second driver is the need for each product sold to pass through more facilities to meet consumer demands for faster delivery to a widening number of ultimate destinations. The disaggregation, sortation and re-aggregation of orders through third-party providers also results in net new floor space demand.

The bespoke, build-to-suit warehouse requirements resulting from the retail revolution are keeping speculative development at more subdued levels than in previous development cycles and, in combination with rising construction costs, pushing rental values on after years of stagnation. Core, nationally and regionally strategic locations are in strong demand for hub properties, as a steady flow of retailers formulate their omni-channel strategies and third-party logistics and parcel operators develop the capabilities to implement them. There is also growing demand for sites in urban areas, both large towns and cities and conurbations, which act as efficient spoke locations for “last-mile” delivery. In some cities, the competitive pressures are fierce and significant rental value growth may possibly result. As technology reduces the importance of labour supply for warehouse location decisions, proximity to the largest consumer markets, where labour may not be plentiful or cheap enough at present, may become the overriding factor. This presents some risk of locational obsolescence going forwards, or at least significantly reduced demand that may leave some locations overdeveloped and at risk of higher vacancy and lower rents.

In an increasingly uncertain world, the incontrovertible shift in the way consumers shop and the infrastructure required to service that demand is a source of greater certainty. The Investment Manager believes that logistics assets are primed for growth, as well as being relatively defensive against any cyclical downturn in economic activity.

## **2. PIPELINE**

The Investment Manager has a broad and consistent pipeline of potential investment transactions and a strong track record of deploying capital in the target markets. Through its established platform, local offices and wide-ranging relationships in the European property market, the Investment Manager has reviewed over 2,100 property introductions over the period from 1 January 2016 to 9 November 2017 across the UK and Continental European markets. Over the same period, the team has carried out a total transaction volume of approximately €840 million (approximately £737 million).

The Investment Manager has entered into heads of terms granting exclusivity on behalf of the Company over the acquisition of a multi-let modern logistics facility close to one of Europe’s premier airports and a major population hub in an area of restricted supply and high affluence in South West Germany. The property has an approximate value of €20 million and it is expected that an acquisition may be concluded by early January 2018. With an extensive pipeline under review the Investment Manager feels confident that further such exclusive arrangements will follow ahead of Initial Admission allowing the Company to invest in line with its stated timing objective.

As at the date of this document, the Company has not entered into any legally binding agreements to acquire any investments. The Directors expect, however, that the Net Proceeds will be deployed within twelve months of Initial Admission (subject to market conditions). In addition, no Annual Management Fee shall be charged on uninvested funds until such time as 75 per cent. of the Net Proceeds have been invested.

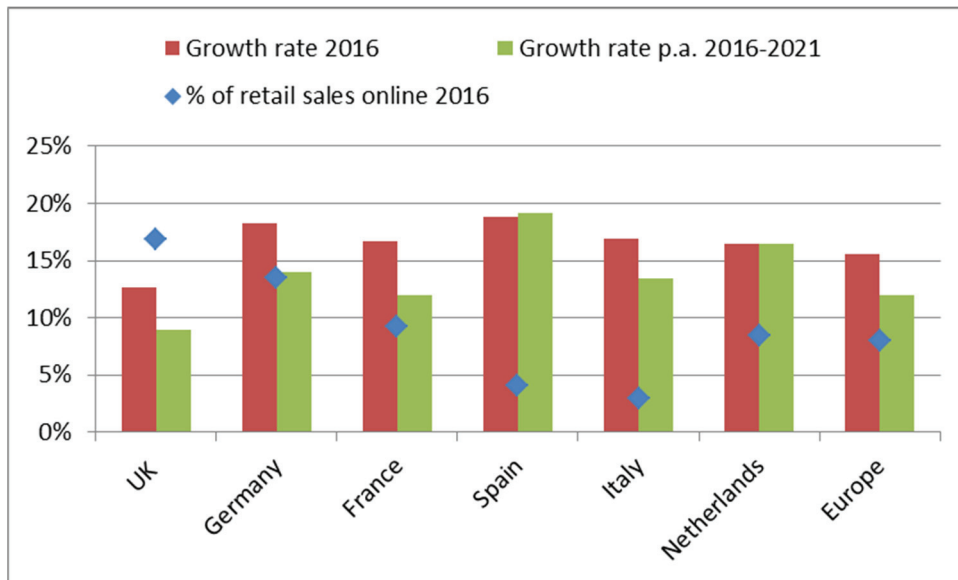
***The potential investments comprised in the pipeline from time to time include deals at various stages of consideration by the Investment Manager. The number and value of potential investments comprised in the pipeline fluctuates and the pipeline under consideration following Initial Admission may be higher or lower than that under consideration at the date of this document. There is no certainty that any of the potential investments in the pipeline as at the date of this document will be completed or will be invested in by the Company. There can be no assurance that historical trends will continue during the life of the Company.***

## PART 3

### THE STRATEGIC CASE FOR INVESTMENT IN EUROPEAN LOGISTICS ASSETS

The Investment Manager believes that globalisation, supply-chain reconfiguration and the rapid growth of e-commerce are driving an expansion of logistics occupier demand in an undersupplied sector. Chart 1 below shows online retail sales growth rate projections.

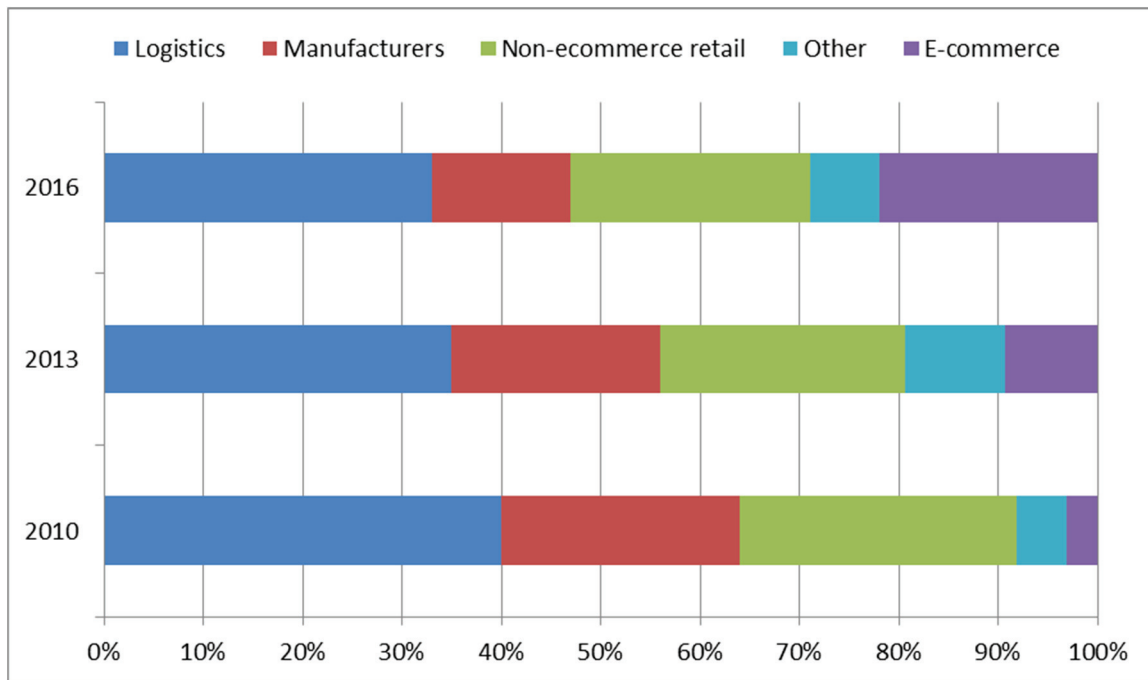
**Chart 1 – Strong projections of further e-commerce growth**



Sources: Centre for Retail Research, Aberdeen Asset Management (projections), October 2017

Whilst Continental European online retail penetration rates are lower than the UK, the Investment Manager believes they are accelerating rapidly and expects the major economies of Continental Europe to outpace the UK's growth. This is expected to create new logistics demand across the region with e-commerce related logistics operators taking a far higher proportion of available space (*see chart 2 below*). The Investment Manager expects that proportion to rise further reflecting the rapid growth across the region.

**Chart 2 – Growth of e-commerce triggers new logistics demand**

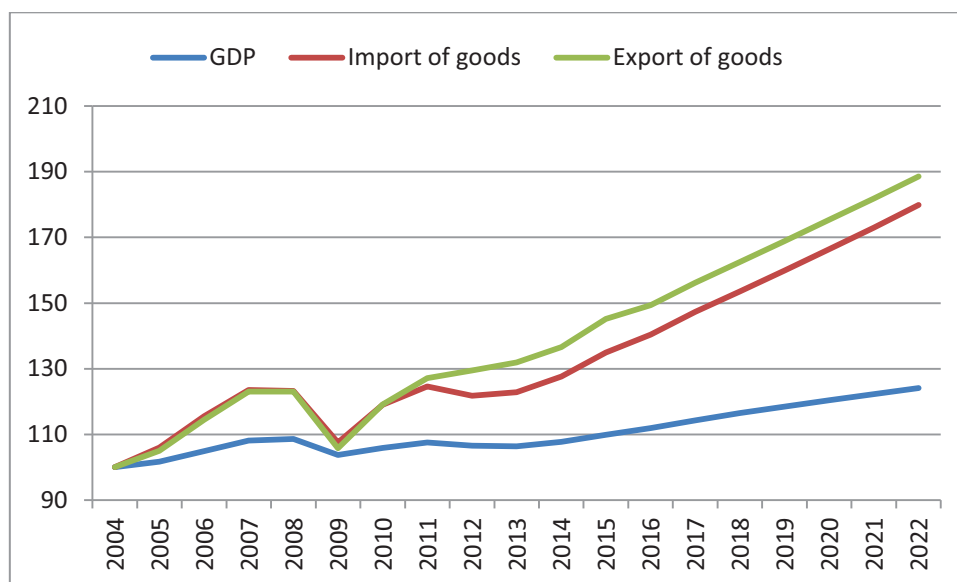


Source: European Logistics – Occupier Market, PMA, October 2017

Forecasts should be regarded as illustrative of trends. Actual figures will differ from forecasts.

E-commerce is not the only driver of increasing logistics demand with increasing global growth and supply-chain reconfiguration playing important roles also. As a consequence trade growth across Continental Europe has been much higher than GDP growth (see chart 3 below) and is expected to grow more rapidly than GDP.

**Chart 3 – Trade growth supports increase in movement of goods**



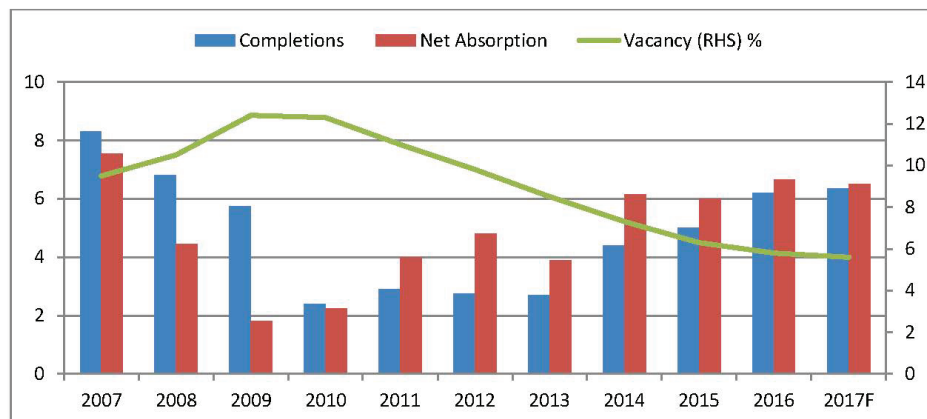
Source: GDP and Trade, IMF, October 2017

This implies a much greater requirement for the storage and movement of goods utilising large, 'big box' logistics facilities.



The rapid take-up of logistics space has exceeded new supply additions since 2011 resulting in the logistics vacancy rate falling to the lowest level in at least a decade (*see chart 4 below*).

**Chart 4 – Logistics demand is outpacing the growth in supply**

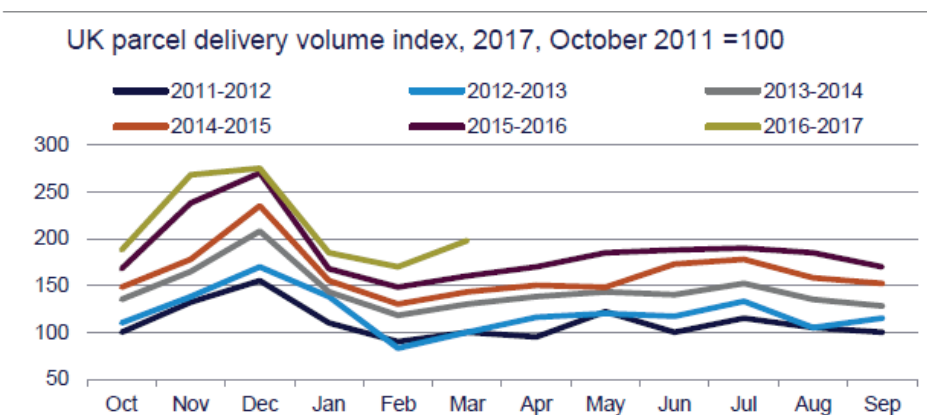


Source: Supply and Demand, Prologis, January 2017

In addition, the rapid growth of e-commerce together with an increasing consumer requirement for the rapid delivery of goods is creating additional demand amongst occupiers for 'last mile' logistics facilities.

As shown in chart 5 below, UK parcel delivery has grown rapidly in recent years, near doubling between 2011 and 2017. The Investment Manager believes that the rapid acceleration of e-commerce across Continental Europe will also generate rapid growth in the requirement for 'last mile' facilities.

**Chart 5 – Parcel delivery volume growth**

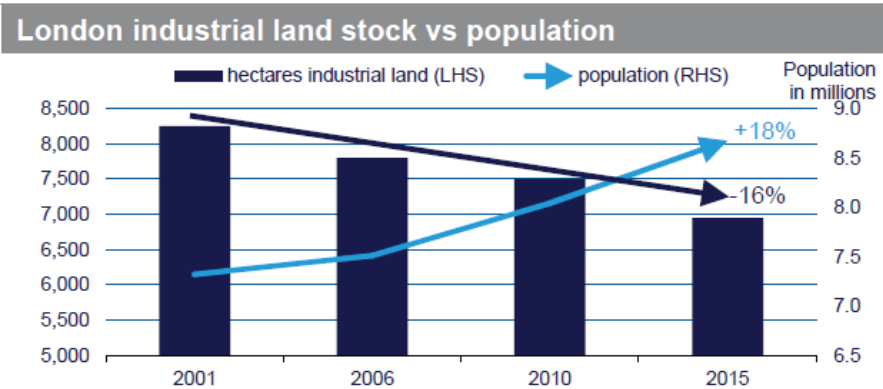


Source: IMRG parcel delivery index, August 2017

The requirement for 'last mile' facilities to be close or within the major centres of population also coincides with a rapid urbanisation of Europe, where cities' populations are growing much more swiftly than national averages.

As populations grow, then, necessarily the existing land supply is under increasing pressure. In the Investment Manager's view this supports on-going supply constraint and ultimately rental and capital growth. This can be shown through the illustration of London where recent population growth and reduced available industrial land supply situation is evident (see chart 6 below).

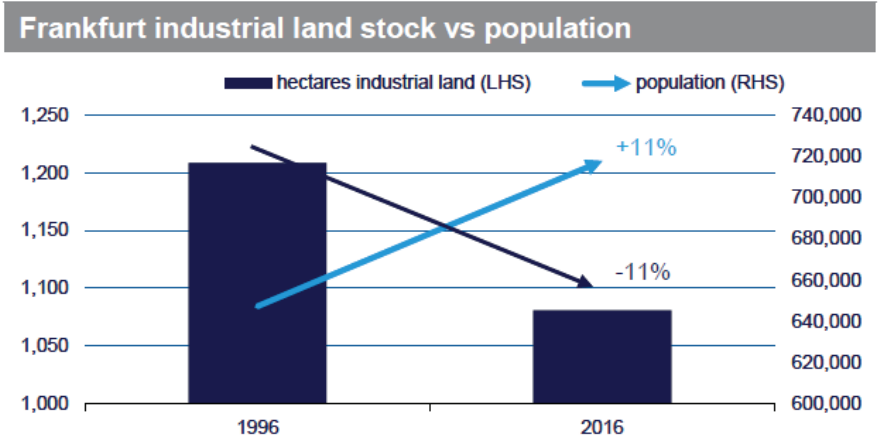
Chart 6 – Industrial land stock contraction



Source: Population data – london.gov.uk; Land stock data – London Industrial Land Supply and Economy Study 2015

The Investment Manager observes similar momentum in the leading cities of Continental Europe and by further example the situation of Frankfurt is illustrated in chart 7 below.

Chart 7 – Industrial land stock contraction



Source: Regionalstatistik, Immobilien Zeitung, December 2016

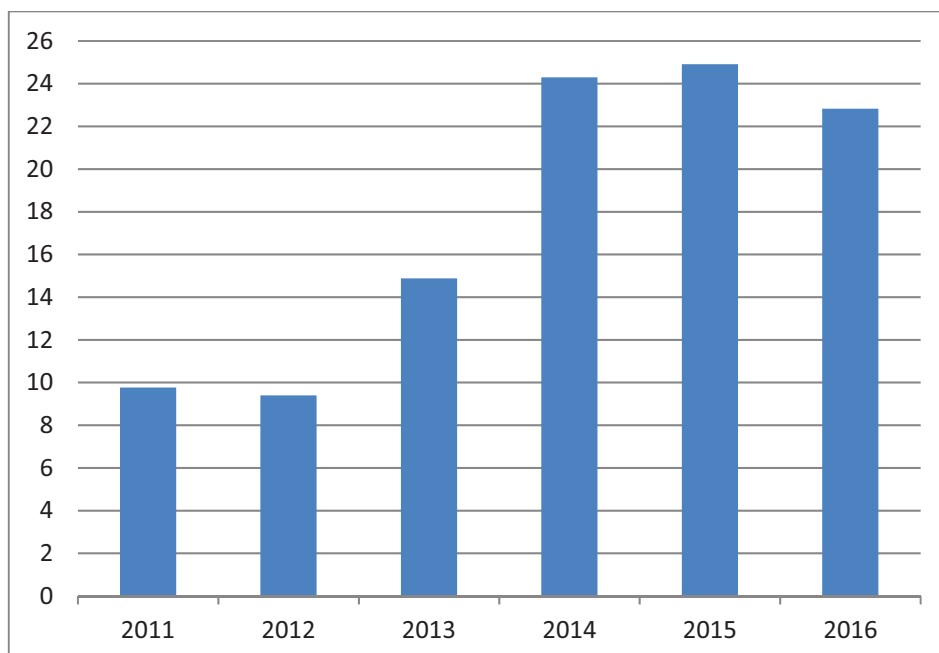
The Investment Manager believes that, strategically, investments should be made with a mix of 'big box' and 'last mile' facilities although the Investment Manager expects that the majority of assets, by value, will be comprised of 'big box' logistics.

### The tactical case for investing in 2017

In addition to the strategic case, there are tactical reasons why the Investment Manager believes it is the right time to invest in European logistics markets.

The European logistics market is sizeable with a growing annual investment volume transacted and this implies that the Company will have considerable choice around which logistics assets to target as investments.

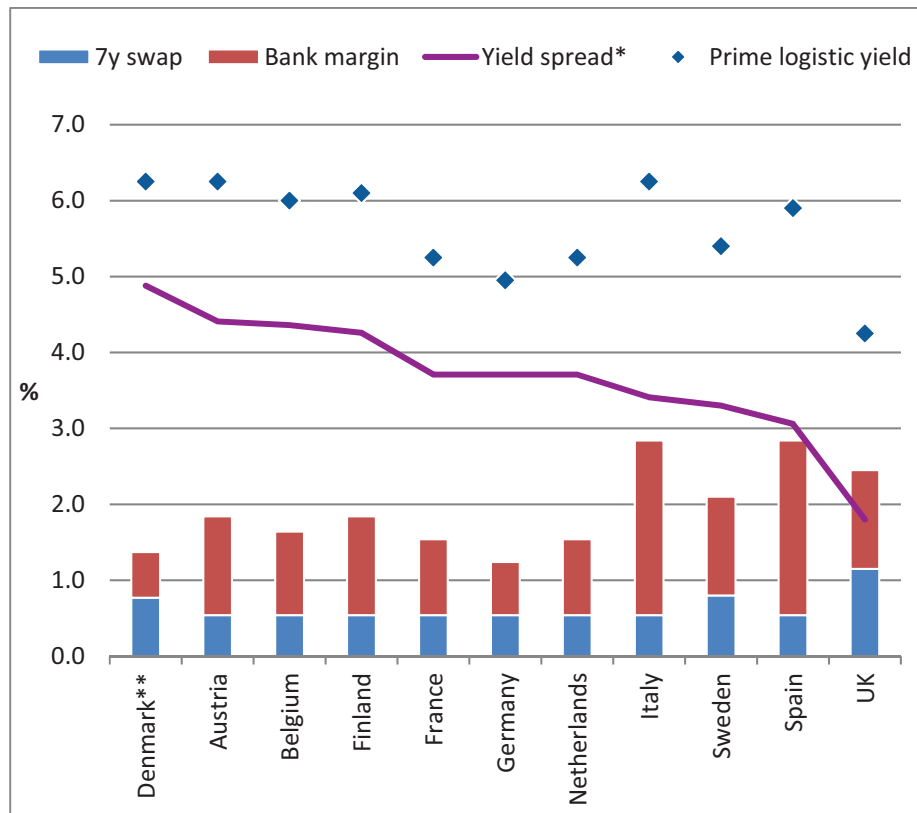
**Chart 8 – European logistics transaction volume (€ billion)**



Source: PMA Deals Database, July 2017

There are considerable ranges in prime logistics investment yields and also the prospective cost and availability of leverage. Continental Europe typically has higher prime logistics yields than the UK and income returns can be further enhanced by the judicious use of leverage with advantageous financing conditions. Chart 9 below shows the differential in prime logistics yields and financing costs.

**Chart 9 – Attractive European yields and financing conditions**



\* Difference between prime yield and financing costs.

Sources: Property yields: Cushman & Wakefield, July 2017, Swap rates as of 30 June 2017, Financing costs: Aberdeen Standard Investments, July 2017.

### Typical lease structures

There are also considerable variations in typical lease structures across Europe.

Whilst there are typical conventions for the nature and length of leases across Europe, the Investment Manager highlights notable differences and believes that;

- the underlying demand/supply imbalances are leading some occupiers to secure longer leases than national conventions suggest; and
- additionally, in some instances, such is the volume of capital commitment of the tenant to a building, for example with automated picking systems, that they are further motivated to secure occupancy for longer than conventional terms.

In practice this means that lease structures such as three, six or nine year terms, which are often commonplace within commercial real estate, are often exceeded with tenants seeking to secure appropriate logistics assets and in particular new, modern logistics facilities. This provides for greater certainty of income to the landlord and ultimately can provide for more favourable terms from real estate lenders.

## PART 4

### DIRECTORS, MANAGEMENT AND ADMINISTRATION

#### 1. DIRECTORS

The Directors are responsible for the determination of the Company's investment objective and policy and have overall responsibility for the Company's activities including the review of investment activity and performance.

The Directors may delegate certain functions to other parties, such as the AIFM and the Registrar. In particular, responsibility for managing the assets comprised in the Portfolio has been delegated to the AIFM. With the consent of the Board, the AIFM has delegated portfolio management functions to Aberdeen Asset Managers Limited.

The Directors will meet at least four times a year. The Directors (including the Chairman) are all non-executive directors and independent of the AIFM and the Investment Manager.

The Directors are as follows:

##### ***Pascal Duval (aged 55) (Chairman)***

Pascal started his career as a commodity and FX trader in Paris, and started his career in Investment and Management Consulting for corporate, institutional investors, asset managers, banks and insurance companies in 1990. Pascal worked for Russell Investments in EMEA for 22 years, during which time he opened the Paris office, developed its Continental European and Middle-East activities and held multiple senior executive responsibilities across EMEA in wholesale and distribution, as well as with asset owners. Mr Duval was appointed CEO of EMEA in 2011 and became a member of Russell Investment's Global Executive Committee. Mr Duval left Russell Investments in January 2017 and founded Duval Capital LLP, a research and advisory company in wealth and asset management.

Pascal holds a BA in Law from Paris X University and is also a graduate of the Institut d'Etudes Politiques de Paris (Sciences-Po, Paris) and INSEAD.

##### ***Caroline Gulliver (aged 52) (Non-executive Director)***

Caroline is a chartered accountant with over 25 years' experience at Ernst & Young LLP, latterly as an executive director before leaving in 2012. During that time, she specialised in the asset management sector and developed an extensive experience of investment trusts. She was a member of The Association of Investment Companies' Technical Committee and also the AIC SORP working party for the revision to the 2009 investment trust SORP. Caroline is also a non-executive director and audit committee chair for JP Morgan Global Emerging Markets Income Trust plc, International Biotechnology Trust plc and Civitas Social Housing PLC.

##### ***John Heawood (aged 64) (Non-executive Director)***

John has 40 years' experience as a Chartered Surveyor advising a broad range of investors, developers and occupiers. In 1987 he became a partner, and subsequently a director, of DTZ responsible for the London-based team dealing with industrial, logistics and business park projects across the UK.

He was appointed to the board of SEGRO plc in 1996 and was responsible for its UK business for the next 12 years. As a group director and member of the executive committee he was actively involved with SEGRO's refocusing on the UK and Europe with the sale of its Californian biotechnology assets and the development of its logistics business in Continental Europe.

From 2009-2013 he was managing director of the Ashtenne Industrial Fund, a £500 million multi-let industrial and logistics portfolio managed by Aviva on behalf of 13 institutional investors.

John is currently a non-executive director of Place Partnership Limited, a member of the finance and general purposes committee of the Royal Veterinary College and a trustee of Marshalls Charity, a Southwark-based charity established in 1631.

John holds a BSc in Estate Management and a MSc in Rural Planning Studies from the University of Reading.



***Tony Roper (aged 56) (Non-executive Director)***

Tony started his career as a structural engineer with Ove Arup and Partners in 1983. Mr Roper then worked on developing holiday villages, first with Center Parcs and then with the Granada Group. In 1994 he joined John Laing plc to review and make equity investments in infrastructure projects both in the UK and abroad.

In 2006, Tony joined HSBC Specialist Investments (part of the HSBC Holdings group) to be the fund manager for HICL Infrastructure Company Limited, the first premium listed investment company making infrastructure investments offering investors access to this alternative asset class. Tony continued in this role until May 2017, during which time HICL grew from £250 million to circa £2.8 billion. In 2011, Tony was part of the senior management team that bought HSBC Specialist Investments from HSBC, renaming it InfraRed Capital Partners. Tony is a Managing Partner and a senior member of the infrastructure management team at InfraRed Capital Partners.

Tony holds a MA in Engineering from Cambridge University and is an ACMA-CGMA.

***Diane Wilde (aged 53) (Non-executive Director)***

Diane has over 30 years' experience of managing equity, balanced and multi asset funds in both the asset management and wealth management sectors.

She was managing director at Gartmore Scotland Ltd, managing investment trust assets on behalf of the company from 1993 – 2000. Following a period of managing similar assets at Aberdeen Asset Managers between 2000 and 2003, she joined Barclays Wealth as Head of Endowment Funds in Scotland, and managing clients in the multi asset space until 2014.

A former member of the Pension Fund Advisory Committee to the Barclays Bank UK Retirement Fund, she is currently a senior adviser at Allenbridge, an investment consulting firm providing independent mandate, manager reviews and research to the pensions and professional funds sectors.

She is also a board member of the Social Growth Fund, managed by Social Investment Scotland (SIS), a leading social enterprise and impact investor in Scotland and the United Kingdom.

Diane holds a BA in Economics and Social Administration from the University of Strathclyde.

## **2. THE MANAGEMENT TEAM**

### **2.1 Introduction**

The Investment Manager operates a fully integrated property investment management platform and has an extensive regional presence with offices in 14 countries across the UK and Continental Europe. The pan-European real estate team is comprised of over 280 real estate professionals in 17 offices with expertise in fund management, research, transactions, asset management, financing and other specialist property activities.

The real estate teams are based in well-established offices in London, Frankfurt, Paris, Madrid, Amsterdam and Brussels, as well as the Nordics, and these teams are responsible for sourcing and managing all the assets acquired across the region. Having teams in the key target markets in which the Company proposes to invest provides, in the Investment Manager's view, a significant competitive advantage, with improved local market knowledge, better access to potential deals, closer implementation of asset business plans and improved ability to manage and mitigate risk.

### **2.2 Key personnel**

The experienced team that will manage the Portfolio will include:

**Evert Castelein – Fund Manager (Amsterdam)**

Evert has worked as a Fund Manager for the Aberdeen European Balanced Property Fund. He joined Aberdeen in 2008 from Asset Appraisal Systems where he was a senior analyst within the property research and strategy team. Besides research and portfolio analysis, Evert has been responsible for the asset management of a small German fund. Previously, Evert worked for FGH Bank, a market leader in the financing of Dutch commercial real estate, as a research analyst.

Evert graduated with a Masters degree in Economic Geography from the University of Groningen and has a Masters of Science in Real Estate (MSRE). He speaks English, Dutch, German and French.

**Ross Braithwaite – Assistant Fund Manager (Edinburgh)**

Ross is a Fund Manager and is responsible for the Pan European Urban Retail Fund (PURetail Fund) and (former Scottish Widows Investment Partnership (SWIP)) European Balanced Property Fund. Ross joined Aberdeen in April 2014 through the acquisition of SWIP, where he had been the Fund Manager of PURetail since its launch in 2011, and prior to that investment manager on the SWIP European Balanced Property Fund, Airport Industrial Property Unit Trust and UK Balanced Property Trust, after joining SWIP in 2003. Prior to that, he worked for Standard Life Investments for five years.

Ross graduated with a BLE (Hons) in Land Economy from Aberdeen University and is a professional member of the Royal Institution of Chartered Surveyors. Ross speaks English and German.

**Attila Molnár – Assistant Fund Manager (Frankfurt)**

Attila is a Fund Manager at Aberdeen Immobilien KAG based in Frankfurt. Attila joined Dresdner Bank's property fund management business (DEGI) in 2006, shortly before the business was acquired by Aberdeen. Attila has been involved in the planning and establishment of new product lines for institutional clients and joined the fund management teams of those funds. At present he is responsible for two institutional funds. Prior to that Attila worked for PricewaterhouseCoopers where he was responsible for a diverse range of audit and due diligence projects in the property funds sector.

Attila graduated with a MSc in Accounting and Finance from Budapest University of Economics and speaks English, German and Hungarian.

**Andrew Allen – Global Head of Real Estate Investment Research (UK)**

Andrew is Global Head of Real Estate Investment Research and a member of Aberdeen Standard Investments' global property management committee. Andrew manages a team of analysts located in the UK, Norway, Germany and Singapore. He is primarily responsible for the implementation of property research and strategy. Andrew joined Aberdeen in 2011 from Oriel Securities (now Stifel Nicolaus Europe) where he was a partner and analyst in the real estate securities team, having previously been a founding partner and head of research and strategy at Cordea Savills (now Savills Investment Management). He had additional responsibility as the fund director for the Charities Property Fund. Prior to that, Andrew held the role of senior manager within the property forecasting (Europe) team, at Henderson Global Investors from where he was seconded to Pradera Asset Management for a year. Andrew was a senior analyst at Property Market Analysis from 1991 to 1998.

Andrew graduated with an MSc in Property Investment at Cass Business School and a BSc in Economics and Business Finance at Brunel University.

**2.3 Transaction, asset and development management**

The Investment Manager's transaction management team consists of 23 people based in ten countries across Europe (including the UK and the Nordics) providing a strong local market presence throughout the core European logistics markets. The team seeks investment opportunities by employing an innovative approach and developing close relationships to local brokers and developers to source stock as well as creating investment opportunities. Taking advantage of off-market opportunities, utilising call options, warehousing of seed portfolios, as well as using sale and leaseback options, are some of the methods used by the transaction team. From time to time, the team will agree to buy a completed development before, or during, the construction phase, known as forward funding as well as entering into forward commitments (agreeing to the future sale or purchase of a property) when the investment opportunity merits it.

The team's success in sourcing opportunities is demonstrated by its track record: it has sourced over 2,100 opportunities in European logistics and industrial properties (including in the UK) over the period from 1 January 2016 to 9 November 2017. Over the same period, the team has carried out a total transaction volume of approximately €840 million (approximately £737 million). In addition, the Investment Manager's team contains 81 people spread across nine European locations focusing on asset management and 21 members working from eight locations across Europe focused on development management.

## 2.4 Treasury services

Aberdeen Standard Investments has a dedicated treasury team based in Frankfurt which provides finance and treasury services to the real estate teams. The treasury team will be well-placed to advise the Investment Manager in relation to the provision of financing in local currencies on the best terms available and will have a strong focus on implementing the most appropriate financing structure for each property acquired, if required.

Financing costs in Europe are still at low levels historically which, the Investment Manager believes, will enable it to institute levels of gearing which should add value to the Portfolio.

## 2.5 The Management Agreement

Under the terms of the Management Agreement, the Company has appointed Aberdeen Fund Managers Limited as the Company's alternative investment fund manager. The AIFM has delegated portfolio management to Aberdeen Asset Managers Limited as Investment Manager.

Pursuant to the terms of the Management Agreement, the AIFM is responsible for portfolio and risk management on behalf of the Company and will carry out the on-going oversight functions and supervision and ensure compliance with the applicable requirements of the AIFM Rules. Both the AIFM and the Investment Manager are legally and operationally independent of the Company.

Pursuant to the terms of the Management Agreement, the AIFM is entitled, with effect from Initial Admission, to receive a stepped annual management fee (the "**Annual Management Fee**") calculated by reference to the Net Asset Value (as calculated under IFRS) on the following basis:

<i>Net Asset Value</i>	<i>Annual management fee (percentage of Net Asset Value)</i>
On such part of the Net Asset Value that is less than or equal to €500 million	0.95 per cent.
On such part of the Net Asset Value that is more than €500 million but less than or equal to €1.25 billion	0.75 per cent.
On such part of the Net Asset Value that is more than €1.25 billion	0.60 per cent.

No Annual Management Fee shall be charged on uninvested funds until such time as 75 per cent. of the Net Proceeds have been invested.

The Annual Management Fee is payable in Euros quarterly in arrears, save for any period which is less than a full calendar quarter.

In addition, the AIFM is entitled to reimbursement for all cost and expenses properly incurred by the AIFM and/or the Investment Manager in the performance of their respective duties under the Management Agreement.

There are no performance, acquisition, exit or property management fees payable to the AIFM and/or the Investment Manager.

The AIFM shall also perform certain promotional activities on behalf of the Company, the scope of services and corresponding fees shall be agreed pursuant to a separate promotional services agreement between the AIFM and the Company.

The initial term of the Management Agreement is two years commencing on the date of Initial Admission (the "**Initial Term**"). The Company may terminate the Management Agreement by giving the AIFM not less than 12 months' prior written notice such notice not to expire prior to the end of the Initial Term. The AIFM may terminate the Management Agreement by giving the Company not less than 12 months' prior written notice such notice not to expire prior to the end of the Initial Term.

Further details of the Management Agreement are set out in paragraph 6.2 of Part 8 of this document.

## 3. CONFLICTS OF INTEREST

The AIFM and the Investment Manager have functionally hierarchically separated the performance of their portfolio or risk management tasks from other potentially conflicting tasks, and potential conflicts of interest are properly identified, managed, monitored and disclosed.

The AIFM, the Investment Manager and their affiliates are involved in other financial, investment or professional activities which may, directly or indirectly, on occasion give rise to conflicts of interest with the Company. In particular, the AIFM and the Investment Manager manage funds other than the Company and may provide investment management, investment advisory or other services in relation to these funds or future funds which may have similar investment policies to that of the Company.

The AIFM will treat all of the Company's investors fairly and will not allow any investor to obtain preferential treatment, unless such treatment is disclosed in this document. The AIFM and its affiliates may from time to time act for other clients or manage other funds, which may have similar investment objectives and policies to that of the Company. Circumstances may arise where investment opportunities will be available to the Company which are also suitable for one or more of such clients of the AIFM and its affiliates or such other funds. The Directors have satisfied themselves that the AIFM and its affiliates have procedures in place to address potential conflicts of interest and that, where a conflict arises, the AIFM and its affiliates will allocate the opportunity on a fair basis.

The Investment Manager has regard to its delegated obligations under the Management Agreement or otherwise to act in the best interests of the Company, so far as is practicable having regard to its obligations to other clients, when potential conflicts of interest arise. In the event of a conflict of interest arising, the Investment Manager will ensure that it is resolved fairly and in accordance with the COB Rules and in particular, that any transactions are effected on terms which are not materially less favourable to the Company than if the potential conflict had not existed. The COB Rules require the Investment Manager to ensure fair treatment of all its clients. The COB Rules also require that when an investment is made it should be allocated fairly amongst all of its clients for whom the investment is appropriate. In particular, the Investment Manager uses its reasonable efforts to ensure that the Company has the opportunity to participate in potential investments identified by the Investment Manager which fall within the Company's investment objective and policy, on the best terms reasonably obtainable at the relevant time with the aim of ensuring that the principle of best execution is attained in accordance with the COB Rules.

## **4. OTHER ARRANGEMENTS**

### **4.1 Administrator and Company Secretary**

The AIFM has also been appointed by the Company under the terms of the Management Agreement to provide day-to-day administration services to the Company and provide the general company secretarial functions required by the Companies Act.

In this role, the AIFM will provide certain administrative services to the Company which includes reporting the Net Asset Value, bookkeeping and accounts preparation. The AIFM has delegated the provision of these accounting and administration services to State Street Bank and Trust Company (London Branch).

The AIFM has also delegated the provision of the general company secretarial services to Aberdeen Asset Management PLC.

The AIFM will charge an additional fee of €145,000 per annum (subject to an annual uplift at the rate of RPI to be effective from the 1 January each year and commencing 1 January 2019) to the Company for the provision of these services. The AIFM is also entitled to reimbursement of all out-of-pocket costs, expenses and charges reasonably and properly incurred on behalf of the Company in connection with these services.

### **4.2 Depositary**

National Westminster Bank PLC will act as the Company's Depositary under the terms of the Depositary Agreement. The AIFM is authorised by the FCA as a manager of AIFs for the purposes of the AIFM Directive and is required, in accordance with the AIFM Directive and the AIFM Rules, to ensure that a single appropriately authorised depositary is appointed to perform certain activities such as monitoring the Company's cash flow, safeguarding certain assets of the Company and performing general oversight in relation to the issuance of Shares.

The Depositary has responsibility for the safekeeping of any cash and any certificates of title relating to the Company's assets as well as opening and operating the Company's bank accounts.

The Depositary is incorporated in England as a public limited company. Its registered and head office is at 135 Bishopsgate, London EC2M 3UR (tel: +44 131 523 8779). The ultimate holding

company of the Depositary is The Royal Bank of Scotland Group plc, which is incorporated in Scotland. The principal business activity of the Depositary is banking. The Depositary is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority. It is authorised to carry on investment business in the United Kingdom by virtue of its authorisation and regulation by these regulators.

Details of the Depositary Agreement are set out in paragraph 6.5 of Part 8 of this document.

The Depositary has sub-delegated safe keeping functions to State Street Bank and Trust Company. State Street Bank and Trust Company (London Branch), is authorised and regulated by the Federal Reserve Board. Authorised by the Prudential Regulatory Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulatory Authority.

#### **4.3 Registrar**

The Company utilises the services of Equiniti Limited as registrar in relation to the transfer and settlement of Shares. Under the terms of the Registrar Agreement, the Registrar is entitled to an annual maintenance fee per Shareholder account per annum, subject to a minimum fee of £3,250. The Registrar is also entitled to activity fees under the Registrar Agreement.

#### **4.4 Auditor**

KPMG LLP provides audit services to the Company. The annual report and accounts will be prepared according to the accounting standards laid out under IFRS and in accordance with EPRA's best practice recommendations. The fees charged by the Auditor depend on the services provided and on the time spent by the Auditor on the affairs of the Company.

#### **4.5 Promotional activities**

The AIFM has also been appointed to provide promotional and communication services to the Company, including enabling its participation in the Investment Manager's investment trust promotional programme. The Investment Manager charges an annual fee of around 0.075 per cent. of the net assets of each participating investment trust which is at least matched by the Investment Manager to cover the costs of delivering the programme. It is expected that the Company will be eligible to join the programme in early 2018 following which an appropriate fee will be agreed.

### **5. FEES AND EXPENSES**

#### **5.1 Issue expenses – the Initial Issue**

The Company has incurred and will incur expenses that arise from, or are incidental to, the establishment of the Company, the Initial Issue and Initial Admission. These expenses include the commissions payable under the Placing and Offer Agreement, the Receiving Agent's fees, listing and admission fees, printing, legal and accounting fees and any other applicable expenses.

The costs and expenses of, and incidental to, the Initial Issue payable by the Company are capped at 1.5 per cent. of the Initial Gross Proceeds.

#### **5.2 Issue expenses – the Placing Programme**

The issue expenses of the Company relating to the Placing Programme are those that arise from, or are incidental to, the issue of Shares issued pursuant to a Subsequent Placing and their Admission. These include the fees payable in relation to each subsequent Admission, the Shares issued pursuant to a Subsequent Placing, including listing fees, as well as the fees and commissions due under the Placing and Offer Agreement and any other applicable expenses in relation to the Placing Programme.

The issue expenses of a Subsequent Placing will be met by the Company from the proceeds of such Subsequent Placing and are not expected to exceed 1.5 per cent. of the gross issue proceeds of such Subsequent Placing.

#### **5.3 On-going annual expenses**

The Company's ongoing annual expenses are currently expected to amount to 1.4 per cent. of Net Asset Value per annum assuming a Net Asset Value on Initial Admission of £246 million calculated according to current AIC guidance.



## **6. THE TAKEOVER CODE**

The Takeover Code applies to the Company.

## **7. CORPORATE GOVERNANCE**

The Company will comply with the provisions of Chapter 9 of the Listing Rules regarding corporate governance. Chapter 9 of the Listing Rules requires that the Company must “comply or explain” against the UK Corporate Governance Code. In addition, the Disclosure and Transparency Rules require the Company to: (i) make a corporate governance statement in its annual report and accounts based on the code to which it is subject, or with which it voluntarily complies; and (ii) describe its internal control and risk management systems.

The Directors recognise the value of the UK Corporate Governance Code and have taken appropriate measures to ensure that the Company complies, so far as is possible given the Company’s size and nature of business, with the UK Corporate Governance Code. The areas of non-compliance by the Company with the UK Corporate Governance Code are in respect of the provisions relating to:

- the role of the chief executive;
- executive directors’ remuneration; and
- the need for an internal audit function.

The Board considers these provisions are not relevant to the position of the Company as it is an externally managed investment company and it has no employees and therefore no requirement for a chief executive, and by reason of the size and composition of the Board.

As at the date of this document, the Company complies with the AIC Code and intends to become a member of the AIC following Initial Admission. In accordance with the AIC Code, the Company meets its obligations in relation to the UK Corporate Governance Code.

### **7.1 The Board and Board Committees**

The Chairman is Pascal Duval and the Senior Independent Director is Caroline Gulliver.

The Board considers each of the Directors (including the Chairman) to be independent for the purposes of the UK Corporate Governance Code. A majority of the Board will at all times be independent of the AIFM and the Investment Manager.

The full Board will meet at least four times a year to consider general matters affecting the Company and otherwise as required. Committee meetings will meet on an ad hoc basis to consider transactional and related matters concerning the Company’s business.

The Board has established an Audit Committee, Management Engagement Committee and Nomination Committee. These committees undertake specific activities through delegated authority from the Board. Terms of reference for each committee have been adopted and will be reviewed on a regular basis by the Board.

### **7.2 Audit Committee**

The Audit Committee comprises Tony Roper, Diane Wilde, John Heawood and Caroline Gulliver (who is Chairman and is considered to have recent and relevant financial experience). The Audit Committee will meet at least twice a year. There are likely to be a number of other regular attendees at meetings of the Audit Committee, including other members of the Board and the Company’s external auditors.

The Audit Committee is responsible for ensuring that the financial performance of the Company is properly reported and monitored. The Audit Committee reviews the annual and interim accounts, the accounting policies of the Company and key areas of accounting judgment, management information statements, financial announcements, internal control systems, risk management and the continuing appointment of the auditors. It also monitors the whistle blowing policy and procedures over fraud and bribery.

Due to its size, structure and the nature of its activities, the Company does not have an internal audit function. The Audit Committee will continue to keep this matter under review.

### **7.3 Management Engagement Committee**

The Management Engagement Committee comprises Pascal Duval, Tony Roper, Diane Wilde and John Heawood, who is Chairman. The Management Engagement Committee will meet at least once a year or more often, if required. Its principal duties will be to consider the terms of appointment of the AIFM and it will review that appointment and the terms of the Management Agreement on an annual basis. The Management Engagement Committee will also review the terms of appointment of other key service providers to the Company.

### **7.4 Nomination Committee**

The Nomination Committee is chaired by Pascal Duval and is comprised of the entire Board. The Nomination Committee will meet at least once a year or more often if required. Its principal duties will be to advise the Board on succession planning, bearing in mind the balance of skills, knowledge and experience existing on the Board, and will make recommendations to the Board in this regard. The Nomination Committee advises the Board on its balance of relevant skills, experience and length of service of the Directors serving on the Board. All appointments to the Board will be made in a formal and transparent manner

### **7.5 Directors' share dealings**

The Directors will comply with the share dealing code adopted by the Company in compliance with the Market Abuse Regulation in relation to their dealings in Shares. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with the share dealing code by the Directors.

## PART 5

### THE INITIAL ISSUE

#### 1. INTRODUCTION

The Company is targeting an issue of £250 million pursuant to the Initial Issue comprising of the Initial Placing and the Offer for Subscription, with the potential for the Directors to increase the size of the Initial Issue to a maximum of £350 million, subject to investor demand.

The Minimum Net Proceeds of the Initial Issue are £150 million. In the event that the Minimum Net Proceeds are not raised the Initial Issue and the Placing Programme will not proceed.

The total number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Initial Gross Proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service announcement and the Company's website prior to Initial Admission. The Initial Issue has not been underwritten.

The Net Proceeds, after deduction of expenses, are expected to be £246.25 million on the assumption that the Initial Gross Proceeds are £250 million.

Application will be made for the Ordinary Shares to be admitted to listing on the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that Initial Admission will become effective and dealings in the Ordinary Shares will commence at 8.00 a.m. on 15 December 2017.

#### 2. THE INITIAL ISSUE

##### **Overview**

The Initial Placing and Offer for Subscription will each be made at an Issue Price of 100 pence per Ordinary Share.

The Initial Placing and Offer for Subscription are conditional, *inter alia*, on: (i) Initial Admission having become effective on or before 8.00 a.m. on 15 December 2017 or such later time and/or date as the Company and Canaccord Genuity may agree (being not later than 8.00 a.m. on 15 January 2018); (ii) the Placing and Offer Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms at any time prior to Initial Admission; and (iii) the Minimum Net Proceeds being raised.

Standard Life Aberdeen intends to subscribe for 15,000,000 Ordinary Shares pursuant to the Initial Issue, subject to the requirement for Standard Life Aberdeen to hold, in aggregate, no more than 14.99 per cent. of the Initial Issue (either directly or via funds managed by Standard Life Aberdeen), in which event Standard Life Aberdeen would scale back its investment accordingly. The Directors believe that this proposed investment strongly aligns the interests of the Investment Manager with those of Shareholders.

Subject to their statutory right of withdrawal pursuant to section 87(Q)(4) of FSMA in the event of the publication of a supplementary prospectus, applicants may not withdraw their applications for Ordinary Shares.

If the Initial Issue does not proceed (due to the Minimum Net Proceeds not being raised or otherwise), any monies received under the Initial Issue will be returned to applicants either by cheque without interest (at the risk of the applicant), or direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn.

##### **Initial Placing**

Canaccord Genuity has agreed to use its reasonable endeavours to procure subscribers pursuant to the Initial Placing on the terms and subject to the conditions set out in the Placing and Offer Agreement. Commitments under the Initial Placing must be received by 5.00 p.m. on 12 December 2017 (or such later date, not being later than 15 January 2018, as the Company and Canaccord Genuity may agree). If the Initial Placing is extended, the revised timetable will be notified to any investors who have placed orders. The terms and conditions of the Initial Placing are set out in Part 11 of this document.

##### **Offer for Subscription**

The Company has agreed to make an offer of Ordinary Shares pursuant to the Offer for Subscription at the Issue Price, subject to the Terms and Conditions of Application as set out in

Part 12 of this document. **These terms and conditions and the Application Form set out in the Appendix to this document should be read carefully before an application is made. Investors should consult their independent financial adviser if they are in any doubt about the contents of this document or the acquisition of Ordinary Shares.**

Application Forms accompanied by a cheque or banker's draft in Sterling made payable to Equiniti Limited RE: Aberdeen Standard European Logistics Income PLC – OFS application, for the appropriate sum should be returned to the Receiving Agent by no later than 5.00 p.m. on 11 December 2017.

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 11.00 a.m. on 11 December 2017. Please contact Equiniti Corporate Actions by email at [offer@equiniti.com](mailto:offer@equiniti.com) and the Receiving Agent will provide applicants with the bank account details, together with a unique reference number which must be used when sending payment.

Applicants choosing to settle via CREST, that is DVP, will need to match their instructions to the Receiving Agent's Participant Account 6RA24, Member Account RA272701 by no later than 1.00 p.m. on 14 December 2017, allowing for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price per Ordinary Share, following the CREST matching criteria set out in the Application Form.

If the Offer for Subscription is extended, the revised timetable will be notified to any investors who have placed orders.

### **3. BASIS OF ALLOCATION UNDER THE INITIAL ISSUE**

In the event of the Initial Issue being oversubscribed, the Initial Placing and Offer for Subscription are subject to scaling back at the absolute discretion of the Directors (in consultation with Canaccord Genuity and the AIFM). The Offer for Subscription may be scaled back in favour of the Initial Placing and the Initial Placing may be scaled back in favour of the Offer for Subscription at the Directors' discretion (in consultation with Canaccord Genuity and the AIFM). The Directors have the discretion (in consultation with Canaccord Genuity and the AIFM) to determine the basis of allocation within, and between, the Offer for Subscription and the Initial Placing. No assurance can be given that applications made under either the Initial Placing or the Offer for Subscription will be met in full or in part or at all.

The Company (acting through Canaccord Genuity, in respect of the Initial Placing, and the Receiving Agent, in respect of the Offer for Subscription) will notify investors of the number of Ordinary Shares in respect of which their application has been successful and the results of the Initial Issue will be announced by the Company on or around 13 December 2017 via a Regulatory Information Service announcement.

### **4. REASONS FOR THE INITIAL ISSUE AND USE OF PROCEEDS**

The Initial Issue is intended to raise money for investment in accordance with the Company's investment policy.

The Directors intend to use the Net Proceeds, after providing for the Company's operational expenses, to purchase investments in line with the Company's investment objective and investment policy.

It is expected that the Net Proceeds will be deployed in accordance with the Company's investment policy within a period of 12 months after Initial Admission (subject to market conditions).

### **5. THE PLACING AND OFFER AGREEMENT**

The Placing and Offer Agreement contains provisions entitling Canaccord Genuity to terminate the Initial Issue (and the arrangements associated with it) at any time prior to Initial Admission in certain circumstances. If this right is exercised, the Initial Issue and these arrangements will lapse and any monies received in respect of the Initial Issue will be returned to each applicant without interest at the applicant's risk.

The Placing and Offer Agreement provides for Canaccord Genuity to be paid commissions by the Company in respect of the Ordinary Shares to be allotted pursuant to the Initial Issue. Canaccord Genuity is also entitled under the Placing and Offer Agreement to retain agents and may pay commission in respect of the Initial Issue to any or all of those agents out of its own resources.

Further details of the terms of the Placing and Offer Agreement are set out in paragraph 6.1 of Part 8 of this document.

## **6. INTERMEDIARIES**

In connection with the Offer for Subscription, Canaccord Genuity and/or the Company may appoint Intermediaries to market the Ordinary Shares to potential retail investors in the United Kingdom.

Each Intermediary will, on appointment, agree to terms and conditions which will regulate, *inter alia*, the conduct of the Intermediaries in relation to the offering of Ordinary Shares on market standard terms and provide for the payment of commission to any such Intermediaries that elect to receive commission from Canaccord Genuity and/or the Company.

Each Intermediary will submit an Application Form pursuant to the Offer for Subscription in its own name, as nominee, for the aggregate number of Ordinary Shares procured by it via subscriptions from underlying retail investors.

Each applicant who applies for Ordinary Shares via an Intermediary must comply with the appropriate money laundering checks required by the relevant Intermediary. Where an application is not accepted or there are insufficient Ordinary Shares available to satisfy an application in full (due to scaling back of subscriptions or otherwise), the relevant Intermediary will be obliged to refund the applicant as required and all such refunds shall be made without interest. The Company and Canaccord Genuity accept no responsibility with respect to the obligation of any Intermediary to refund monies in such circumstances.

The publication of this document and any actions taken by the Company and/or Canaccord Genuity, any Intermediary or other persons in connection with the Offer for Subscription should not be taken as any representation or assurance as to the basis on which the number of Ordinary Shares to be offered under the Offer for Subscription or allocations between applications in the Offer for Subscription (from any Intermediary or otherwise) will be determined and any such actions or statements are hereby disclaimed by the Company and Canaccord Genuity.

## **7. INITIAL ADMISSION**

Application will be made for the Ordinary Shares issued pursuant to the Initial Issue to be admitted to listing on the premium segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Initial Admission will become effective, and that dealings in the Ordinary Shares will commence, at 8.00 a.m. on 15 December 2017.

The ISIN of the Ordinary Shares is GB00BD9PXH49 and the SEDOL is BD9PXH4.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary Shares. Accordingly, the dealing price of the Ordinary Shares may not necessarily reflect changes in the Net Asset Value per Ordinary Share.

## **8. SETTLEMENT**

Payment for the Ordinary Shares applied for under the Offer for Subscription should be made in accordance with the instructions contained in the Application Form set out in the Appendix to this document. Payment for the Ordinary Shares to be acquired under the Initial Placing should be made in accordance with settlement instructions provided to investors by Canaccord Genuity. To the extent that any application or subscription for Ordinary Shares is rejected in whole or part, monies will be returned to the relevant Placee or applicant at its risk without interest.

An investor applying for Ordinary Shares in the Initial Issue may receive Ordinary Shares in certificated or uncertificated form. The Ordinary Shares are in registered form. No temporary documents of title will be issued. Dealings in Ordinary Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned. It is expected that CREST accounts will be credited on 15 December 2017 in respect of Ordinary Shares issued in uncertificated form and definitive share certificates in respect of Ordinary Shares held in certificated form will be despatched by post after the week commencing 18 December 2017, at the Shareholder's own risk.

## **9. CREST**

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Company has applied for the Ordinary Shares to be admitted to CREST with effect from Initial Admission. Accordingly, settlement of transactions in the Ordinary Shares following Initial Admission may take place within the CREST system if any Shareholder so wishes.

## **10. ISA, SSAS AND SIPP**

The Ordinary Shares will, on Initial Admission, be “qualifying investments” for the stocks and shares component of an ISA (subject to applicable subscription limits) provided that they have been acquired by purchase in the market (which, for these purposes, will include any Ordinary Shares acquired directly under the Offer for Subscription but not any Ordinary Shares acquired directly under the Initial Placing).

Save where Ordinary Shares are being acquired using available funds in an existing ISA, an investment in Ordinary Shares by means of an ISA is subject to the usual annual subscription limits applicable to new investments into an ISA. The Ordinary Shares will be permissible assets for SIPP and SSAS.

The Board will use its reasonable endeavours to manage the affairs of the Company so as to enable this status to be maintained.

## **11. OVERSEAS PERSONS**

The attention of potential investors who are Overseas Persons is drawn to the paragraphs below.

The offer of Ordinary Shares under the Initial Issue to Overseas Persons may be affected by the laws of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to obtain Ordinary Shares under the Initial Issue. It is the responsibility of all Overseas Persons receiving this document and/or wishing to subscribe for Ordinary Shares under the Initial Issue to satisfy themselves as to full observance of the laws of the relevant territory in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities needing to be observed and paying any issue, transfer or other taxes due in such territory.

No person receiving a copy of this document in any territory other than the UK may treat the same as constituting an offer or invitation to him/her, unless in the relevant territory such an offer can lawfully be made to him/her without compliance with any further registration or other legal requirements.

Persons (including, without limitation, nominees and trustees) receiving this document may not distribute or send it to any U.S. Person or in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. In particular, investors should note that the Company has not, and will not be, registered under the U.S. Investment Company Act and the offer, issue and sale of the Ordinary Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Ordinary Shares are only being offered and sold outside the United States to non-U.S. Persons in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder. The Ordinary Shares may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. Person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

In addition, until 40 days after the commencement of the Initial Issue, an offer or sale of the Ordinary Shares within the United States by any dealer (whether or not participating in the Initial Issue) may violate the registration requirements of the U.S. Securities Act.

The Company reserves the right to treat as invalid any agreement to subscribe for Ordinary Shares under the Initial Issue if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.



***United States transfer restrictions***

Each of Canaccord Genuity and the AIFM has acknowledged and warranted in the Placing and Offer Agreement that it will not offer or sell or procure the offer or sale of the Ordinary Shares except in compliance with Regulation S. The Ordinary Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, investors may not reoffer, resell, pledge or otherwise transfer or deliver, directly or indirectly, any Ordinary Shares within the United States, or to, or for the account or benefit of, any U.S. Person.

**12. TYPICAL INVESTOR**

An investment in the Ordinary Shares is only suitable for institutional investors and professionally advised or non-advised private investors who understand, and are capable of evaluating, the merits and risks of such an investment and who have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in the Initial Issue.

## **PART 6**

### **THE PLACING PROGRAMME**

#### **1. INTRODUCTION**

The Company has authority to issue up to 500 million Shares in aggregate pursuant to the Placing Programme (including the Initial Issue). Ordinary Shares and/or C Shares may be issued pursuant to the Placing Programme.

The Placing Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Shares over a period of time. The Placing Programme is intended to satisfy market demand for Shares and to raise further money after the Initial Issue to increase the size of the Company and invest in accordance with the Company's investment policy.

The terms and conditions of the Placing Programme are set out in Part 11 of this document.

#### **2. BACKGROUND TO, AND REASONS FOR, THE PLACING PROGRAMME**

The Company will have the flexibility to issue Shares on a non-pre-emptive basis where there appears to be reasonable demand for Shares in the market, for example if the Ordinary Shares trade at a premium to the Net Asset Value per Ordinary Share. It is expected that the Board will issue C Shares, rather than Ordinary Shares, in circumstances where there is substantial investor demand such that an issue of Ordinary Shares would have the potential to exert "cash drag" on the performance of the existing Ordinary Shares. The assets representing the net proceeds of an issue of C Shares would be accounted for as a separate pool, and the C Shares would bear a proportionate share of the Company's costs and expenses, until such pool is substantially invested in accordance with the Company's investment policy, following which the C Shares would be converted into Ordinary Shares based on the respective Net Asset Value per Ordinary Share and the Net Asset Value per C Share.

For the purposes of assessing the Conversion Date of an issue of C Shares into Ordinary Shares, a separate pool underlying an issue of C Shares will be deemed to have been substantially invested when at least 85 per cent. (or such other percentage as the Directors will determine as part of the terms of issue or otherwise) of the assets attributable to that class of C Shares has been invested in accordance with the Company's investment policy. The rights attaching to C Shares, including the rights as to Conversion, are described in paragraph 4.21 of Part 8 of this document.

Shareholder authority to issue Shares on a non-pre-emptive basis was granted on 8 November 2017. In utilising its discretion under the Placing Programme and seeking such authorities in the future, the Directors intend to take into account relevant factors, including the desirability of limiting the premium to the Net Asset Value per Ordinary Share at which the Ordinary Shares trade in order to ensure that Shareholders and new investors who acquire Ordinary Shares are not disadvantaged by being required to acquire additional Ordinary Shares at a high premium to the Net Asset Value per Ordinary Share.

#### **3. BENEFITS OF THE PLACING PROGRAMME**

The Directors believe that the issue of Shares pursuant to the Placing Programme should yield the following principal benefits:

- giving the Company the ability to issue Shares, so as to better manage the premium at which the Ordinary Shares may trade relative to the Net Asset Value per Ordinary Share;
- enhancing the Net Asset Value per Ordinary Share of existing Ordinary Shares through new issuance of Ordinary Shares at a premium to the prevailing estimated cum-income Net Asset Value per Ordinary Share;
- growing the Company, thereby spreading operating costs over a larger capital base which should reduce the total charges;
- further diversifying the Portfolio by making additional investments; and
- improving liquidity in the market for the Ordinary Shares.

The Directors will consider the potential impact of any Subsequent Placings under the Placing Programme on the payment of dividends to Shareholders, and intend to ensure that it will not

result in any material dilution of the dividends per Ordinary Share that the Company may be able to pay.

#### **4. THE PLACING PROGRAMME**

The Placing Programme will open on the date of this document and will close on 16 November 2018 (or any earlier date on which it is fully subscribed, or otherwise at the discretion of the Directors). The Initial Placing represents the first issuance of Ordinary Shares under the Placing Programme.

The allotment of Shares under the Placing Programme is at the discretion of the Directors. Allotments may take place at any time prior to the final closing date of 16 November 2018 (or any earlier date on which it is fully subscribed). An announcement of each Subsequent Placing under the Placing Programme will be released through a Regulatory Information Service, including details of the type of Share (Ordinary Share or C Share) and number of Shares to be allotted and the relevant Placing Programme Price for the allotment.

There is no minimum subscription. The Placing Programme is not being underwritten and, as at the date of this document, the actual number of Shares to be issued under the Placing Programme is not known. The maximum number of Shares available under the Placing Programme should not be taken as an indication of the number of Shares finally to be issued.

The net proceeds of any Subsequent Placing under the Placing Programme are dependent, *inter alia*, on, the level of subscriptions received; and the price at which such Shares are issued and the costs of the Subsequent Placing. It is expected that the costs of issuing Ordinary Shares under the Placing Programme will be covered by issuing such Ordinary Shares at the Placing Programme Price. The costs and expenses of any issue of C Shares under the Placing Programme will be paid out of the gross proceeds of such issue of C Shares and will be borne by holders of C Shares only.

#### **5. SCALING BACK**

In the event of oversubscription of a Subsequent Placing, applications under the relevant Subsequent Placing will be scaled back at the absolute discretion of the Directors (in consultation with Canaccord Genuity and the AIFM).

#### **6. THE PLACING AND OFFER AGREEMENT**

Under the Placing and Offer Agreement, Canaccord Genuity has undertaken, as agent for the Company, to use its reasonable endeavours to procure subscribers under the Placing Programme for Shares at the Placing Programme Price. Details of the Placing and Offer Agreement are set out in paragraph 6.1 of Part 8 of this document.

Each allotment and issue of Shares pursuant to a Subsequent Placing under the Placing Programme is conditional, *inter alia*, on (i) Admission of the relevant Shares occurring by no later than 8.00 a.m. on such date as the Company and Canaccord Genuity may agree from time to time in relation to that Admission, not being later than 16 November 2018; (ii) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Rules, and (iii) the Placing and Offer Agreement being wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms prior to any subsequent Admission.

In circumstances in which the conditions to a Subsequent Placing are not fully met, the relevant issue of Shares pursuant to the Placing Programme will not take place.

#### **7. THE PLACING PROGRAMME PRICE**

Subject to the requirements of the Listing Rules, the minimum price at which Ordinary Shares will be issued pursuant to the Placing Programme, which will be in Sterling, will be calculated by reference to the estimated cum-income Net Asset Value per Ordinary Share of each existing Ordinary Share together with a premium intended to cover the costs and expenses of any Subsequent Placing (including, without limitation, any placing commissions). Fractions of Ordinary Shares will not be issued.

The issue price of any C Shares issued pursuant to the Placing Programme will be 100 pence per C Share.

The Placing Programme Price will be announced through a Regulatory Information Service as soon as practicable in conjunction with each Subsequent Placing.

## **8. VOTING DILUTION**

If 250 million Shares were to be issued pursuant to Subsequent Placings, and assuming the Initial Issue had been subscribed as to 250 million Ordinary Shares, a subscriber to the Initial Issue who did not participate in any of the Subsequent Placings would suffer dilution of 50 per cent. in respect of their voting control in the Company immediately after the Initial Issue.

## **9. USE OF PROCEEDS**

The Directors intend to use the net proceeds of any Subsequent Placing under the Placing Programme to acquire investments in accordance with the Company's investment objective and investment policy.

## **10. ADMISSION AND SETTLEMENT**

The Placing Programme may have a number of closing dates in order to provide the Company with the ability to issue Shares over the duration of the Placing Programme. Shares may be issued under the Placing Programme from the date of this document until 16 November 2018.

Application will be made to the UK Listing Authority and the London Stock Exchange for all of the Shares issued pursuant to the Placing Programme to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities. Any Admissions pursuant to Subsequent Placings will become effective and dealings will commence between the date of this document and 16 November 2018. All Shares issued pursuant to the Placing Programme will be allotted conditionally on such Admission occurring.

This document has, *inter alia*, been published in order to obtain Admission to the premium listing segment of the Official List of any Shares issued pursuant to any Subsequent Placings under the Placing Programme. In the event that there are any significant changes affecting any of the matters described in this document or where any significant new matters have arisen after the publication of this document and prior to Admission of any Shares issued pursuant to the Placing Programme, the Company will publish a supplementary prospectus under section 87G of FSMA. Any supplementary prospectus published will give details of the significant change(s) or the significant new matter(s).

Shares will be issued in registered form and may be held in either certificated or uncertificated form. In the case of Shares to be issued in uncertificated form pursuant to a Subsequent Placing, these will be transferred to successful applicants through the CREST system.

It is anticipated that dealings in the Shares will commence approximately three Business Days after their allotment. Dealing in advance of the crediting of the relevant stock account shall be at the risk of the person concerned. Whilst it is expected that all Shares allotted pursuant to the Placing Programme will be issued in uncertificated form, if any Shares are issued in certificated form it is expected that share certificates will be despatched approximately one week following Admission of the Shares, at the Shareholder's own risk.

The ISIN number of the Ordinary Shares is GB00BD9PXH49 and the SEDOL code is BD9PXH4.

The ISIN number of the C Shares is GB00BD9PXJ62 and the SEDOL code is BD9PXJ6.

Any Ordinary Shares issued pursuant to the Placing Programme will rank *pari passu* with the Ordinary Shares then in issue (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment of the relevant Ordinary Shares). The Ordinary Shares will be issued in registered form.

Any C Shares issued pursuant to the Placing Programme will rank *pari passu* with any C Shares of the same class then in issue. The C Shares will be issued in registered form.

## **11. CREST**

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Shares under the CREST system. The Company shall apply for the Shares offered under the Placing Programme to be admitted to CREST with effect from Admission. Accordingly, settlement

of transactions in the Shares following a subsequent Admission may take place within the CREST system if any holder of such Shares so wishes.

## **12. OVERSEAS PERSONS**

The attention of potential investors who are Overseas Persons is drawn to the paragraphs below.

The offer of Shares under the Placing Programme to Overseas Persons may be affected by the laws of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to obtain Shares under the Placing Programme. It is the responsibility of all Overseas Persons receiving this document and/or wishing to subscribe for Shares under the Placing Programme to satisfy themselves as to full observance of the laws of the relevant territory in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities needing to be observed and paying any issue, transfer or other taxes due in such territory.

No person receiving a copy of this document in any territory other than the UK may treat the same as constituting an offer or invitation to him/her, unless in the relevant territory such an offer can lawfully be made to him/her without compliance with any further registration or other legal requirements.

Persons (including, without limitation, nominees and trustees) receiving this document may not distribute or send it to any U.S. Person or in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. In particular, investors should note that the Company has not, and will not be, registered under the U.S. Investment Company Act and the offer, issue and sale of the Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Shares are only being offered and sold outside the United States to non-U.S. Persons in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder. The Shares may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. Person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

The Company reserves the right to treat as invalid any agreement to subscribe for Shares under the Placing Programme if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

## **13. TYPICAL INVESTOR**

Shares issued pursuant to each Subsequent Placing under the Placing Programme are only suitable for institutional investors and professionally-advised or non-advised private investors who understand and are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in Shares in a Subsequent Placing.

## **PART 7**

### **TAXATION**

Prospective investors should consult their professional advisers concerning the possible tax consequences of their subscribing for, purchasing, holding or selling Shares. The following summary of the principal United Kingdom tax consequences applicable to the Company and its Shareholders is based upon interpretations of existing laws in effect on the date of this document and no assurance can be given that courts or fiscal authorities responsible for the administration of such laws will agree with the interpretations or that changes in such laws will not occur. The tax and other matters described in this document are not intended as legal or tax advice. Each prospective investor must consult its own advisers with regard to the tax consequences of an investment in Shares. None of the Directors nor the AIFM nor any of their respective affiliates or agents accepts any responsibility for providing tax advice to any prospective investors.

#### ***Introduction***

The information below, which relates only to United Kingdom taxation, summarises the advice received by the Board in so far as applicable to the Company and to persons who are resident in the United Kingdom for taxation purposes and who hold Shares as an investment. It is based on current United Kingdom tax law and published practice, respectively, which law or practice is, in principle, subject to any subsequent changes therein (potentially with retrospective effect). Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Shares in connection with their employment may be taxed differently and are not considered. The tax consequences for each Shareholder investing in the Company may depend upon the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject.

**If you are in any doubt as to your tax position or you are subject to tax in a jurisdiction outside the UK, you should consult an appropriate professional adviser without delay.**

#### ***The Company***

It is the intention of the Directors to conduct the affairs of the Company so that it satisfies and continues to satisfy the conditions necessary for it to be approved by HMRC as an investment trust under section 1158 of the CTA 2010 and pursuant to regulations made under section 1159 of the CTA 2010. However, neither the AIFM nor the Directors can guarantee that this approval will be maintained. One of the conditions for a company to qualify as an investment trust is that it is not a close company. The Directors consider that the Company should not be a close company immediately following Initial Admission. In respect of each accounting period for which the Company continues to be approved by HMRC as an investment trust the Company will be exempt from UK taxation on its capital gains. The Company will, however, (subject to what follows) be liable to UK corporation tax on its income in the normal way.

An investment trust approved under sections 1158 and 1159 of the CTA 2010, or one that intends to seek such approval, is able to elect to take advantage of modified UK tax treatment in respect of its "qualifying interest income" for an accounting period (referred to here as the "streaming" regime). Under regulations made pursuant to the Finance Act 2009, the Company may, if it so chooses, designate as an "interest distribution" all or part of the amount it distributes to Shareholders as dividends, to the extent that it has "qualifying interest income" for the accounting period. Were the Company to designate any dividend it pays in this manner, it would be able to deduct such interest distributions from its income in calculating its taxable profit for the relevant accounting period.

The Company should in practice be exempt from UK corporation tax on dividend income received, provided that such dividends (whether from UK or non-UK companies) fall within one of the "exempt classes" in Part 9A of the CTA 2009.

#### ***Shareholders***

##### ***Taxation of capital gains***

Individual Shareholders who are resident in the UK for tax purposes will generally be subject to capital gains tax in respect of any gain arising on a disposal of their Shares. Each such individual has an annual exemption, such that capital gains tax is chargeable only on gains arising from all



sources during the tax year in excess of this figure. The annual exemption is £11,300 for the tax year 2017-2018. Capital gains tax chargeable will be at the current rate of 10 per cent. (for basic rate tax payers) and 20 per cent. (for higher and additional rate tax payers) during the tax year 2017-2018.

Shareholders who are individuals and who are temporarily non-resident in the UK may, under anti-avoidance legislation, still be liable to UK tax on any capital gain realised (subject to any available exemption or relief).

Corporate Shareholders who are resident in the UK for tax purposes will generally be subject to corporation tax on chargeable gains arising on a disposal of their Shares. The indexation allowance may reduce the amount of chargeable gain that is subject to corporation tax but may not create or increase any allowable loss.

Capital losses realised on a disposal of Shares must be set off as far as possible against chargeable gains for the same tax year (or accounting period in the case of a corporate Shareholder), even if this reduces an individual Shareholder's total gain below the annual exemption. Any balance of losses is carried forward without time limit and set off against net chargeable gains (that is, after deducting the annual exemption) in the earliest later tax year. Losses cannot generally be carried back, with the exception of losses accruing to an individual Shareholder in the year of his death.

#### *Taxation of dividends*

Distributions made by the Company may either take the form of dividend income, or of "qualifying interest income" which may be designated as interest distributions for UK tax purposes. It is expected that the majority of the Company's distributions will take the form of dividend income, rather than qualifying interest income, in the period during which the proceeds of the Initial Issue are invested; with the proportion increasing to a significant majority once that investment process has been completed. Prospective investors should note that the UK tax treatment of the Company's distributions may vary for a Shareholder in the Company depending upon the classification of such distributions. **Prospective investors who are unsure about the tax treatment which will apply to them in respect of any distributions made by the Company should consult their own tax advisers.**

#### *(a) Individual Shareholders*

##### *(i) Non interest distributions*

In the event that the Directors do not elect for the "streaming" regime to apply to any dividends paid by the Company, the following statements summarise the expected UK tax treatment for individual Shareholders who receive dividends from the Company. The following statements would also apply to any dividends not treated as "interest distributions" were the Directors to elect for the streaming regime to apply.

The notional 10 per cent. dividend credit was abolished with effect from 6 April 2016. A £5,000 annual tax free dividend allowance was introduced for UK individuals with effect from 6 April 2016. Dividends received in excess of this threshold will be taxed, for the tax year 2017/18 at 7.5 per cent. (basic rate taxpayers), 32.5 per cent. (higher rate taxpayers) and 38.1 per cent. (additional rate taxpayers). The taxation of dividends received by SIPP's and ISAs will be unaffected. The UK government has announced that the annual tax free dividend allowance will be reduced to £2,000 with effect from 6<sup>th</sup> April 2018.

The Company will not be required to withhold tax at source when paying a dividend.

##### *(ii) Interest distributions*

Should the Directors elect to apply the "streaming" regime to any dividends paid by the Company, were the Company to designate any dividends paid as an "interest distribution", a UK resident Shareholder in receipt of such a dividend would be treated as though they had received a payment of interest. Such a Shareholder would be subject to UK income tax at the current rates of 20 per cent., 40 per cent. or 45 per cent., depending on the level of the Shareholder's income. The UK Government has announced (but legislation has not yet been

enacted) that no withholding tax will be applied to such distributions paid after 6 April 2017.

With effect from 6 April 2016, each UK resident individual who is a basic rate taxpayer is entitled to a Personal Saving Allowance which exempts the first £1,000 of savings income (including distributions deemed as 'interest distributions' from an Investment Trust Company). The exempt amount is reduced to £500 for higher rate taxpayers and additional rate taxpayers do not receive an allowance.

*(b) Other Shareholders*

UK resident corporate Shareholders may be subject to corporation tax on dividends paid by the Company unless they fall within one of the exempt classes on Part 9A of CTA 2009. If, however, the Directors did elect for the "streaming" rules to apply, and such corporate Shareholders were to receive dividends designated by the Company as "interest distributions", they would be subject to corporation tax in the same way as a creditor in a loan relationship.

**It is particularly important that prospective investors who are not resident in the UK for tax purposes obtain their own tax advice concerning tax liabilities on dividends received from the Company.**

*Stamp Duty and Stamp Duty Reserve Tax*

Transfers on sale of Shares will generally be subject to UK stamp duty at the rate of 0.5 per cent. of the consideration given for the transfer. The purchaser normally pays the stamp duty.

An agreement to transfer Shares will normally give rise to a charge to stamp duty reserve tax ("SDRT") at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer. If a duly stamped transfer in respect of the agreement is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional) any SDRT paid is repayable, generally with interest, and otherwise the SDRT charge is cancelled. SDRT is, in general, payable by the purchaser.

Paperless transfers of Shares within the CREST system will generally be liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system. Deposits of Shares into CREST will not generally be subject to SDRT, unless the transfer into CREST is itself for consideration.

*ISA, SSAS and SIPP*

Shares acquired by a UK resident individual Shareholder in the Offer for Subscription or on the secondary market (but not the Initial Placing or any Subsequent Placing) should be eligible to be held in a stocks and shares ISA, subject to applicable annual subscription limits (£20,000 in the tax year 2017-2018).

Investments held in ISAs will be free of UK tax on both capital gains and income. The opportunity to invest in shares through an ISA is restricted to certain UK resident individuals aged 18 or over. Junior ISAs are available to children under the age of 18 who are resident in the UK subject to the annual allowance of £4,128 for the 2017-2018 tax year. Sums received by a Shareholder on a disposal of Shares would not count towards the Shareholder's annual limit; but a disposal of Shares held in an ISA will not serve to make available again any part of the annual subscription limit that has already been used by the Shareholder in that tax year.

**Individuals wishing to invest in Shares through an ISA should contact their professional advisers regarding their eligibility.**

The Directors have been advised that the Shares should be eligible for inclusion in a SIPP or a SSAS, subject to the discretion of the trustees of the SIPP or the SSAS, as the case may be.

*Information reporting*

The UK has entered into international agreements with a number of jurisdictions which provide for the exchange of information in order to combat tax evasion and improve tax compliance. These include, but are not limited to, an Inter-governmental Agreement with the U.S. in relation to FATCA and International Tax Compliance Agreements with Guernsey, Jersey, the Isle of Man and Gibraltar. The UK has also introduced legislation implementing other international exchange of information arrangements, including the Common Reporting Standard developed by the

Organisation for Economic Co-operation and Development and the EU Directive on Administrative Cooperation in Tax Matters. In connection with such agreements and arrangements the Company may, among other things, be required to collect and report to HMRC certain information regarding Shareholders and other account holders of the Company and HMRC may pass this information on to the authorities in other jurisdictions.

## PART 8

### GENERAL INFORMATION

#### 1. THE COMPANY

- 1.1 The Company was incorporated in England and Wales on 25 October 2017 with registered number 11032222 as a public company limited by shares under the Companies Act.
- 1.2 The principal place of business and the registered office of the Company is Bow Bells House, 1 Bread Street, London EC4M 9HH with telephone number +44 02074636000.
- 1.3 The principal legislation under which the Company operates is the Companies Act. As an investment trust, the Company will not be regulated as a collective investment scheme by the FCA. However, from Initial Admission, the Company and the Shareholders will be subject to the Listing Rules, Prospectus Rules and the Disclosure and Transparency Rules.
- 1.4 Save for entry into of the material contracts summarised in paragraph 6 of this Part 8, the Company has not commenced operations since incorporation and, as at the date of this document, no financial statements have been made up and no dividends have been declared by the Company.
- 1.5 The Company's accounting period will end on 31 December of each year. The first accounting period will end on 31 December 2018. The annual report and accounts will be prepared in Euros according to accounting standards laid out under IFRS.
- 1.6 On 9 November 2017, the Company was granted a certificate under section 761 of the Act entitling it to commence business and to exercise its borrowing powers.
- 1.7 The Company is domiciled in England and Wales, has no subsidiaries, does not have any employees and does not own any premises.
- 1.8 The Company has given notice to the Registrar of Companies of its intention to carry on business as an investment company pursuant to section 833 of the Companies Act.
- 1.9 The Company intends at all times to conduct its affairs so as to enable it to qualify as an investment trust for the purposes of sections 1158 and 1159 (and regulations made thereunder) of the CTA 2010.

#### 2. SHARE CAPITAL

- 2.1 On incorporation, the issued share capital of the Company was one Ordinary Share of a nominal value of £0.01, which was subscribed for by Aberdeen Asset Management PLC. On 8 November 2017 the Company issued 50,000 Management Shares of a nominal value of £1.00 each which were subscribed for by Aberdeen Asset Management PLC.
- 2.2 Set out below is the issued share capital of the Company as at the date of this document:

	<i>Nominal value (£)</i>	<i>Number</i>
Ordinary Shares	0.01	1
Management Shares	50,000	50,000

The Ordinary Share and the Management Shares in issue are fully paid up.

- 2.3 Set out below is the issued share capital of the Company as it will be following the Initial Issue (assuming 250 million Ordinary Shares are allotted):

	<i>Nominal value (£)</i>	<i>Number</i>
Ordinary Shares	2,500,000	250,000,000
Management Shares	50,000	50,000

All Ordinary Shares will be fully paid up. The Management Shares are fully paid up and will be redeemed immediately following Initial Admission out of the proceeds of the Initial Issue.

- 2.4 The effect of the Initial Issue will be to increase the net assets of the Company. On the assumption that the Initial Issue is subscribed as to 250 million Ordinary Shares, the

fundraising is expected to increase the net assets of the Company by a minimum of £246.25 million. The Initial Issue is expected to be earnings enhancing.

2.5 By ordinary and special resolutions passed on 8 November 2017:

- 2.5.1 the Directors were generally and unconditionally authorised in accordance with section 551 of the Companies Act to exercise all the powers of the Company to allot up to 500 million Shares in aggregate, such authority to expire on 31 December 2018, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require Shares to be allotted in pursuance of such an offer or agreement as if such authority had not expired;
- 2.5.2 the Directors were generally empowered (pursuant to sections 570 and 573 of the Companies Act) to allot Shares and to sell Shares from treasury for cash pursuant to the authority referred to in paragraph 2.5.1 above as if section 561 of the Companies Act did not apply to any such allotment or sale, such power to expire on 31 December 2018 (unless previously revoked, varied or renewed by the Company in general meeting), save that the Company may, at any time prior to the expiry of such power make an offer or enter into an agreement which would or might require Shares to be allotted or sold from treasury after the expiry of such power, and the Directors may allot or sell from treasury equity securities in pursuance of such an offer or agreement as if such power had not expired;
- 2.5.3 in addition to the authority set out at paragraph 2.5.1 above, the Directors were generally and unconditionally authorised in accordance with section 551 of the Companies Act to exercise all the powers of the Company to allot Ordinary Shares up to the lower of: (i) 20 per cent. of the Ordinary Shares in issue at the time of Initial Admission, or (ii) 70 million Ordinary Shares, such authority to expire at the conclusion of the Company's annual general meeting to be held in 2019, save that the Company may at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require Ordinary Shares to be allotted in pursuance of such offer or agreement as if such authority had not expired;
- 2.5.4 the Directors were generally empowered (pursuant to sections 570 and 573 of the Companies Act) to allot Ordinary Shares and to sell Ordinary Shares from treasury for cash pursuant to the authority referred to in paragraph 2.5.3 above as if section 561 of the Companies Act did not apply to any such allotment or sale, such power to expire at the conclusion of the Company's annual general meeting to be held in 2019 (unless previously revoked, varied or renewed by the Company in general meeting), save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require Ordinary Shares to be allotted or sold from treasury after the expiry of such power and the Directors may allot or sell from treasury equity securities in pursuance of such an offer or agreement as if such power had not expired;
- 2.5.5 the Company was authorised in accordance with section 701 of the Companies Act to make market purchases (within the meaning of section 693(4) of the Companies Act) of Ordinary Shares provided that the maximum number of Ordinary Shares authorised to be purchased is 14.99 per cent. of the Ordinary Shares in issue immediately following Initial Admission. The minimum price which may be paid for an Ordinary Share is £0.01. The maximum price which may be paid for an Ordinary Share must not be more than the higher of: (i) 5 per cent. above the average of the mid-market value of the Ordinary Shares for the five Business Days before the purchase is made, or (ii) the higher of the last independent trade and the highest current independent bid for Ordinary Shares. Such authority will expire on the earlier of the conclusion of the first annual general meeting of the Company and the date 18 months after the date on which the resolution was passed save that the Company may contract to purchase Ordinary Shares under the authority thereby conferred prior to the

- expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority and may purchase Ordinary Shares in pursuance of such contract;
- 2.5.6 the Company was authorised, conditionally upon the issue of Ordinary Shares by the Company pursuant to the Initial Admission and the payment up in full thereof, to cancel the amount standing to the credit of the share premium account of the Company following Initial Admission;
- 2.5.7 the Directors were authorised to declare and pay all dividends of the Company as interim dividends and for the last dividend referable to a financial year not to be categorised as a final dividend that is subject to shareholder approval; and
- 2.5.8 the Company was authorised to call a general meeting of the Company other than an annual general meeting on not less than 14 clear days' notice.
- 2.6 The provisions of section 561(1) of the Companies Act (which, to the extent not disapplied pursuant to sections 570 and 573 of the Companies Act, confer on Shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) apply to issues by the Company of equity securities save to the extent disapplied as mentioned in paragraphs 2.5.2 and 2.5.4 above.
- 2.7 In accordance with the power granted to the Directors by the Articles, it is expected that the Ordinary Shares to be issued pursuant to the Initial Issue will be allotted (conditionally upon Initial Admission) pursuant to a resolution of the Board to be passed shortly before Initial Admission in accordance with the Companies Act.
- 2.8 Save as disclosed in this paragraph 2, no share or loan capital of the Company has since the date of incorporation of the Company been issued or been agreed to be issued, fully or partly paid, either for cash or for a consideration other than cash, and no such issue is now proposed.
- 2.9 The Company has not granted any options over its share or loan capital which remain outstanding and has not agreed, conditionally or unconditionally to grant any such options and no convertible securities, exchangeable securities or securities with warrants have been issued by the Company.
- 2.10 All of the Shares will be in registered form and will be eligible for settlement in CREST. Temporary documents of title will not be issued.
- 2.11 Applicants who have signed and returned Application Forms in respect of the Offer for Subscription may not withdraw their applications for Ordinary Shares subject to their statutory rights of withdrawal in the event of the publication of a supplementary prospectus.

### **3. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS**

- 3.1 The Directors intend to subscribe for Ordinary Shares pursuant to the Initial Issue in the amounts set out below:

	<i>Number of Ordinary Shares</i>	<i>% of issued ordinary share capital*</i>
<i>Director</i>		
Pascal Duval	30,000	0.01
Caroline Gulliver	25,000	0.01
John Heawood	20,000	0.01
Tony Roper	30,000	0.01
Diane Wilde	20,000	0.01

\* Assuming that the Initial Issue is subscribed as to 250 million Ordinary Shares

Save as disclosed in this paragraph, immediately following Initial Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

- 3.2 Standard Life Aberdeen intends to subscribe for 15,000,000 Ordinary Shares pursuant to the Initial Issue, subject to the requirement for Standard Life Aberdeen to hold, in aggregate, no more than 14.99 per cent. of the Initial Issue (either directly or via funds



managed by Standard Life Aberdeen), in which event Standard Life Aberdeen would scale back its investment accordingly.

- 3.3 No Director has a service contract with the Company, nor are any such contracts proposed, each Director having been appointed pursuant to a letter of appointment entered into with the Company. The Directors' appointments can be terminated in accordance with the Articles and without compensation. Directors are required to retire and seek re-election by the Shareholders at the first AGM of the Company. Directors' appointments may be terminated earlier by either party giving to the other one month's prior written notice. The Articles provide that the office of Director shall be terminated by, among other things: (i) written resignation; (ii) unauthorised absences from board meetings for six consecutive months or more; or (iii) written request of all of the other Directors.
- 3.4 Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chairman, the initial fees will be £30,000 for each Director per annum. The Chairman's initial fee will be £40,000 per annum. The Chairperson of the Audit Committee will receive an additional £5,000 per annum. The Directors are also entitled to out-of-pocket expenses incurred in the proper performance of their duties.
- 3.5 No amount has been set aside or accrued by the Company to provide pensions, retirement or other similar benefits.
- 3.6 None of the Directors has, or has had, an interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company or that has been effected by the Company since its incorporation.
- 3.7 The Company has not made any loans to the Directors which are outstanding, nor has it ever provided any guarantees for the benefit of any Director or the Directors collectively.
- 3.8 Over the five years preceding the date of this document, the Directors hold or have held the following directorships (apart from their directorships of the Company) or memberships of administrative, management or supervisory bodies and/or partnerships:

<i>Name</i>	<i>Current</i>	<i>Previous</i>
Pascal Duval	Duval Capital LLP The Voluntary Solidarity Fund International	In Partnership Financial Advisers Limited On-line Partnership Group Limited Russell Investments Implementation Services Limited Russell Investments Limited Russell Investments Systems Limited Russell Investments UK Blocker Limited Russell Investments UK Lower-tier Holdco Limited The On-line Partnership Limited The Whitechurch Network Limited
Caroline Gulliver	JP Morgan Global Emerging Markets Income Trust plc, International Biotechnology Trust plc Civitas Social Housing PLC	APQ Limited APQ Investments Limited
John Heawood	4Corners Industrial Asset Management Limited Innesco Ltd John Heawood Consulting Limited Marshalls (New River House) Limited Place Partnership Limited	AAM 2013 Limited Ashtenne Caledonia Limited Ashtenne (AIF) Limited Norwepp (General Partner) Limited ( <i>in Liquidation</i> ) Ashtenne Industrial Fund Nominee No.2 Limited ( <i>Dissolved</i> ) Ashtenne Industrial Fund Nominee No.2 Limited Ashtenne Industrial (General Partner) Limited

<i>Name</i>	<i>Current</i>	<i>Previous</i>
		Ashtenne Industrial Fund Nominee No.1 Limited;
Tony Roper	HICL Infrastructure Company Limited ICB Securities 1 Limited ICB Securities 2 Unlimited ICB Holdings Limited InfraRed (Infrastructure) Capital Partners Limited InfraRed Capital Partners (Management) LLP InfraRed Capital Partners Limited InfraRed Infrastructure III General Partner Limited InfraRed Infrastructure Yield General Partner Limited InfraRed Infrastructure Yield Holdings Limited Infrastructure Investments (Affinity) Limited Infrastructure Investments (No 8) Limited Infrastructure Investments Betjeman (Holdco) Limited Infrastructure Investments General Partner Limited Infrastructure Investments Holdings Limited Infrastructure Investments Trafalgar Limited Prospect Healthcare (Hinchingsbrooke) Holdings Limited The Renewables Infrastructure Group (France) SAS The Renewables Infrastructure Group (UK) Limited	Academy Services (Norwich) Holdings Limited Academy Services (Oldham) Holdings Limited Academy Services (Sheffield) Holdings Limited Blue3 (Gloucestershire Fire) (Holdings) Limited Bootle Accommodation Partnership Holding Limited Brentwood Healthcare Partnership Holding Limited Brown Investments Limited ( <i>Dissolved</i> ) Central Blackpool PCC Holding Company Limited Children's Ark Partnerships Holdings Limited CityLink Telecommunications Holdings Limited Daiwater Investment Limited Ealing Schools Partnerships Holdings Limited Hadfield Healthcare Partnerships Holding Limited HDM Schools Solutions (Holdings) Limited Kajima Darlington Schools Holding Limited Kajima Haverstock Holding Limited Kajima Newcastle Libraries Holding Limited Kajima North Tyneside Holdings Limited Leonardo Investment Holdings Limited ( <i>Dissolved</i> ) Redwood Partnership Ventures 2 Limited Redwood Partnership Ventures Limited Services Support (Cleveland) Holdings Limited Services Support (Gravesend) Holdings Limited Services Support (Manchester) Holdings Limited Services Support (SEL) Holdings Limited V.B. Investments (No.2) Limited ( <i>Dissolved</i> ) V.B. Investments Limited Wooldale Partnerships Holdings Limited
Diane Wilde	Wilde Associates Limited	—

3.9 The Directors in the five years before the date of this document:

- 3.9.1 do not have any convictions in relation to fraudulent offences;
- 3.9.2 have not been associated with any bankruptcies, receiverships or liquidations of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and

- 3.9.3 do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.
- 3.10 As at 16 November 2017 (the latest practicable date prior to the publication of this document) insofar as known to the Company, there are no parties known to have a notifiable interest under English law in the Company's capital or voting rights.
- 3.11 All Shareholders have the same voting rights in respect of the share capital of the Company.
- 3.12 Pending the allotment of Ordinary Shares pursuant to the Initial Issue, the Company is controlled by Aberdeen Asset Management PLC, as described in paragraph 2.1 of this Part 8. The Company and the Directors are not aware of any other person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.
- 3.13 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.
- 3.14 Save for the entry into of the Directors' appointment letters, the Company has not entered into any related party transaction at any time during the period from incorporation to 16 November 2017 (the latest practicable date prior to the publication of this document).
- 3.15 As at the date of this document, none of the Directors has any conflict of interest or potential conflict of interest between any duties to the Company and their private interests and/or other duties.
- 3.16 The Company intends to maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

#### **4. THE ARTICLES**

The Articles contain provisions, *inter alia*, to the following effect:

##### **4.1 Objects/Purposes**

The Articles do not provide for any objects of the Company and accordingly the Company's objects are unrestricted.

##### **4.2 Voting rights**

4.2.1 Subject to the provisions of the Companies Act, to any special terms as to voting on which any shares may have been issued or may from time-to-time be held and any suspension or abrogation of voting rights pursuant to the Articles, at a general meeting of the Company every member who is present in person shall, on a show of hands, have one vote, every proxy who has been appointed by a member entitled to vote on the resolution shall, on a show of hands, have one vote and every member present in person or by proxy shall, on a poll, have one vote for each share of which he is a holder. A Shareholder entitled to more than one vote need not, if he votes, use all his votes or vest all the votes he uses the same way. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

4.2.2 Unless the Board otherwise determines, no member is entitled to vote at a general meeting or at a separate meeting of Shareholders of any class of shares, either in person or by proxy, or to exercise any other right or privilege as a member in respect of any share held by him, unless all calls presently payable by him in respect of that share, whether alone or jointly with any other person, together with interest and expenses (if any) payable by such member to the Company have been paid or if he, or any other person whom the Company reasonably believes to be interested in such shares, has been issued with a notice pursuant to the Companies Act requiring such person to provide information about his interests in the Company's shares and has failed in relation to any such shares to give the Company the required information within 14 days.

- 4.2.3 Notwithstanding any other provision of the Articles, where required by the Listing Rules, a vote must be decided by a resolution of the holders of the Company's shares that have been admitted to premium listing. In addition, where the Listing Rules require that a particular resolution must in addition be approved by the independent shareholders (as such term is defined in the Listing Rules), only independent shareholders who hold the Company's shares that have been admitted to premium listing can vote on such separate resolution.

#### 4.3 *Dividends*

- 4.3.1 Subject to the provisions of the Companies Act and of the Articles, the Company may by ordinary resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.
- 4.3.2 Subject to the provisions of the Companies Act, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appears to the Board to be justified by the profits of the Company available for distribution. If at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends on Shares which rank after shares conferring preferential rights with regard to dividends as well as on shares conferring preferential rights, unless at the time of payment any preferential dividend is in arrears. Provided that the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those preferential rights.
- 4.3.3 All dividends, interest or other sums payable and unclaimed for a period of 12 months after having become payable may be invested or otherwise used by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of 12 years after having become payable shall, if the Board so resolves, be forfeited and shall cease to remain owing by, and shall become the property of, the Company.
- 4.3.4 The Board may, with the authority of an ordinary resolution of the Company, direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, or in any one or more of such ways.
- 4.3.5 The Board may also, with the prior authority of an ordinary resolution of the Company and subject to such terms and conditions as the Board may determine, offer to holders of shares the right to elect to receive shares, credited as fully paid, instead of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution.
- 4.3.6 Unless the Board otherwise determines, the payment of any dividend or other money that would otherwise be payable in respect of shares will be withheld if such shares represent at least 0.25 per cent. in nominal value of their class and the holder, or any other person whom the Company reasonably believes to be interested in those shares, has been duly served with a notice pursuant to the Companies Act requiring such person to provide information about his interests in the Company's shares and has failed to supply the required information within 14 days. Furthermore such a holder shall not be entitled to elect to receive shares instead of a dividend.

#### 4.4 *Winding up and continuation vote*

- 4.4.1 If the Company is wound up, with the sanction of a special resolution and any other sanction required by law and subject to the Companies Act, the liquidator may divide among the Shareholders in specie the whole or any part of the assets of the Company and for that purpose may value any assets and determine how the division shall be carried out as between the Shareholders or different classes of Shareholders. With the like sanction, the liquidator may vest the whole or any part of the assets in trustees upon such trusts for the benefit

of the Shareholders as he may with the like sanction determine, but no Shareholder shall be compelled to accept any shares or other securities upon which there is a liability.

- 4.4.2 The Directors are required to propose an ordinary resolution that the Company continue its business as presently constituted (the “**Continuation Resolution**”) at the sixth annual general meeting of the Company and every third annual general meeting thereafter. If any Continuation Resolution is not passed, the Directors will cease further investment, the properties in the Company’s property portfolio will be sold in an orderly fashion as market demand appears and the net funds, determined by the Directors as available for distribution, will be distributed to Shareholders.

#### 4.5 *Transfer of shares*

- 4.5.1 Subject to any applicable restrictions in the Articles, each member may transfer all or any of his shares which are in certificated form by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument must be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor is deemed to remain the holder of the share until the transferee’s name is entered in the register of members.

- 4.5.2 The Board may, in its absolute discretion, refuse to register any transfer of a share in certificated form (or renunciation of a renounceable letter of allotment) unless:

- 4.5.2.1 it is in respect of a share which is fully paid up;
- 4.5.2.2 it is in respect of only one class of shares;
- 4.5.2.3 it is in favour of a single transferee or not more than four joint transferees;
- 4.5.2.4 it is duly stamped (if so required); and
- 4.5.2.5 it is delivered for registration to the registered office for the time being of the Company or such other place as the Board may from time-to-time determine, accompanied (except in the case of (a) a transfer by a recognised person where a certificate has not been issued (b) a transfer of an uncertificated share or (c) a renunciation) by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor or person renouncing and the due execution of the transfer or renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so,

provided that the Board shall not refuse to register a transfer or renunciation of a partly paid share in certificated form on the grounds that it is partly paid in circumstances where such refusal would prevent dealings in such share from taking place on an open and proper basis on the market on which such share is admitted to trading. The Board may refuse to register a transfer of an uncertificated share in such other circumstances as may be permitted or required by the regulations and the relevant electronic system.

- 4.5.3 Unless the Board otherwise determines, a transfer of shares will not be registered if the transferor or any other person whom the Company reasonably believes to be interested in the transferor’s shares has been duly served with a notice pursuant to the Companies Act requiring such person to provide information about his interests in the Company’s shares, has failed to supply the required information within 14 days and the shares in respect of which such notice has been served represent at least 0.25 per cent. in nominal value of their class, unless the member is not himself in default as regards supplying the information required and proves to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer, or unless such transfer is by way of acceptance of a takeover offer, in consequence of a sale on a recognised



investment exchange or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded or is in consequence of a *bona fide* sale to an unconnected party.

- 4.5.4 If the Board refuses to register a transfer of a share, it shall send the transferee notice of its refusal, together with its reasons for refusal, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company.
- 4.5.5 No fee shall be charged for the registration of any instrument of transfer or any other document relating to or affecting the title to any shares.
- 4.5.6 If at any time the holding or beneficial ownership of any shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Directors: (i) would cause the assets of the Company to be treated as "plan assets" of any benefit plan investor under section 3(42) of ERISA or the U.S. Tax Code; or (ii) would or might result in the Company and/or its shares being required to register or qualify under the U.S. Investment Company Act and/or the U.S. Securities Act and/or the U.S. Securities Exchange Act 1934, as amended and/or any laws of any state of the U.S. that regulate the offering and sale of securities; or (iii) may cause the Company not to be considered a "Foreign Private Issuer" under the U.S. Securities Exchange Act 1934, as amended; or (iv) may cause the Company to be a "controlled foreign corporation" for the purpose of the U.S. Code; or (v) creates a significant legal or regulatory issue for the Company under the U.S. Bank Holding Company Act 1956, as amended or regulations or interpretations thereunder, or (vi) would cause the Company adverse consequences under the foreign account tax compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010, then any shares which the Directors decide are shares which are so held or beneficially owned ("**Prohibited Shares**") must be dealt with in accordance with paragraph 4.5.7 below. The Directors may at any time give notice in writing to the holder of a share requiring him to make a declaration as to whether or not the share is a Prohibited Share.
- 4.5.7 The Directors shall give written notice to the holder of any share which appears to them to be a Prohibited Share requiring him within 21 days (or such extended time as the Directors consider reasonable) to transfer (and/or procure the disposal of interests in) such share to another person so that it will cease to be a Prohibited Share. From the date of such notice until registration for such a transfer or a transfer arranged by the Directors as referred to below, the share will not confer any right on the holder to receive notice of or to attend and vote at a general meeting of the Company and of any class of shareholder and those rights will vest in the Chairman of any such meeting, who may exercise or refrain from exercising them entirely at his discretion. If the notice is not complied with within 21 days to the satisfaction of the Directors, the Directors shall arrange for the Company to sell the share at the best price reasonably obtainable to any other person so that the share will cease to be a Prohibited Share. The net proceeds of sale (after payment of the Company's costs of sale and together with interest at such rate as the Directors consider appropriate) shall be paid over by the Company to the former holder upon surrender by him of the relevant share certificate (if applicable).
- 4.5.8 Upon transfer of a share the transferee of such share shall be deemed to have represented and warranted to the Company that such transferee is acquiring shares in an offshore transaction meeting the requirements of Regulation S and is not, nor is acting on behalf of: (i) a benefit plan investor and no portion of the assets used by such transferee to acquire or hold an interest in such share constitutes or will be treated as "plan assets" of any benefit plan investor under Section 3(42) of ERISA; and/or (ii) a U.S. Person.

#### 4.6 *Variation of rights*

- 4.6.1 Subject to the provisions of the Companies Act, if at any time the share capital of the Company is divided into shares of different classes, any of the rights for



the time being attached to any shares (whether or not the Company may be or is about to be wound up) may from time-to-time be varied or abrogated in such manner (if any) as may be provided in the Articles by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the relevant class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the class.

- 4.6.2 The quorum at every such meeting shall be not less than two persons present (in person or by proxy) holding at least one-third of the nominal amount paid up on the issued shares of the relevant class (excluding any shares of that class held as treasury shares) and at an adjourned meeting not less than one person holding shares of the relevant class or his proxy.

#### 4.7 *Alteration of share capital*

The Company may by ordinary resolution:

- 4.7.1 authorise the Directors to increase its share capital by allotting new shares;
- 4.7.2 consolidate and divide all or any of its share capital into shares of larger nominal value than its existing shares;
- 4.7.3 subject to the provisions of the Companies Act, sub-divide its shares, or any of them, into shares of smaller nominal value than its existing shares;
- 4.7.4 determine that, as between the shares resulting from such a sub-division, one or more shares may, as compared with the others, have any such preferred, deferred or other rights or be subject to any such restrictions, as the Company has power to attach to unissued or new shares; and
- 4.7.5 redenominate its share capital by converting shares from having a fixed nominal value in one currency to having a fixed nominal value in another currency.

#### 4.8 *General meetings*

- 4.8.1 The Board may convene a general meeting (which is not an annual general meeting) whenever it thinks fit.
- 4.8.2 A general meeting shall be convened by such notice as may be required by law from time-to-time.
- 4.8.3 The notice of any general meeting shall include such statements as are required by the Companies Act and shall in any event specify:
  - 4.8.3.1 whether the meeting is convened as an annual general meeting or any other general meeting;
  - 4.8.3.2 the place, the day, and the time of the meeting;
  - 4.8.3.3 the general nature of the business to be transacted at the meeting;
  - 4.8.3.4 if the meeting is convened to consider a special resolution, the text of the resolution and the intention to propose the resolution as such; and
  - 4.8.3.5 with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or (provided each proxy is appointed to exercise the rights attached to a different share held by the member) more proxies to attend and to speak and vote instead of the member and that a proxy need not also be a member.
- 4.8.4 The notice must be given to the members (other than any who, under the provisions of the Articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the Directors and the auditors and to any other person who may be entitled to receive it. The accidental omission to give or send notice of any general meeting, or, in cases where it is intended that it be given or sent out with the notice, any other document relating to the meeting including an appointment of proxy to, or the non-receipt of notice by, any person entitled to receive the same, shall not invalidate the proceedings at the meeting.

- 4.8.5 The right of a member to participate in the business of any general meeting shall include without limitation the right to speak, vote, be represented by a proxy or proxies and have access to all documents which are required by the Companies Act or the Articles to be made available at the meeting.
- 4.8.6 A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares of the Company. The Chairman of any general meeting may also invite any person to attend and speak at that meeting if he considers that this will assist in the deliberations of the meeting.
- 4.8.7 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Subject to the Articles, two persons entitled to attend and to vote on the business to be transacted, each being a member so entitled or a proxy for a member so entitled or a duly authorised representative of a corporation which is a member so entitled, shall be a quorum. If, at any time, there is only one person entitled to attend and to vote on the business to be transacted, such person being the sole member so entitled or a proxy for such sole member so entitled or a duly authorised representative of a corporation which is such sole member so entitled, shall be a quorum. The Chairman of the meeting may, with the consent of the meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time-to-time (or indefinitely) and from place to place as the meeting shall determine. Where a meeting is adjourned indefinitely, the Board shall fix a time and place for the adjourned meeting. Whenever a meeting is adjourned for 30 days or more or indefinitely, seven clear days' notice at the least, specifying the place, the day and time of the adjourned meeting and the general nature of the business to be transacted, must be given in the same manner as in the case of the original meeting.
- 4.8.8 A resolution put to a vote of the meeting shall be decided on a show of hands unless a poll is duly demanded. Subject to the provisions of the Companies Act, a poll may be demanded by:
- 4.8.8.1 the Chairman;
  - 4.8.8.2 at least five members having the right to vote on the resolution;
  - 4.8.8.3 a member or members representing not less than five per cent. of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to shares held as treasury shares); or
  - 4.8.8.4 member or members holding shares conferring the right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than ten per cent. of the total sum paid up on all the shares conferring that right (excluding any voting rights attached to shares in the Company conferring a right to vote on the resolution held as treasury shares).

#### 4.9 *Borrowing powers*

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets (present and future) and, subject to the provisions of the Companies Act, to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

#### 4.10 *Issue of shares*

Subject to the provisions of the Companies Act and to any rights for the time being attached to any shares, any shares may be allotted or issued with or have attached to them such preferred, deferred or other rights or restrictions, whether in regard to dividend, voting, transfer, return of capital or otherwise, as the Company may from time-to-time by ordinary resolution determine or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may determine, and any share

may be issued which is, or at the option of the Company or the holder of such share is liable to be, redeemed in accordance with the Articles or as the Directors may determine.

**4.11 Powers of the Board**

The business of the Company shall be managed by the Directors who, subject to the provisions of the Articles and to any directions given by special resolution to take, or refrain from taking, specified action, may exercise all the powers of the Company, whether relating to the management of the business or not. Any Director may appoint any other Director, or any other person approved by resolution of the Directors and willing to act and permitted by law to do so, to be an alternate Director.

**4.12 Directors' fees**

The Directors (other than alternate Directors) shall be entitled to receive by way of fees for their services as Directors such sum as the Board may from time-to-time determine (not exceeding in aggregate £300,000 per annum or such other sum as the Company in general meeting shall from time-to-time determine). Any such fees payable shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provision of the Articles or otherwise and shall accrue from day to day.

The Directors are entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors.

**4.13 Directors' interests**

4.13.1 The Board may authorise any matter proposed to it in accordance with the Articles which would otherwise involve a breach by a Director of his duty to avoid conflicts of interest under the Companies Act, including any matter which relates to a situation in which a Director has or can have an interest which conflicts, or possibly may conflict, with the interest of the Company or the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it (excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest). This does not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company. Any authorisation will only be effective if any quorum requirement at any meeting at which the matter was considered is met without counting the Director in question or any other interested Director and the matter was agreed to without their voting or would have been agreed to if their votes had not been counted. The Board may impose limits or conditions on any such authorisation or may vary or terminate it at any time.

4.13.2 Subject to having, where required, obtained authorisation of the conflict from the Board, a Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director and in respect of which he has a duty of confidentiality to another person and will not be in breach of the general duties he owes to the Company under the Companies Act because he fails to disclose any such information to the Board or to use or apply any such information in performing his duties as a Director, or because he absents himself from meetings of the Board at which any matter relating to a conflict of interest, or possible conflict, of interest is discussed and/or makes arrangements not to receive documents or information relating to any matter which gives rise to a conflict of interest or possible conflict of interest and/or makes arrangements for such documents and information to be received and read by a professional adviser.

4.13.3 Provided that his interest is disclosed at a meeting of the Board, or in the case of a transaction or arrangement with the Company, in the manner set out in the Companies Act, a Director, notwithstanding his office:

4.13.3.1 may be a party to or otherwise be interested in any transaction arrangement or proposal with the Company or in which the Company is otherwise interested;

4.13.3.2 may hold any other office or place of profit at the Company (except that of auditor of the Company or any of its subsidiaries) and may act

by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Board may arrange;

4.13.3.3 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has powers of appointment; and

4.13.3.4 shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any office or employment or from any transaction, arrangement or proposal or from any interest in any body corporate. No such transaction, arrangement or proposal shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such profit, remuneration or any other benefit constitute a breach of his duty not to accept benefits from third parties.

4.13.4 A Director need not declare an interest in the case of a transaction or arrangement with the Company if the other Directors are already aware, or ought reasonably to be aware, of the interest or it concerns the terms of his service contract that have been or are to be considered at a meeting of the Directors or if the interest consists of him being a director, officer or employee of a company in which the Company is interested.

4.13.5 The Board may cause the voting rights conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as it thinks fit and a Director may vote on and be counted in the quorum in relation to any of these matters.

#### 4.14 *Restrictions on Directors voting*

4.14.1 A Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee of the Board concerning any transaction or arrangement in which he has an interest which is to his knowledge a material interest and, if he purports to do so, his vote will not be counted, but this prohibition shall not apply in respect of any resolution concerning any one or more of the following matters:

4.14.1.1 any transaction or arrangement in which he is interested by means of an interest in shares, debentures or other securities or otherwise in or through the Company;

4.14.1.2 the giving of any guarantee, security or indemnity in respect of money lent to, or obligations incurred by him or any other person at the request of or for the benefit of, the Company or any of its subsidiary undertakings;

4.14.1.3 the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

4.14.1.4 the giving of any other indemnity where all other Directors are also being offered indemnities on substantially the same terms;

4.14.1.5 any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;

4.14.1.6 any proposal concerning any other body corporate in which he does not to his knowledge have an interest (as the term is used in Part 22 of the Companies Act) in one per cent. or more of the issued equity share capital of any class of such body corporate nor to his knowledge

holds one per cent. or more of the voting rights which he holds as shareholder or through his direct or indirect holding of financial instruments (within the meaning of the Disclosure and Transparency Rules) in such body corporate;

4.14.1.7 any proposal relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;

4.14.1.8 any proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors;

4.14.1.9 any proposal concerning the funding of expenditure by one or more Directors on defending proceedings against him or them, or doing anything to enable such Director or Directors to avoid incurring such expenditure; or

4.14.1.10 any transaction or arrangement in respect of which his interest, or the interest of Directors generally has been authorised by ordinary resolution.

4.14.2 A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested.

#### *4.15 Number of Directors*

Unless and until otherwise determined by an ordinary resolution of the Company, the number of Directors shall be not less than two and the number is not subject to a maximum.

#### *4.16 Directors' appointment and retirement*

4.16.1 Directors may be appointed by the Company by ordinary resolution or by the Board. If appointed by the Board, a Director shall hold office only until the next annual general meeting.

4.16.2 At each annual general meeting of the Company, one-third of the Directors or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third shall retire from office by rotation. If there are fewer than three Directors, one Director shall retire from office.

4.16.3 Any newly appointed Director shall retire at the first annual general meeting of the Company following his appointment and shall not be taken into account in determining the number of Directors who are to retire by rotation at that meeting.

4.16.4 At each annual general meeting, any Director who was elected or last re-elected at or before the annual general meeting held in the third calendar year before the current year shall retire by rotation.

4.16.5 Any Director shall also retire if he has been with the Company for a continuous period of nine years or more at the date of the meeting.

#### *4.17 Notice requiring disclosure of interest in shares*

4.17.1 The Company may, by notice in writing, require a person whom the Company knows to be, or has reasonable cause to believe is, interested in any shares or at any time during the three years immediately preceding the date on which the notice is issued to have been interested in any shares, to confirm that fact or (as the case may be) to indicate whether or not this is the case and to give such further information as may be required by the Directors. Such information may include, without limitation, particulars of the person's identity, particulars of the person's own past or present interest in any shares and to disclose the identity of any other person who has a present interest in the shares held by him, where the interest is a present interest and any other interest, in any



shares, which subsisted during that three year period at any time when his own interest subsisted to give (so far as is within his knowledge) such particulars with respect to that other interest as may be required and where a person's interest is a past interest to give (so far as is within his knowledge) like particulars for the person who held that interest immediately upon his ceasing to hold it.

- 4.17.2 If any shareholder is in default in supplying to the Company the information required by the Company within the prescribed period (which is 14 days after service of the notice), or such other reasonable period as the Directors may determine, the Directors in their absolute discretion may serve a direction notice on the shareholder. The direction notice may direct that in respect of the shares in respect of which the default has occurred (the “**default shares**”) the shareholder shall not be entitled to vote in general meetings or class meetings. Where the default shares represent at least 0.25 per cent. in nominal value of the class of shares concerned, the direction notice may additionally direct that dividends on such shares will be retained by the Company (without interest) and that no transfer of the default shares (other than a transfer authorised under the Articles) shall be registered until the default is rectified.

4.18 *Untraced shareholders*

Subject to the Articles, the Company may sell any shares registered in the name of a member remaining untraced for 12 years who fails to communicate with the Company following advertisement of an intention to make such a disposal. Until the Company can account to the member, the net proceeds of sale will be available for use in the business of the Company or for investment, in either case at the discretion of the Board. The proceeds will not carry interest.

4.19 *Indemnity of officers*

Subject to the provisions of the Companies Act, but without prejudice to any indemnity to which he might otherwise be entitled, every past or present Director (including an alternate Director) or officer of the Company or a director or officer of an associated company (except the auditors or the auditors of an associated company) may at the discretion of the Board be indemnified out of the assets of the Company against all costs, charges, losses, damages and liabilities incurred by him for negligence, default, breach of duty, breach of trust or otherwise in relation to the affairs of the Company or of an associated company, or in connection with the activities of the Company, or of an associated company, or as a trustee of an occupational pension scheme (as defined in section 235(6) Companies Act). In addition, the Board may purchase and maintain insurance at the expense of the Company for the benefit of any such person indemnifying him against any liability or expenditure incurred by him for acts or omissions as a Director or officer of the Company (or of an associated company).

4.20 *Management Shares*

The Management Shares can be redeemed at any time (subject to the provisions of the Companies Act) by the Company and carry the right to receive a fixed annual dividend equal to 0.01 per cent. of the nominal amount of each of the Management Shares payable on demand. For so long as there are shares of any other class in issue, the holders of the Management Shares will not have any right to receive notice of or vote at any general meeting of the Company. If there are no shares of any other class in issue, the holders of the Management Shares will have the right to receive notice of, and to vote at, general meetings of the Company. In such circumstances, each holder of a Management Share who is present in person (or, being a corporation, by representative) or by proxy at a general meeting will have on a show of hands one vote and on a poll every such holder who is present in person or by proxy (or being a corporation, by representative) will have one vote in respect of each Management Share held by him.

4.21 *C Shares and Deferred Shares*

The rights and restrictions attaching to the C Shares and the Deferred Shares arising on their Conversion are summarised below.

- 4.21.1 The following definitions apply for the purposes of this paragraph 4.21 only:



**“Calculation Date”** means, in relation to any tranche of C Shares, the earliest of the:

- (i) close of business on the date to be determined by the Directors occurring not more than 15 Business Days after the day on which the Company’s appointed alternative investment fund manager shall have given notice to the Directors that at least 85 per cent. of the net proceeds of an issue of C Shares (or such other percentage as the Directors and the Company’s appointed alternative investment fund manager shall agree) shall have been invested; or
- (ii) close of business on the date falling nine calendar months after the allotment of that tranche of C Shares or if such a date is not a Business Day the next following Business Day; or
- (iii) the close of business on such date as the Directors may decide is necessary to enable the Company to comply with its obligations in respect of Conversion of that tranche of C Shares; or
- (iv) close of business on the day on which the Directors resolve that Force Majeure Circumstances have arisen or are in contemplation in relation to any tranche of C Shares;

**“Conversion”** means conversion of any tranche of C Shares into Ordinary Shares and Deferred Shares in accordance with paragraph 4.21.8 below;

**“Conversion Date”** means, in relation to any tranche of C Shares, the close of business on such Business Day as may be selected by the Directors falling not more than 15 Business Days after the Calculation Date of such tranche of C Shares;

**“Conversion Ratio”** is the ratio of the Net Asset Value per C Share of the relevant tranche to the Net Asset Value per Ordinary Share, which is calculated as:

$$\text{Conversion Ratio} = \frac{A}{B}$$

$$A = \frac{C - D}{E}$$

$$B = \frac{F - G}{H}$$

where:

**“C”** is the aggregate of:

- (i) the value of the investments of the Company attributable to the C Shares of the relevant tranche (other than investments which are subject to restrictions on transfer or a suspension of dealings, which are in each case to be valued in accordance with (ii) below) which are listed, quoted, dealt in or traded on a stock exchange calculated by reference to the bid-market quotations at close of business of, or, if appropriate, the daily average of the prices marked for, those investments on the relevant Calculation Date on the principal stock exchange or market where the relevant investment is listed, quoted, dealt in or traded, as derived from the relevant exchange’s or market’s recognised method of publication of prices for such investments where such published prices are available;
- (ii) the value of all other investments of the Company attributable to the C Shares of the relevant tranche (other than investments included in (i) above) calculated by reference to the Directors’ belief as to a fair current value for those investments on the relevant Calculation Date

after taking into account any other price publication services reasonably available to the Directors; and

- (iii) the amount which, in the Directors' opinion, fairly reflects, on the relevant Calculation Date, the value of the current assets of the Company attributable to the C Shares of the relevant tranche (excluding the investments valued under (i) and (ii) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature);

"D" is the amount (to the extent not otherwise deducted from the assets attributable to the C Shares of the relevant tranche) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company attributable to the C Shares of the relevant tranche on the relevant Calculation Date;

"E" is the number of C Shares of the relevant tranche in issue on the relevant Calculation Date;

"F" is the aggregate of:

- (i) the value of all the investments of the Company attributable to the Ordinary Shares (other than investments which are subject to restrictions on transfer or a suspension of dealings, which are in each case to be valued in accordance with (ii) below) which are listed, quoted, dealt in or traded on a stock exchange calculated by reference to the bid-market quotations at close of business of, or, if appropriate, the daily average of the prices marked for, those investments on the relevant Calculation Date on the principal stock exchange or market where the relevant investment is listed, quoted, dealt in or traded as derived from the relevant exchange's or market's recognised method of publication of prices for such investments where such published prices are available; and
- (ii) the value of all other investments of the Company attributable to the Ordinary Shares (other than investments included in (i) above) calculated by reference to the Directors' belief as to a fair current value for those investments on the relevant Calculation Date after taking into account any other price publication services reasonably available to the Directors; and
- (iii) the amount which, in the Directors' opinion, fairly reflects, on the relevant Calculation Date, the value of the current assets of the Company attributable to the Ordinary Shares (excluding the investments valued under (i) and (ii) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature);

"G" is the amount (to the extent not otherwise deducted in the calculation of F) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company attributable to the Ordinary Shares on the relevant Calculation Date; and

"H" is the number of Ordinary Shares in issue on the relevant Calculation Date (excluding any Ordinary Shares held in treasury),

provided that the Directors shall make such adjustments to the value or amount of A and B as the Directors believe to be appropriate having regard among other things, to the assets of the Company immediately prior to the date on which the Company first receives the net proceeds of an issue of C Shares of the relevant tranche and/or to the reasons for the issue of the C Shares of the relevant tranche;

**"Deferred Shares"** means deferred shares of one penny each in the capital of the Company arising on Conversion;

**“Existing Shares”** means the Ordinary Shares in issue immediately prior to Conversion;

**“Force Majeure Circumstances”** means, in relation to any tranche of C Shares (i) any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable; (ii) the issue of any proceedings challenging, or seeking to challenge, the power of the Company and/or its Directors to issue the C Shares of the relevant tranche with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are proposed to be issued; or (iii) the giving of notice of any general meeting of the Company at which a resolution is to be proposed to wind up the Company, whichever shall happen earliest; and

References to Shareholders, C shareholders and deferred shareholders should be construed as references to holders for the time being of Ordinary Shares, C Shares of the relevant tranche and Deferred Shares respectively.

4.21.2 The holders of the Ordinary Shares, any tranche of C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights to be paid dividends:

4.21.2.1 the Deferred Shares (to the extent that any are in issue and extant) shall entitle the holders thereof to a cumulative dividend at a fixed rate of one per cent. of the nominal amount thereof (the **“Deferred Dividend”**) on the date six months after the Conversion Date on which such Deferred Shares were created in accordance with paragraph 4.21.8 (the **“Relevant Conversion Date”**) and on each anniversary of such date payable to the holders thereof on the register of members on that date as holders of Deferred Shares but shall confer no other right, save as provided herein, on the holders thereof to share in the profits of the Company. The Deferred Dividend shall not accrue or become payable in any way until the date six months after the Conversion Date and shall then only be payable to those holders of Deferred Shares registered in the register of members of the Company as holders of Deferred Shares on that date. It should be noted that given the proposed redemption of the Deferred Shares as described below, it is not expected that any dividends will accrue or be paid on such shares;

4.21.2.2 the holders of any tranche of C Shares shall be entitled to receive in that capacity such dividends as the Directors may resolve to pay out of the assets attributable to the C Shares of that tranche and from profits available for distribution which is attributable to the C Shares of that tranche;

4.21.2.3 the Existing Shares shall confer the right to dividends declared in accordance with the Articles;

4.21.2.4 the Ordinary Shares into which any tranche of C Shares shall convert shall rank *pari passu* with the Existing Shares for dividends and other distributions made or declared by reference to a record date falling after the relevant Calculation Date; and

4.21.2.5 no dividend or other distribution shall be made or paid by the Company on any of its shares (other than any Deferred Shares for the time being in issue) between any Calculation Date and the relevant Conversion Date (both dates inclusive) and no such dividend shall be declared with a record date falling between any Calculation Date and the relevant Conversion Date (both dates inclusive).

4.21.3 The holders of the Ordinary Shares, any tranche of C Shares, the Deferred Shares and the Management Shares shall, subject to the provisions of the Articles, have the following rights as to capital:

4.21.3.1 the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase or redemption by

the Company of any of its shares) at a time when one or more tranches of C Shares are for the time being in issue and prior to the Conversion Date be applied amongst the holders of the Existing Shares *pro rata* according to the nominal capital paid up on their holdings of Existing Shares, after having deducted therefrom:

4.21.3.1.1 first, an amount equivalent to (C-D) for each tranche of C Shares in issue using the methods of calculation of C and D given in the definition of Conversion Ratio, which amount(s) shall be applied amongst the C shareholders of the relevant tranche(s) *pro rata* according to the nominal capital paid up on their holdings of C Shares of the relevant tranche;

4.21.3.1.2 secondly, if there are Deferred Shares in issue, in paying to the holders of Deferred Shares one penny in aggregate in respect of every one million Deferred Shares (or part thereof) of which they are respectively the holders;

4.21.3.1.3 thirdly, in paying to the holders of the Management Shares in respect of each such share the amount paid up or treated as paid up thereon,

for the purposes of this paragraph 4.21.3.1 the Calculation Date shall be such date as the liquidator may determine; and

4.21.3.2 the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase or redemption by the Company of any of its shares) at a time when no C Shares of any tranche are for the time being in issue be applied as follows:

4.21.3.2.1 first, if there are Deferred Shares in issue, in paying to the deferred shareholders one penny in aggregate in respect of every one million Deferred Shares (or part thereof) of which they are respectively the holders;

4.21.3.2.2 secondly, there will be paid to the holders of the Management Shares in respect of each such share the amount paid up or treated as paid up thereon; and

4.21.3.2.3 thirdly, the surplus shall be divided amongst the Shareholders *pro rata* according to the nominal capital paid up on their holdings of Ordinary Shares.

4.21.4 As regards voting:

4.21.4.1 the C Shares shall carry the right to receive notice of and to attend and vote at any general meeting of the Company. The voting rights of holders of C Shares will be the same as that applying to holders of Existing Shares as set out in the Articles as if the C Shares and Existing Shares were a single class; and

4.21.4.2 the Deferred Shares shall not carry any right to receive notice of nor to attend or vote at any general meeting of the Company.

4.21.5 The following shall apply to the Deferred Shares:

4.21.5.1 the C Shares shall be issued on such terms that the Deferred Shares arising upon Conversion (but not the Ordinary Shares arising on Conversion) may be redeemed by the Company in accordance with the terms set out herein;

4.21.5.2 immediately upon Conversion of any tranche of C Shares, the Company shall redeem all of the Deferred Shares which arise as a result of Conversion of that tranche for an aggregate consideration of one penny for all of the Deferred Shares so redeemed and the notice referred to in paragraph 4.21.8.2 below shall be deemed to constitute notice to each C Shareholder of the relevant tranche (and any person or persons having rights to acquire or acquiring C Shares of the

relevant tranche on or after the Calculation Date) that the Deferred Shares shall be so redeemed; and

4.21.5.3 the Company shall not be obliged to: (i) issue share certificates to the deferred shareholders in respect of the Deferred Shares; or (ii) account to any deferred shareholder for the redemption moneys in respect of such Deferred Shares.

4.21.6 Without prejudice to the generality of the Articles, for so long as any C Shares are for the time being in issue it shall be a special right attaching to the Existing Shares as a class and to the C Shares as a separate class that without the sanction or consent of such holders given in accordance with the Articles:

4.21.6.1 no alteration shall be made to the Articles;

4.21.6.2 no allotment or issue will be made of any security convertible into or carrying a right to subscribe for any share capital of the Company other than the allotment or issue of further C Shares; and

4.21.6.3 no resolution of the Company shall be passed to wind-up the Company.

For the avoidance of doubt but subject to the rights or privileges attached to any other class of shares, the previous sanction of a special resolution of the holders of Existing Shares and C Shares, as described above, shall not be required in respect of:

4.21.6.4 the issue of further Ordinary Shares ranking *pari passu* in all respects with the Existing Shares (otherwise than in respect of any dividend or other distribution declared, paid or made on the Existing Shares by the issue of such further Ordinary Shares); or

4.21.6.5 the sale of any shares held as treasury shares (as such term is defined in section 724 of the Companies Act) in accordance with sections 727 and 731 of the Companies Act or the purchase or redemption of any shares by the Company (whether or not such shares are to be held in treasury).

4.21.7 For so long as any tranche of C Shares are for the time being in issue, until Conversion of such tranche of C Shares and without prejudice to its obligations under applicable laws the Company shall:

4.21.7.1 procure that the Company's records, and bank and custody accounts shall be operated so that the assets attributable to the C Shares of that tranche can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall, without prejudice to any obligations pursuant to applicable laws, procure that separate cash accounts, broker settlement accounts and investment ledger accounts shall be created and maintained in the books of the Company for the assets attributable to the C Shares of that tranche;

4.21.7.2 allocate to the assets attributable to the C Shares of that tranche such proportion of the income, expenses and liabilities of the Company incurred or accrued between the date on which the Company first receives the net proceeds of an issue of C Shares and the Calculation Date relating to such tranche of C Shares (both dates inclusive) as the Directors fairly consider to be attributable to that tranche of C Shares; and

4.21.7.3 give appropriate instructions to the AIFM to manage the Company's assets so that such undertakings can be complied with by the Company.

4.21.8 In relation to any tranche of C Shares, the C Shares for the time being in issue of that tranche shall be sub-divided and converted into Ordinary Shares and Deferred Shares on the relevant Conversion Date in accordance with the following provisions of this paragraph 4.21.8:

- 4.21.8.1 the Directors shall procure that within 10 Business Days of the relevant Calculation Date:
- 4.21.8.1.1 the Conversion Ratio as at the relevant Calculation Date and the numbers of Ordinary Shares and Deferred Shares to which each C Shareholder of that tranche shall be entitled on Conversion of that tranche shall be calculated; and
  - 4.21.8.1.2 the Auditors shall confirm that such calculations as have been made by the Company have, in their opinion, been performed in accordance with the Articles and are arithmetically accurate whereupon such calculations shall become final and binding on the Company and all holders of the Company's shares and any other securities issued by the Company which are convertible into the Company's shares, subject to the proviso immediately after the definition of H in paragraph 4.21.1 above.
- 4.21.8.2 The Directors shall procure that, as soon as practicable following such confirmation and in any event within 10 Business Days of the relevant Calculation Date, a notice is sent to each C shareholder of the relevant tranche advising such shareholder of the Conversion Date, the Conversion Ratio and the numbers of Ordinary Shares and Deferred Shares to which such C shareholder of the relevant tranche will be entitled on Conversion.
- 4.21.8.3 On conversion each C Share of the relevant tranche shall automatically subdivide into 10 conversion shares of one penny each and such conversion shares of one penny each shall automatically convert into such number of Ordinary Shares and Deferred Shares as shall be necessary to ensure that, upon such Conversion being completed:
- 4.21.8.3.1 the aggregate number of Ordinary Shares into which the same number of conversion shares of one penny each are converted equals the number of C Shares of the relevant tranche in issue on the relevant Calculation Date multiplied by the relevant Conversion Ratio (rounded down to the nearest whole Share); and
  - 4.21.8.3.2 each conversion share of one penny which does not so convert into an Ordinary Share shall convert into one Deferred Share.
- 4.21.8.4 The Ordinary Shares and Deferred Shares arising upon Conversion shall be divided amongst the former C shareholders of the relevant tranche *pro rata* according to their respective former holdings of C Shares of the relevant tranche (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to Ordinary Shares and Deferred Shares arising upon Conversion including, without prejudice to the generality of the foregoing, selling any Ordinary Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company).
- 4.21.8.5 Forthwith upon Conversion, the share certificates relating to the C Shares of the relevant tranche shall be cancelled and the Company shall issue to each former C shareholder of the relevant tranche new certificates in respect of the Ordinary Shares which have arisen upon Conversion to which he or she is entitled. Share certificates in respect of the Deferred Shares will not be issued.
- 4.21.8.6 The Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider are fair and reasonable having regard to the interests of all Shareholders.



## **5. CITY CODE ON TAKEOVERS AND MERGERS**

### **5.1 *Mandatory bid***

The City Code applies to the Company. Under Rule 9 of the City Code, if:

- (i) a person acquires an interest in shares which, when taken together with shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the Company; or
- (ii) a person who, together with persons acting in concert with him, is interested in not less than 30 per cent. and not more than 50 per cent. of the voting rights in the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested,

the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares at a price not less than the highest price paid for any interests in the shares by the acquirer or its concert parties during the previous 12 months.

### **5.2 *Compulsory acquisition***

Under sections 974 to 991 of the Companies Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of the shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares not assented to the offer. It would do so by sending a notice to outstanding holders of shares telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the company, which would hold the consideration on trust for the outstanding holders of shares. The consideration offered to the holders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

In addition, pursuant to section 983 of the Companies Act, if an offeror acquires or agrees to acquire not less than 90 per cent. of the shares (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire his shares on the same terms as the takeover offer.

The offeror would be required to give any holder of shares notice of his right to be bought out within one month of that right arising. Sell-out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of shares notifying them of their sell-out rights. If a holder of shares exercises its rights, the offeror is bound to acquire those shares on the terms of the takeover offer or on such other terms as may be agreed.

## **6. MATERIAL CONTRACTS OF THE COMPANY**

The following are all of the contracts, not being contracts entered into in the ordinary course of business that have been entered into by the Company since its incorporation and are, or may be, material or contain any provision under which the Company has any obligation or entitlement which is or may be material to it as at the date of this document:

### **6.1 *Placing and Offer Agreement***

The Placing and Offer Agreement dated 17 November 2017 between the Company, the AIFM, the Investment Manager, the Directors and Canaccord Genuity, pursuant to which, subject to certain conditions, Canaccord Genuity has agreed to use reasonable endeavours to procure subscribers for Ordinary Shares pursuant to the Initial Placing at the Issue Price and to use reasonable endeavours to procure subscribers under the Placing Programme for Shares at the Placing Programme Price.

The Placing and Offer Agreement may be terminated by Canaccord Genuity in certain customary circumstances prior to Initial Admission and during the course of the Placing Programme. The Company has appointed Canaccord Genuity as sole sponsor, global coordinator and bookrunner to the Company in connection with the Initial Issue and the Placing Programme.

The obligation of the Company to issue the Ordinary Shares and the obligation of Canaccord Genuity to use its reasonable endeavours to procure subscribers for Ordinary Shares pursuant to the Initial Placing is conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, among others: (i) Initial Admission having become effective on or before 8.00 a.m. on 15 December 2017 (or such later time and/or date as the Company and Canaccord Genuity may agree (not being later than 8.00 a.m. on 15 January 2018); (ii) the Placing and Offer Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms at any time prior to Initial Admission; and (iii) the Minimum Net Proceeds being raised.

Each allotment and issue of Shares pursuant to a Subsequent Placing under the Placing Programme is conditional, *inter alia*, on (i) Admission of the relevant Shares occurring by no later than 8.00 a.m. on such date as the Company and Canaccord Genuity may agree from time to time in relation to that Admission, not being later than 16 November 2018; (ii) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Rules and (iii) the Placing and Offer Agreement being wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms prior to any subsequent Admission.

The Company, the AIFM, the Investment Manager and the Directors have given warranties and undertakings to Canaccord Genuity concerning, *inter alia*, the accuracy of the information contained in this document. The Company, the AIFM and the Investment Manager have also given indemnities, and the Company and the AIFM have given undertakings, to Canaccord Genuity. The warranties, indemnities and undertakings given by the Company, the AIFM and the Investment Manager (as the case may be) are standard for an agreement of this nature.

The Placing and Offer Agreement provides for Canaccord Genuity to be paid commissions by the Company in respect of the Ordinary Shares to be allotted pursuant to the Initial Issue, and for further commissions (to be agreed at the relevant time) to be paid in respect of Shares allotted pursuant to Subsequent Placings.

The Placing and Offer Agreement is governed by the laws of England and Wales.

## 6.2 **Management Agreement**

The Management Agreement dated 17 November 2017 between the Company and the AIFM, pursuant to which the AIFM is appointed, with effect from Initial Admission, to act as alternative investment fund manager of the Company with responsibility for portfolio management and risk management of the Company's investments. Under the terms of the Management Agreement, the AIFM may delegate portfolio management functions to the Investment Manager.

Under the terms of the Management Agreement, the AIFM is entitled to the Annual Management Fee together with reimbursement of all reasonable costs and expenses incurred by it and the Investment Manager in the performance of its duties. Details of the Annual Management Fee are set out in Part 4 of this document.

The AIFM has also been appointed by the Company under the terms of the Management Agreement to provide day-to-day administration services to the Company and provide the general company secretarial functions required by the Companies Act.

In this role, the AIFM will provide certain administrative services to the Company which includes reporting the Net Asset Value, bookkeeping and accounts preparation. The AIFM has delegated the provision of these accounting and administration services to State Street Bank and Trust Company (London Branch).

The AIFM has also delegated the provision of the general company secretarial services to Aberdeen Asset Management PLC.

The AIFM will charge an additional fee of €145,000 per annum (subject to an annual uplift at the rate of RPI to be effective from the 1 January each year, commencing 1 January 2019) to the Company for the provision of the administration services. The AIFM will also be entitled to reimbursement of all out-of-pocket costs, expenses and charges reasonably and properly incurred on behalf of the Company in connection with its services.

The AIFM shall also perform certain promotional activities on behalf of the Company, the scope of services and corresponding fees shall be agreed pursuant to a separate promotional services agreement between the AIFM and the Company.

The initial term of the Management Agreement is two years commencing on Initial Admission (the “**Initial Term**”). The Company may terminate the Management Agreement by giving the AIFM not less than 12 months’ prior written notice such notice not to expire prior to the end of the Initial Term. The AIFM may terminate the Management Agreement by giving the Company not less than 12 months’ prior written notice such notice not to expire prior to the end of the Initial Term. The Management Agreement may be terminated with immediate effect on the occurrence of certain events, including insolvency or material and continuing breach.

The Company has given an indemnity in favour of the AIFM in respect of the AIFM’s potential losses in carrying on its responsibilities under the Management Agreement.

The Management Agreement is governed by the laws of England and Wales.

### 6.3 ***Registrar’s Agreement***

The Registrar’s Agreement dated 17 November 2017 between the Company and the Registrar pursuant to which the Registrar has agreed to act as registrar to the Company.

Under the agreement, the Registrar is entitled to a fee calculated on the basis of the number of Shareholders and the number of transfers processed (exclusive of any VAT). The Registrar is also entitled to reimbursement of all out-of-pocket costs, expenses and charges properly incurred on behalf of the Company.

The Registrar’s Agreement may be terminated on twelve (12) months’ notice by either party, such notice not to expire prior to the end of the three year anniversary of appointment and is also terminable on shorter notice in the event of breach of the agreement or insolvency.

The Company has given certain market standard indemnities in favour of the Registrar in respect of the Registrar’s potential losses in carrying on its responsibilities under the Registrar Agreement. The Registrar’s liabilities under the Registrar Agreement are subject to a cap.

The Registrar’s Agreement is governed by the laws of England and Wales.

### 6.4 ***Receiving Agent Agreement***

The Receiving Agent Agreement dated 17 November 2017 between the Company and the Receiving Agent pursuant to which the Receiving Agent has agreed to act as receiving agent in connection with the Offer for Subscription. Under the terms of the agreement, the Receiving Agent is entitled to a processing fee per application. The Receiving Agent will also be entitled to reimbursement of all out-of-pocket expenses reasonably incurred by it in connection with its duties.

The Company has given certain market standard indemnities in favour of the Receiving Agent in respect of the Receiving Agent’s potential losses in carrying on its responsibilities under the Receiving Agent Agreement. The Receiving Agent’s liabilities under the Receiving Agent Agreement are subject to a financial cap.

The agreement is governed by the laws of England and Wales.

### 6.5 ***Depository Agreement***

The Depository Agreement dated 17 November 2017 entered into between the Depository, the AIFM and the Company, pursuant to which, the Depository acts as the sole depository of the Company and is responsible for:

- (a) ensuring the Company’s cash flows are properly monitored;
- (b) the safe keeping of the Company’s assets entrusted to it (which it shall hold on trust for the Company) by the Company; and
- (c) the oversight and supervision of the AIFM and the Company.

The duties and obligations of the Depository under the Depository Agreement are construed in accordance with all laws, rules and regulations applicable from time to time,

including, the Alternative Investment Fund Managers' Directive (2011/61/EU), FSMA and the FCA Handbook (the "**Applicable Provisions**"). Under the Depositary Agreement, the AIFM and Company are responsible for providing the Depositary with information required by the Depositary to carry out its duties. Subject to the Applicable Provisions, the Company indemnifies the Depositary, its officers, agents and employees (each an "**Indemnified Person**") against any liability or loss suffered or incurred by an Indemnified Person as a result or in connection with the proper provision of services under the agreement except as a result of negligence, fraud, wilful misconduct or breach of this agreement on the part of the Indemnified Person.

Pursuant to the Depositary Agreement, the Depositary warrants (amongst other things) that it is and will remain an approved depositary in accordance with the Applicable Provisions.

In consideration of its services, the Depositary is entitled to receive from the Company a periodic fee (together with any VAT) equal to 0.01 per cent. of the Net Asset Value per annum calculated quarterly. The Depositary is also entitled to certain variable transaction and custody charges on an agreed basis.

The Depositary has sub-delegated safe keeping functions to State Street Bank and Trust Company (London Branch).

The Depositary Agreement is governed by the laws of England and Wales.

## **7. LITIGATION**

There have been no governmental, legal or arbitration proceedings, and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened, nor of any such proceedings having been pending or threatened at any time preceding the date of this document which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Company.

## **8. WORKING CAPITAL**

The Company is of the opinion that, on the basis the Minimum Net Proceeds are raised, the working capital available to the Company is sufficient for its present requirements, that is for at least the next 12 months from the date of this document.

## **9. NO SIGNIFICANT CHANGE**

There has been no significant change in the financial or trading position of the Company since the date of its incorporation.

## **10. CAPITALISATION AND INDEBTEDNESS**

As at the date of this document, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness, and has not entered into any mortgage, charge or security interest, and the Company's issued share capital consists of 50,000 Management Shares of £1.00 each, all fully paid up and one Ordinary Share of £0.01.

## **11. GENERAL**

- 11.1 No Director has any interest in any property acquired or proposed to be acquired by, the Company.
- 11.2 The Ordinary Shares being issued in connection with the Initial Issue are being issued at 100 pence per Ordinary Share of which 99 pence per Ordinary Share constitutes share premium.
- 11.3 No application is being made for the Shares to be dealt with in or on any stock exchange or investment exchange other than the Main Market for listed securities of the London Stock Exchange.
- 11.4 Canaccord Genuity has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which it appears.
- 11.5 Aberdeen Fund Managers Limited was incorporated in England and Wales as a limited company on 7 November 1962 and operates under the Companies Act (registration number 740118). The AIFM is regulated by the FCA (FCA registration number 121803).

The registered office of the AIFM is Bow Bells House, 1 Bread Street, London EC4M 9HH (tel. +44 02074636000). The AIFM has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.

- 11.6 Aberdeen Asset Managers Limited was incorporated in Scotland as a limited company on 23 December 1987 and operates under the Companies Act (registration number SC108419). The Investment Manager is regulated by the FCA (FCA registration number 121891). The registered office of the Investment Manager is 10 Queen's Terrace, Aberdeen, Scotland, AB10 1YG (tel. +44 01224 631999). The Investment Manager has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear. Where a statement in this document is expressly stated to be based on the belief of the Investment Manager (an **"Investment Manager Belief Statement"**), the Investment Manager accept responsibility for such Investment Manager Belief Statements for the purposes of Prospectus Rule 5.5.3(f). To the best of the knowledge and belief of the Investment Manager (who has taken all reasonable care to ensure that such is the case), the Investment Manager Belief Statements are in accordance with the facts and do not omit anything likely to affect the import of such Investment Manager Belief Statements.
- 11.7 Where third party information has been referenced in this document, the source of that third party information has been disclosed. All information in this document that has been sourced from third parties has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 11.8 The auditors of the Company are KPMG LLP of 319 St Vincent Street, Glasgow G2 5AS and have been the only auditors of the Company since its incorporation. KPMG LLP is a member of the Institute of Chartered Accountants in England and Wales.

## **12. DOCUMENTS AVAILABLE FOR INSPECTION**

- 12.1 Copies of the following documents will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document until 16 November 2018:
- 12.1.1 the Memorandum and Articles of the Company; and
- 12.1.2 this document.

Dated: 17 November 2017

## PART 9

### Alternative Investment Fund Managers Directive

#### Article 23 Disclosures

#### Aberdeen Standard European Logistics Income PLC

#### (the “Company”)

This document contains the information required to be made available to investors in the Company before they invest, pursuant to Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers (the “**AIFM Directive**”) and UK implementing measures (the Alternative Investment Fund Managers Regulations No.1773/2013, and consequential amendments to the FCA Handbook).

The table below sets out information required to be disclosed pursuant to the AIFM Directive and related national implementing measures.

This document contains solely that information that Aberdeen Fund Managers Limited (as the alternative investment fund manager of the Company) (the “**AIFM**”) is required to make available to investors pursuant to the AIFM Directive and should not be relied upon as the basis for any investment decision.

DISCLOSURE REQUIREMENT	DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE
(a) a description of the investment strategy and objectives of the Company;	Information on the investment strategy and objectives of the Company are outlined in paragraphs 2 and 6 of Part 1 of this document.
(b) if the Company is a feeder fund, information on where the master fund is established;	N/a
(c) if the Company is a fund of funds, information on where the underlying funds are established;	N/a
(d) a description of the types of assets in which the Company may invest;	The type of assets in which the Company may invest are outlined in Part 1 under the heading “Investment Strategy and Risk Management Policy” and Part 2 of this document.
(e) the investment techniques that the Company, or the AIFM on behalf of the Company, may employ and all associated risks;	The investment techniques to be used by the Company are described in Part 1 of this document under the heading “Investment Strategy and Risk Management Policy”. The section entitled “Risk Factors” (pages 22 to 31 inclusive) of this document provide an overview of the risks involved in investing in the Company.
(f) any applicable investment restrictions;	The investment restrictions applicable to the Company are set out in Part 1 of this document under the sub-heading “Diversification of risk”.
(g) the circumstances in which the Company may use leverage; (h) the types and sources of leverage permitted and the associated risks; (i) the maximum level of leverage which the AIFM is entitled to employ on behalf of the Company;	The circumstances in which the Company may use leverage and the restrictions on the use of leverage are described in Part 1 of this document under the sub-heading “Borrowing and gearing”. The types and sources of leverage permitted are described in Part 1 of this document under the sub-heading “Borrowings and gearing”. Certain risks associated with the Company’s use of leverage are described in the “Risk Factors” section of this document. The AIFM Directive prescribes two methods of measuring and



	<p>expressing leverage (as opposed to gearing) and requires disclosure of the maximum amount of 'leverage' the Company might be subject to. The definition of leverage is wider than that of gearing and includes exposures that are not considered to be gearing.</p> <p>Without prejudice to the foregoing (in compliance with the investment policy concerning gearing), the Company has set a maximum leverage limit of 1.85x on a "commitment basis" and 3.65x on a "gross" basis.</p> <p>The Company may make use of hedging as described in Part 1 of this document under the heading "Hedging policy".</p>
(j) any collateral and asset reuse arrangements;	N/a
(2) a description of the procedures by which the Company may change its investment strategy or investment policy, or both;	No material change will be made to the investment policy and investment restrictions without the approval of Shareholders by ordinary resolution and the approval of the UK Listing Authority. Any change to the investment policy or investment restrictions which does not amount to a material change to the investment policy may be made by the Company without the approval of Shareholders.
(3) a description of the main legal implications of the contractual relationship entered into for the purpose of investment, including information on jurisdiction, the applicable law and the existence or absence of any legal instruments providing for the recognition and enforcement of judgments in the territory where the Company is established;	<p>The Company is a company limited by shares, incorporated in England and Wales. While investors acquire an interest in the Company on subscribing for or purchasing Shares, the Company is the sole legal and/or beneficial owner of its investments. Consequently, Shareholders have no direct legal or beneficial interest in those investments. The liability of Shareholders for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the shares held by them.</p> <p>Shareholders' rights in respect of their investment in the Company are governed by the Articles and the Companies Act. Under English law, the following types of claim may in certain circumstances be brought against a company by its shareholders: contractual claims under its articles of association; claims in misrepresentation in respect of statements made in its prospectus and other marketing documents; unfair prejudice claims; and derivative actions. In the event that a Shareholder considers that it may have a claim against the Company in connection with such investment in the Company, such Shareholder should consult its own legal advisers.</p> <p><b>Jurisdiction and applicable law</b></p> <p>As noted above, Shareholders' rights are governed principally by the Articles and the Companies Act. By subscribing for Shares, investors agree to be bound by the Articles which are governed by, and construed in accordance with, the laws of England and Wales.</p> <p><b>Recognition and enforcement of foreign judgments</b></p> <p>Regulation (EC) 593/2008 ("<b>Rome I</b>") must be applied in all member states of the European Union (other than Denmark). Accordingly, where a matter comes before the courts of a relevant member state, the choice of a governing law in any given agreement is subject to the provisions of Rome I. Under Rome I, the member state's court may apply any rule of that member state's own law which is mandatory irrespective of the governing law and may refuse to apply a rule of governing law if it is manifestly incompatible with the public policy of that member state. Further, where all other elements relevant to the situation at the time of the choice are located in a country other than the country whose law has been chosen, the choice of the parties</p>

	<p>shall not prejudice the application of provisions of the law of that other country which cannot be derogated from by agreement.</p> <p>Shareholders should note that there are a number of legal instruments providing for the recognition and enforcement of foreign judgments in England. Depending on the nature and jurisdiction of the original judgment, Council Regulation (EC) No 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, Regulation (EC) No 805/2004 of the European Parliament and of the Council of 21 April 2004 creating a European Enforcement Order for uncontested claims, the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters done at Lugano on 30 October 2007, the Administration of Justice Act 1920 and the Foreign Judgment (Reciprocal Enforcement) Act 1933 may apply. There are no legal instruments providing for the recognition and enforcement of judgments obtained in jurisdictions outside those covered by the instruments listed above, although such judgments might be enforceable at common law.</p>
<p>(4) the identity of the AIFM, the Company's depositary, the auditor and any other service providers and a description of their duties and the investors' rights;</p>	<p><b><i>The AIFM:</i></b></p> <p>Pursuant to the Management Agreement, the Company has appointed Aberdeen Fund Managers Limited to act as the Company's alternative investment fund manager. The AIFM will maintain responsibility for implementing appropriate portfolio and risk management standards and procedures for the Company and will also carry out the on-going oversight functions and ensure compliance with the applicable requirements of the AIFM Rules.</p> <p>Further details of the Management Agreement are set out in Part 8 of this document.</p> <p><b><i>The Investment Manager:</i></b></p> <p>The AIFM has delegated portfolio management to Aberdeen Asset Managers Limited as Investment Manager.</p> <p><b><i>Administrator and Company Secretary</i></b></p> <p>The AIFM has also been appointed by the Company under the terms of the Management Agreement to provide day-to-day administration services to the Company and provide the general company secretarial functions required by the Companies Act.</p> <p>In this role, the AIFM will provide certain administrative services to the Company which includes reporting the Net Asset Value, bookkeeping and accounts preparation. The AIFM has delegated the provision of these accounting and administration services to State Street Bank and Trust Company (London Branch).</p> <p>The AIFM has also delegated the provision of the general company secretarial services to Aberdeen Asset Management PLC.</p> <p><b><i>Registrar:</i></b></p> <p>The Company utilises the services of Equiniti Limited as registrar in relation to the transfer and settlement of Shares.</p> <p><b><i>Depositary:</i></b></p> <p>National Westminster Bank Plc is the sole depositary of the Company pursuant a depositary agreement with the AIFM and the Company.</p> <p><b><i>Auditor:</i></b></p> <p>KPMG LLP provides audit services to the Company. The auditor's principal responsibilities are to audit and express an opinion on the financial statements of the Company in accordance with applicable law and auditing standards. The annual report and accounts will be</p>

	<p>prepared according to accounting standards laid out under IFRS, and EPRA's best practice recommendations.</p> <p><b>Investors' Rights</b></p> <p>The Company is reliant on the performance of third party service providers, including the AIFM, the Auditors and the Registrar.</p> <p>Without prejudice to any potential right of action in tort that a Shareholder may have to bring a claim against a service provider, each Shareholder's contractual relationship in respect of its investment in Shares is with the Company only. Accordingly, no Shareholder will have any contractual claim against any service provider with respect to such service provider's default.</p> <p>In the event that a Shareholder considers that it may have a claim against a third party service provider in connection with such Shareholder's investment in the Company, such Shareholder should consult its own legal advisers.</p> <p>The above is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised service provider under section 138D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 138D of the Financial Services and Markets Act 2000, or in tort, against any service provider in connection with their investment in the Company, should consult their legal adviser.</p> <p>Shareholders who are "Eligible Complainants" for the purposes of the FCA "Dispute Resolutions Complaints" rules (natural persons, micro-enterprises and certain charities or trustees of a trust) are able to refer any complaints to the Financial Ombudsman Service ("FOS") (further details of which are available at <a href="http://www.financial-ombudsman.org.uk">www.financial-ombudsman.org.uk</a>). Additionally, Shareholders may be eligible for compensation under the Financial Services Compensation Scheme ("FSCS") if they have claims against an FCA authorised service provider which is in default. There are limits on the amount of compensation available. Further information about the FSCS is at <a href="http://www.fscs.org.uk">www.fscs.org.uk</a>. To determine eligibility in relation to either the FOS or the FSCS, Shareholders should consult the respective websites above and speak to their legal advisers.</p>
<p>(5) a description of how the AIFM complies with the requirements of Article 9(7) of the AIFM Directive;</p>	<p>The AIFM has effective internal operational risk management policies and procedures in order to appropriately identify, measure, manage and monitor operational risks, including professional liability risks, to which it is or could reasonably be exposed. These policies and procedures are subject to regular review and the operational risk management activities are performed independently as part of the risk management policy.</p> <p>The management of operational risk, through the risk and control self-assessment process, is aimed at identifying risks in existing processes and improving existing controls to reduce their likelihood of failure and the impact of losses. All risks and events are facilitated via the internal risk management system, which provides a platform to facilitate the convergence of governance, risk and compliance.</p> <p>The AIFM is required to cover professional liability risks, such as the risk of loss of documents evidencing title of assets to the Company, and complies with such requirement by maintaining an amount of its own funds in accordance with the AIFM Directive.</p>

(6) a description of: (a) any management function delegated by the AIFM;	The AIFM has delegated portfolio management to Aberdeen Asset Managers Limited.
(b) any safe-keeping function delegated by the depositary;	The Depositary has sub-delegated safe-keeping functions to State Street Bank and Trust Company (London Branch).
(c) the identity of each delegate appointed in accordance with FUND 3.10 (Delegation);	<p>The AIFM has delegated portfolio management to Aberdeen Asset Managers Limited.</p> <p>The AIFM has delegated administration functions relating to the Company to State Street Bank and Trust (London Branch).</p>
(d) any conflicts of interest that may arise from such delegations;	<p>The AIFM and the Investment Manager may, in their absolute discretion, effect transactions in which they or any of their affiliated companies has, directly or indirectly, a material interest, or a relationship of any description with another party which may involve a potential conflict with the duty to the Company. The AIFM and the Investment Manager will ensure that such transactions are effected on terms which are not materially less favourable to the Company than if the potential conflict had not existed. Full policy information is available on Aberdeen Asset Management PLC's website: <a href="http://www.aberdeen-asset.com/doc.nsf/Lit/LegalDocumentationGroupConflictInterestPolicy">http://www.aberdeen-asset.com/doc.nsf/Lit/LegalDocumentationGroupConflictInterestPolicy</a>.</p> <p>The AIFM, the Investment Manager and their affiliates are involved in other financial, investment or professional activities which may on occasion give rise to conflicts of interest with the Company. In particular, the AIFM and the Investment Manager manage funds other than the Company and may provide investment management, investment advisory or other services in relation to those funds or future funds which may have similar investment policies to that of the Company.</p> <p>The AIFM, the Investment Manager and their affiliates may carry on investment activities for other accounts in which the Company has no interest. The AIFM, the Investment Manager and their affiliates may also provide management services to other clients, including other collective investment vehicles. The AIFM, the Investment Manager and their affiliates may give advice and recommend securities to other managed accounts or investment funds which may differ from advice given to, or investments recommended or bought for, the Company, even though their investment policies may be the same or similar.</p>
(7) a description of the Company's valuation procedure and of the pricing methodology for valuing assets, including the methods used in valuing any hard-to-value assets, in accordance with Article 19 of the AIFM Directive;	<p>Properties will be valued quarterly by the AIFM (as advised by independent third party valuation advisers as may be appointed by the AIFM from time to time) in accordance with locally accepted professional valuation standards, with such valuations being reviewed quarterly by the Board. The Net Asset Value per Ordinary Share and the Net Asset Value per C Share (if relevant) will be prepared by the AIFM (or its affiliates) and published quarterly, together with details of the Portfolio, based on the properties' most recent valuation, calculated under IFRS. Such Net Asset Values will be published through a Regulatory Information Service as soon as practicable after the end of the relevant quarter.</p> <p>Consistent with other listed European real estate investment companies, the Directors expect to follow the guidance published by EPRA and to disclose adjusted measures of Net Asset Value per Ordinary Share and earnings per Ordinary Share which are designed</p>

	<p>by EPRA to better reflect the core long-term operations of the business.</p> <p>If the Directors consider that any of the above bases of valuation are inappropriate in any particular case, or generally, they may adopt such other valuation procedures as they consider reasonable in the circumstances.</p>
(8) a description of the Company's liquidity risk management, including the redemption rights of investors in normal and exceptional circumstances, and the existing redemption arrangements with investors;	<p>The Company is a closed-end listed investment company and, as such, Shareholders in the Company have no right to redeem their Shares.</p> <p>Liquidity risk is therefore the risk that a position held by the Company cannot be realised at a reasonable value sufficiently quickly to meet the obligations (primarily, debt) of the Company as they fall due.</p> <p>In managing the Company's assets therefore the AIFM seeks to ensure that the Company holds at all times sufficient assets to enable it to discharge its payment obligations.</p>
(9) a description of all fees, charges and expenses, and the maximum amounts directly or indirectly borne by investors;	<p>The costs and expenses (including irrecoverable VAT) of, and incidental to, the Initial Issue payable by the Company are capped at 1.5 per cent. of the Initial Gross Proceeds.</p> <p>The fees and expenses payable to the AIFM are described in paragraph 2.5 of Part 4.</p> <p>Other than in respect of expenses of, or incidental to, the Initial Issue and Initial Admission which the Company intends to pay out of the proceeds of the Initial Issue, there are no commissions, fees or expenses to be charged to investors by the Company under the Initial Issue.</p> <p>Fees, charges and expenses following Initial Admission are outlined in paragraph 5.3 of Part 4 of this document.</p>
(10) a description of how the AIFM ensures a fair treatment of investors;	<p>The Directors of the Company have certain statutory duties with which they must comply. These include a duty upon each Director to act in the way he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. As a company listed on the UKLA's Official List, the Company is required under the Premium Listing Principles to treat all Shareholders of a given class equally.</p> <p>The AIFM maintains a conflicts of interest policy to avoid and manage any conflicts of interest that may arise between the AIFM (and its affiliates) and the Company.</p> <p>No investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not give preferential treatment to any investors.</p> <p>The Shares rank <i>pari passu</i> with each other.</p>
(11) whenever an investor obtains preferential treatment or the right to obtain preferential treatment, a description of:	N/a
(a) that preferential treatment;	N/a

(b) the type of investors who obtain such preferential treatment; and	N/a
(c) where relevant, their legal or economic links with the Company;	N/a
(12) the procedure and conditions for the issue and sale of units or shares;	<p>The terms and conditions under which investors can subscribe for Ordinary Shares under the Initial Placing and Shares under Subsequent Placings are set out in Part 11 of this document.</p> <p>The terms and conditions and Application Form to subscribe for Ordinary Shares under the Offer for Subscription are set out in Part 12 and the Appendix of this document.</p>
(13) the latest net asset value of the Company or the latest market price of the unit or share of the Company, in accordance with Article 19 of the AIFM Directive;	<p>The Company has not yet published a Net Asset Value in accordance with Article 19 of the AIFM Directive.</p> <p>When published, Net Asset Value announcements can be found on the Company's website: <a href="http://www.eurologisticsincome.co.uk">www.eurologisticsincome.co.uk</a></p>
(14) the latest annual report, in line with Article 22 of the AIFM Directive;	<p>The Company has not yet published an annual report in line with Article 22 of the AIFM Directive.</p> <p>When published, annual reports can be found on the Company's website: <a href="http://www.eurologisticsincome.co.uk">www.eurologisticsincome.co.uk</a></p>
(15) where available, the historical performance of the Company;	<p>The Company has not yet published any annual or interim financial statements.</p> <p>When published, annual and interim financial statements can be found on the Company's website: <a href="http://www.eurologisticsincome.co.uk">www.eurologisticsincome.co.uk</a></p>
(16) (a) the identity of the prime brokerage firm;	N/a
(b) a description of any material arrangements of the Company with its prime brokerage firm and the way any conflicts of interest are managed;	N/a
(c) the provision in the contract with the depositary on the possibility of transfer and reuse of Company assets; and	N/a
(d) information about any transfer of liability to the prime brokerage firm that may exist; and	N/a



<p>(17) a description of how and when the information required under paragraphs 4 and 5 of Article 23 of the AIFM Directive will be disclosed.</p>	<p>In order to meet the requirements of paragraphs 4 and 5 of Article 23 of the AIFM Directive, the Company intends to disclose annually in the Company's annual report (or in such manner as the AIFM and the Board consider appropriate):</p> <ul style="list-style-type: none"> <li>(1) the percentage of the Company's assets that are subject to special arrangements arising from their illiquid nature if applicable;</li> <li>(2) any new arrangements for managing the liquidity of the Company; and</li> <li>(3) the current risk profile of the Company and the risk management systems employed by the AIFM to manage those risks.</li> </ul> <p>Information will also be provided to investors regarding any changes to:</p> <ul style="list-style-type: none"> <li>(a) the maximum level of leverage that the AIFM may employ on behalf of the Company;</li> <li>(b) any right of reuse of collateral or any guarantee granted under the leveraging arrangement; and</li> <li>(c) the total amount of leverage employed by the Company.</li> </ul>
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## PART 10

### DEFINITIONS

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

<b>Aberdeen Standard Investments</b>	the brand name representative of the asset management division of Standard Life Aberdeen plc, the global investment company formed as a result of the merger between Aberdeen Asset Management PLC and Standard Life plc in August 2017
<b>Administrator</b>	State Street Bank and Trust Company (London Branch)
<b>Admission</b>	admission of any Shares issued pursuant to the Initial Issue or any Subsequent Placing (as the context may require) to the premium listing segment of the Official List of the UKLA and admission of such Shares to trading on the Main Market for listed securities of the London Stock Exchange
<b>AIC</b>	the Association of Investment Companies
<b>AIC Code</b>	the AIC Code of Corporate Governance published by the AIC from time-to-time
<b>AIF</b>	an alternative investment fund pursuant to the AIFM Directive
<b>AIFM</b>	Aberdeen Fund Managers Limited
<b>AIFM Directive</b>	the Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers
<b>AIFM Rules</b>	the AIFM Directive and all applicable rules and regulations implementing the AIFM Directive in the UK, including without limitation the AIFM Regulations and all relevant provisions of the FCA Handbook
<b>AIFM Regulations</b>	the Alternative Investment Fund Managers Regulations 2013 of the United Kingdom (SI 2013/1773)
<b>alternative investment fund manager</b>	an alternative investment fund manager within the meaning of the AIFM Directive
<b>Annual Management Fee</b>	has the meaning set out in paragraph 2.5 of Part 4 of this document
<b>Application Form</b>	the application form attached to this document for use in connection with the Offer for Subscription
<b>Articles</b>	the articles of association of the Company
<b>Audit Committee</b>	the audit committee of the Board
<b>Benefit Plan Investor</b>	(i) an employee benefit plan that is subject to the fiduciary responsibility or prohibited transaction provisions of Title I of the ERISA (including, as applicable, assets of an insurance company general account) or a plan that is subject to the prohibited transaction provisions of section 4975 of the U.S. Tax Code (including an individual retirement account), (ii) an entity whose underlying assets include “plan assets” by reason of a Plan’s investment in the entity, or (iii) any benefit plan investor” as otherwise defined in section 3(42) of ERISA or regulations promulgated by the U.S. Department of Labor
<b>Board</b>	the board of Directors of the Company or any duly constituted committee thereof
<b>Business Day</b>	any day which is not a Saturday or Sunday, Christmas Day, Good Friday or a bank holiday in the City of London
<b>Calculation Date</b>	has the meaning given in paragraph 4.21.1 of Part 8 of this document
<b>Canaccord Genuity</b>	Canaccord Genuity Limited

<b>Capital gains tax or CGT</b>	UK taxation of capital gains or corporation tax on chargeable gains, as the context may require
<b>certificated or in certificated form</b>	not in uncertificated form
<b>City Code</b>	the City Code on Takeovers and Mergers
<b>Companies Act</b>	the Companies Act 2006 and any statutory modification or re-enactment thereof for the time being in force
<b>Company</b>	Aberdeen Standard European Logistics Income PLC
<b>Continental Europe</b>	Europe excluding the UK and Ireland
<b>Conversion</b>	the conversion of C Shares into Ordinary Shares in accordance with the Articles and as described in paragraph 4.2.1 of Part 8 of this document
<b>Conversion Date</b>	has the meaning given in paragraph 4.2.1 of Part 8 of this document
<b>Conversion Ratio</b>	has the meaning given in paragraph 4.2.1 of Part 8 of this document
<b>CPI</b>	consumer prices index
<b>CREST</b>	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form
<b>C Shares</b>	C shares of £0.10 each in the capital of the Company
<b>CTA 2009</b>	Corporation Tax Act 2009 and any statutory modification or re-enactment thereof for the time being in force
<b>CTA 2010</b>	Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force
<b>COB Rules</b>	the FCA Conduct of Business Rules applicable to firms with investment business customers
<b>Depository</b>	National Westminster Bank Plc
<b>Depository Agreement</b>	the agreement between the Company, the AIFM and the Depository, a summary of which is set out in paragraph 6.5 of Part 8 of this document
<b>Directors</b>	the directors from time to time of the Company and “ <b>Director</b> ” is to be construed accordingly
<b>Disclosure Guidance and Transparency Rules</b>	the disclosure guidance and transparency rules made by the Financial Conduct Authority under section 73A of FSMA
<b>EEA</b>	the states which comprise the European Economic Area
<b>EFTA</b>	the European Free Trade Association
<b>EPRA</b>	the European Public Real Estate Association
<b>ERISA</b>	U.S. Employee Retirement Income Security Act of 1976, as amended
<b>ERISA Plan</b>	an “employee benefit plan” (as defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended)
<b>Euro</b>	the single European currency unit adopted by certain members of the EU
<b>Euroclear</b>	Euroclear UK & Ireland Limited, being the operator of CREST
<b>Europe</b>	together the member states of the European Union, the EEA and the members of EFTA (and including always the United Kingdom, whether or not it is a member state of the European Union, the EEA or a member of EFTA)
<b>European Union or EU</b>	the European Union first established by the treaty made at Maastricht on 7 February 1992

<b>Excluded Territory</b>	Australia, Canada, Japan and the Republic of South Africa
<b>FATCA</b>	the U.S. Foreign Account Tax Compliance Act of 2010, as amended
<b>FCA</b>	the Financial Conduct Authority or any successor authority
<b>FCA Handbook</b>	the FCA handbook of rules and guidance as amended from time to time
<b>FSMA</b>	the Financial Services and Markets Act 2000 and any statutory modification or re-enactment thereof for the time being in force
<b>GDP</b>	gross domestic product
<b>Gross Assets</b>	the aggregate value of the total assets of the Company as determined in accordance with the accounting principles adopted by the Company from time-to-time
<b>HMRC</b>	Her Majesty's Revenue and Customs
<b>IFRS</b>	international financial reporting standards as endorsed by the European Union
<b>IGAs</b>	intergovernmental agreements
<b>Initial Admission</b>	admission of the Ordinary Shares to the premium listing segment of the Official List of the UKLA and admission of the Ordinary Shares to trading on the Main Market for listed securities of the London Stock Exchange pursuant to the Initial Issue
<b>Initial Issue</b>	the issue of Ordinary Shares pursuant to the Initial Placing and the Offer for Subscription
<b>Initial Gross Proceeds</b>	the gross proceeds of the Initial Issue
<b>Initial Placing</b>	the conditional placing of Ordinary Shares by Canaccord Genuity at the Issue Price as described in this document
<b>Intermediary</b>	a financial intermediary that is appointed by Canaccord Genuity and/or the Company to offer Ordinary Shares to retail investors under the Offer for Subscription and reference to " <b>Intermediaries</b> " shall be construed accordingly
<b>Investment Committee</b>	the Investment Manager's investment committee
<b>Investment Manager</b>	Aberdeen Asset Managers Limited
<b>ISA</b>	UK individual savings account
<b>Issue Price</b>	100 pence per Ordinary Share
<b>ITA</b>	the Income Tax Act 2007 and any statutory modification or re-enactment thereof for the time being in force
<b>LIBOR</b>	London Interbank Offered Rate
<b>Listing Rules</b>	the listing rules made by the FCA under section 73A of FSMA
<b>London Stock Exchange</b>	London Stock Exchange plc
<b>Management Agreement</b>	the management agreement between the Company and the AIFM, a summary of which is set out in paragraph 6.2 of Part 8 of this document
<b>Management Engagement Committee</b>	the management engagement committee of the Board
<b>Management Shares</b>	redeemable shares of £1.00 each in the capital of the Company
<b>Market Abuse Regulation or MAR</b>	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse
<b>member account ID</b>	the identification code or number attached to any member account in CREST
<b>Minimum Net Proceeds</b>	the minimum net proceeds of the Initial Issue, being £150 million

<b>Net Asset Value</b>	the value, as at any date, of the assets of the Company after deduction of all liabilities determined in accordance with the accounting policies adopted by the Company from time-to-time
<b>Net Asset Value per C Share</b>	at any time the Net Asset Value attributable to the C Shares divided by the number of C Shares in issue (other than C Shares held in treasury) at the date of calculation
<b>Net Asset Value per Ordinary Share</b>	at any time the Net Asset Value attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) at the date of calculation
<b>Net Proceeds</b>	the proceeds of the Initial Issue, after deduction of the Company's costs and expenses
<b>Nominations Committee</b>	the nominations committee of the Board
<b>Offer or Offer for Subscription</b>	the offer for subscription of Ordinary Shares at the Issue Price on the terms set out in this document
<b>Official List</b>	the official list maintained by the UKLA pursuant to Part VI of FSMA
<b>Ordinary Shares</b>	ordinary shares of one penny each in the capital of the Company and " <b>Ordinary Share</b> " shall be construed accordingly
<b>Overseas Persons</b>	a potential investor who is not resident in, or who is not a citizen of, the UK
<b>Placees</b>	any person who agrees to subscribe for the Shares pursuant to the Initial Placing and/or any Subsequent Placing
<b>Placing and Offer Agreement</b>	the conditional placing, offer and placing programme agreement between the Company, the AIFM, the Investment Manager, the Directors and Canaccord Genuity, a summary of which is set out in paragraph 6.1 of Part 8 of this document
<b>Placing Programme</b>	the proposed programme of Subsequent Placings of Shares as described in this document
<b>Placing Programme Price</b>	the price at which Shares will be issued pursuant to a Subsequent Placing under the Placing Programme to Placees, as set out in Part 6 of this document
<b>Plan Asset Regulations</b>	the U.S. Department of Labor Regulations, 29 C.F.R. 2510.3-101, as and to the extent modified by section 3(42) of ERISA
<b>Plans</b>	a tax qualified annuity plan described in section 405 of the U.S. Tax Code and an individual retirement account or individual retreat annuity as described in section 408 of the U.S. Tax Code
<b>Portfolio</b>	the Company's investments from time to time
<b>Prospectus Directive</b>	the EU Prospectus Directive 2003/71/EC
<b>Prospectus Rules</b>	the prospectus rules made by the FCA under section 73A of FSMA
<b>Receiving Agent</b>	Equiniti Limited
<b>Receiving Agent Agreement</b>	the receiving agent agreement between the Company and the Receiving Agent, a summary of which is set out in paragraph 6.4 of Part 8 of this document
<b>Register</b>	the register of members of the Company
<b>Registrar</b>	Equiniti Limited
<b>Registrar Agreement</b>	the registrar's agreement between the Company and the Registrar, a summary of which is set out in paragraph 6.3 of Part 8 of this document
<b>Regulation S</b>	Regulation S promulgated under the U.S. Securities Act

<b>Regulatory Information Service</b>	a service authorised by the UKLA to release regulatory announcements to the London Stock Exchange
<b>Relevant Member State</b>	a member state of the European Economic Area which has implemented the Prospectus Directive
<b>RPI</b>	Retail Price Index
<b>SEDOL</b>	the Stock Exchange Daily Official List
<b>Shareholder</b>	a holder of Shares
<b>Shares</b>	Ordinary Shares and/or C Shares (as the context may require)
<b>SIPP</b>	a self-invested personal pension as defined in Regulation 3 of the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Permitted Investments) Regulations 2001 of the UK
<b>Similar Law</b>	any U.S. federal, state, local or foreign law that is similar to section 406 of ERISA or section 4975 of the U.S. Tax Code
<b>SSAS</b>	a small self-administered scheme as defined in Regulation 2 of the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Small Self-Administered Schemes) Regulations 1991 of the UK
<b>Standard Life Aberdeen</b>	Standard Life Aberdeen plc or a subsidiary thereof
<b>Sterling or £ or pence</b>	the lawful currency of the United Kingdom
<b>Subsequent Placing</b>	any placing of Shares, other than the Initial Placing, pursuant to the Placing Programme described in this document
<b>Target Returns</b>	has the meaning given in paragraph 5 of Part 1 of this document
<b>Terms and Conditions of Application</b>	the terms and conditions to which subscriptions under the Offer for Subscription are subject as set out in Part 12 of this document
<b>UK Corporate Governance Code</b>	the UK Corporate Governance Code as published by the Financial Reporting Council from time-to-time
<b>UKLA or UK Listing Authority</b>	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
<b>UK Money Laundering Regulations</b>	the UK Money Laundering Regulations 2017, as amended
<b>United Kingdom or UK</b>	the United Kingdom of Great Britain and Northern Ireland
<b>United States of America, United States or U.S.</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
<b>U.S. Code</b>	U.S. Internal Revenue Code of 1986, as amended
<b>U.S. Dollars, USD, U.S.\$, dollars and cents</b>	the lawful currency of the United States of America
<b>U.S. Investment Company Act</b>	U.S. Investment Company Act of 1940, as amended
<b>U.S. Person</b>	any person who is a U.S. person within the meaning of Regulation S adopted under the U.S. Securities Act
<b>U.S. Securities Act</b>	U.S. Securities Act of 1933, as amended
<b>VAT</b>	value added tax



## PART 11

### TERMS AND CONDITIONS OF INITIAL PLACING AND PLACING PROGRAMME

#### 1. INTRODUCTION

- 1.1 Each Placee which confirms its agreement (whether orally or in writing) to Canaccord Genuity to acquire Shares pursuant to the Initial Placing and/or any Subsequent Placing under the Placing Programme will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.2 Canaccord Genuity may require any Placee procured by it to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as Canaccord Genuity (in its absolute discretion) sees fit and may require any such Placee to execute a separate placing letter (a “**Placing Letter**”). The terms of this Part 11 will, where applicable, be deemed to be incorporated into such Placing Letters.

#### 2. AGREEMENT TO SUBSCRIBE FOR SHARES

Conditionally upon:

- 2.1 in the case of the Initial Placing, Initial Admission occurring and becoming effective by 8.00 a.m. on 15 December 2017 or such later time and/or date as the Company and Canaccord Genuity may agree (not being later than 8.00 a.m. on 15 January 2018) and in the case of any Subsequent Placing, Admission of the relevant Shares occurring by no later than 8.00 a.m. on such date as the Company and Canaccord Genuity may agree from time to time in relation to that Admission, not being later than 16 November 2018;
- 2.2 the Placing and Offer Agreement becoming wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms at any time prior to Admission;
- 2.3 in the case of the Initial Placing, the Minimum Net Proceeds being raised; and
- 2.4 Canaccord Genuity confirming to Placees their allocation of Shares, each Placee agreeing to become a member of the Company and agreeing to subscribe for those Shares allocated to it by Canaccord Genuity at the Issue Price in the case of the Initial Placing and at the applicable Placing Programme Price in the case of any Subsequent Placing.

To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

#### 3. PAYMENT FOR SHARES

Each Placee must pay the applicable Issue Price or the Placing Programme Price (as the case may be) for the Shares issued to the Placee in the manner and by such time as directed by Canaccord Genuity. If any Placee fails to pay as so directed and/or by the time required by Canaccord Genuity, the relevant Placee shall be deemed hereby to have appointed Canaccord Genuity or any nominee of Canaccord Genuity as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the Shares allocated to the Placee in respect of which payment shall not have been made as directed, and to indemnify Canaccord Genuity and its affiliates on demand in respect of any liability for stamp duty and/or stamp duty reserve tax or any other liability whatsoever arising in respect of any such sale or sales.

A sale of all or any of such Shares shall not release the relevant Placee from the obligation to make such payment for relevant Shares to the extent that Canaccord Genuity or its nominee has failed to sell such Shares at a consideration which, after deduction of the expenses of such sale and payment of stamp duty and/or stamp duty reserve tax as aforementioned, exceeds the applicable Issue Price or Placing Programme Price (as the case may be).

#### 4. REPRESENTATIONS AND WARRANTIES

By agreeing to subscribe for Shares under the Initial Placing and/or any Subsequent Placing under the Placing Programme, each Placee that is outside the United States and is not a U.S. Person and which enters into a commitment with Canaccord Genuity to subscribe for

Shares will (for itself and any person(s) procured by it to subscribe for Shares and any nominee(s) for any such person(s)) be deemed to represent and warrant to Canaccord Genuity, the Registrar, the Company and their respective officers, agents and employees that:

- 4.1 it is not a U.S. Person, is not located within the United States and is not acquiring the Shares for the account or benefit of a U.S. Person;
- 4.2 it is acquiring the Shares in an offshore transaction meeting the requirements of Regulation S;
- 4.3 it has received, carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the Shares into or within the United States or to any U.S. Persons, nor will it do any of the foregoing;
- 4.4 it is relying solely on this document and any supplementary prospectus issued by the Company prior to the relevant Admission and not on any other information given, or representation or statement made at any time, by any person concerning the Company and/or the Initial Placing and/or any Subsequent Placing. It agrees that none of the Company, Canaccord Genuity, nor the Registrar nor any of their respective officers, agents or employees will have any liability for any other information, representation or statement made or purported to be made by them or on its or their behalf in connection with the Company and/or the Initial Placing and/or any Subsequent Placing and irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;
- 4.5 if the laws of any territory or jurisdiction outside England and Wales are applicable to its agreement to subscribe for Shares under the Initial Placing and/or any Subsequent Placing, it has complied with all such laws, obtained all governmental and other consents, licences and authorisations which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the breach, whether by itself, the Company, Canaccord Genuity, the Registrar or any of their respective directors, officers, agents or employees of the regulatory or legal requirements, directly or indirectly, of any other territory or jurisdiction in connection with the Initial Placing and/or any Subsequent Placing;
- 4.6 it has carefully read and understands this document in its entirety and acknowledges that it is acquiring Shares on the terms and subject to the conditions set out in this Part 11 and the Articles as in force at the date of Initial Admission in the case of the Initial Issue or the relevant date of Admission in the case of any Subsequent Placing and agrees that in accepting a participation in the Initial Placing and/or any Subsequent Placing it has had access to all information it believes necessary or appropriate in connection with its decision to subscribe for the Shares;
- 4.7 it has not relied on Canaccord Genuity or any person affiliated with Canaccord Genuity in connection with any investigation of the accuracy or completeness of any information contained in this document or any supplementary prospectus published by the Company prior to Initial Admission or the relevant Admission (as the case may be);
- 4.8 the content of this document and any supplementary prospectus published by the Company prior to Initial Admission or the relevant Admission (as the case may be) is exclusively the responsibility of the Company and the Directors and neither Canaccord Genuity nor its affiliates nor any person acting on its or their behalf is responsible for or shall have any liability for any information, representation or statement contained in this document or any supplementary prospectus published by the Company prior to Initial Admission or the relevant Admission (as the case may be) or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Initial Placing and/or any Subsequent Placing based on any information, representation or statement contained in this document or any supplementary prospectus published by the Company prior to Initial Admission or the relevant Admission (as the case may be) or otherwise;
- 4.9 it acknowledges that no person is authorised in connection with the Initial Placing and/or any Subsequent Placing to give any information or make any representation other than as contained in this document and any supplementary prospectus published by the Company

prior to the Initial Admission or the relevant Admission (as the case may be) and, if given or made, any information or representation must not be relied upon as having been authorised by Canaccord Genuity or the Company;

- 4.10 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;
- 4.11 it acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and in compliance with all applicable state securities laws and under circumstances that would not require the Company to register under the U.S. Investment Company Act;
- 4.12 it accepts that none of the Shares have been or will be registered under the laws of any Excluded Territory. Accordingly, the Shares may not be offered, sold or delivered, directly or indirectly, within any Excluded Territory unless an exemption from any registration requirement is available;
- 4.13 it acknowledges that the Company has not registered under the U.S. Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, to ensure that the Company is not and will not be required to register under the U.S. Investment Company Act;
- 4.14 no portion of the assets used to acquire, and no portion of the assets used to hold, the Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an “employee benefit plan” as defined in section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a “plan” as defined in Section 4975 of the U.S. Tax Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Tax Code; or (iii) an entity whose underlying assets are considered to include “plan assets” by reason of investment by an “employee benefit plan” or a “plan” described in preceding clause (i) or (ii) in such entity, pursuant to 29. C.F.R. 2510.3-101 as modified by Section 3(42) of ERISA. In addition, if an investor is a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the U.S. Tax Code, its acquisition, holding, and disposition of the Shares will not constitute a violation of law or result in a non-exempt prohibited transaction under Section 503 of the U.S. Tax Code or any substantially similar law;
- 4.15 if any Shares are issued to it in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect unless otherwise determined by the Company in accordance with applicable law:

ABERDEEN STANDARD EUROPEAN LOGISTICS INCOME PLC (THE “**COMPANY**”) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “**U.S. INVESTMENT COMPANY ACT**”). IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**U.S. SECURITIES ACT**”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (I) IN AN OFFSHORE TRANSACTION COMPLYING WITH THE PROVISIONS OF REGULATION S UNDER THE U.S. SECURITIES ACT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A U.S. PERSON, BY PRE-ARRANGEMENT OR OTHERWISE AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE U.S. INVESTMENT COMPANY ACT, OR (II) WITHIN THE UNITED STATES IN ACCORDANCE WITH RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES, IN EACH CASE OF CLAUSE (I) OR (II), IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS, UPON SURRENDER OF

THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE AND DELIVERY OF A WRITTEN CERTIFICATION THAT SUCH TRANSFEROR IS IN COMPLIANCE WITH THE REQUIREMENTS OF THIS CLAUSE IN THE FORM OF A DULY COMPLETED AND SIGNED OFFSHORE TRANSACTION LETTER (THE FORM OF WHICH MAY BE OBTAINED FROM THE REGISTRAR) TO THE COMPANY, WITH COPIES TO THE REGISTRAR AND THE AIFM. IN ADDITION, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED TO ANY PERSON USING THE ASSETS OF (I) (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA; (B) A "PLAN" AS DEFINED IN SECTION 4975 OF THE U.S. TAX CODE, INCLUDING AN INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO SECTION 4975 OF THE U.S. TAX CODE; OR (C) AN ENTITY WHICH IS DEEMED TO HOLD THE ASSETS OF ANY OF THE FOREGOING TYPES OF PLANS, ACCOUNTS OR ARRANGEMENTS THAT IS SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE U.S. TAX CODE OR (II) A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF TITLE I OF ERISA OR SECTION 4975 OF THE U.S. CODE IF THE PURCHASE, HOLDING OR DISPOSITION OF THE SECURITIES WILL NOT RESULT IN A VIOLATION OF APPLICABLE LAW AND/OR CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 503 OF THE U.S. TAX CODE OR ANY SUBSTANTIALLY SIMILAR LAW.

- 4.16 if in the future it decides to offer, sell, transfer, assign, pledge or otherwise dispose of the Shares or any beneficial interest therein, it will do so only: (i) in an "offshore transaction" complying with the provisions of Regulation S under the U.S. Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person, by prearrangement or otherwise; (ii) within the United States in accordance with Rule 144 under the U.S. Securities Act, if available, and in compliance with any applicable securities laws of any state or other jurisdiction in the United States; or (iii) to the Company or a subsidiary thereof;
- 4.17 it is acquiring the Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Shares in any manner that would violate the U.S. Securities Act, the U.S. Investment Company Act or any other applicable securities laws;
- 4.18 if it is a resident in the European Economic Area (other than the United Kingdom), it is (a) a "qualified investor" within the meaning of the law in the Relevant Member State implementing Article 2(1)(c)(i), (ii) or (iii) of the Prospectus Directive (as amended) and (b) if that Relevant Member State has implemented the AIFM Directive, that it is a person to whom the Shares may be lawfully marketed under the AIFM Directive or under the applicable implementing legislation (if any) of that Relevant Member State;
- 4.19 in the case of any Shares acquired in the Initial Placing and/or any Subsequent Placing by an investor as a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive: (i) the Shares acquired by it in the Initial Placing and/or any Subsequent Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State (other than the United Kingdom) other than "qualified investors", as that term is defined in the Prospectus Directive (as amended), or in circumstances in which the prior consent of Canaccord Genuity has been given to the offer or resale; or (ii) where Shares have been acquired by it on behalf of persons in any Relevant Member State (other than the United Kingdom) other than "qualified investors", the offer of those Shares to it is not treated under the Prospectus Directive (as amended) as having been made to such persons;
- 4.20 if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Initial Placing and/or any Subsequent Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Shares pursuant to the Initial Placing and/or any Subsequent Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or

such person and Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other legal requirements;

- 4.21 it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Shares and it is not acting on a non-discretionary basis for any such person;
- 4.22 if the investor is a natural person, such investor is not under the age of majority (18 years of age in the United Kingdom) on the date of such investor's agreement to subscribe for Shares under the Initial Placing or the relevant Subsequent Placing, as applicable, and will not be any such person on the date any such relevant Initial Placing or Subsequent Placing commitment is accepted;
- 4.23 it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other offering materials concerning the Initial Placing and/or any Subsequent Placing or the Shares to any persons within the United States or to any U.S. Persons, nor will it do any of the foregoing;
- 4.24 it acknowledges that neither Canaccord Genuity nor any of its respective affiliates nor any person acting on its behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Initial Placing and/or any Subsequent Placing or providing any advice in relation to the Initial Placing and/or any Subsequent Placing, that participation in the Initial Placing and/or any Subsequent Placing is on the basis that it is not and will not be a client of Canaccord Genuity or any of its affiliates and that Canaccord Genuity and any of its respective affiliates do not have any duties or responsibilities to a Placee for providing protections afforded to its clients or for providing advice in relation to the Initial Placing and/or any Subsequent Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing and Offer Agreement;
- 4.25 it acknowledges that where it is subscribing for Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing by each such account: (i) to subscribe for the Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this document; and (iii) to receive on behalf of each such account any documentation relating to the Initial Placing and/or any Subsequent Placing in the form provided by Canaccord Genuity. It agrees that the provisions of this paragraph shall survive any resale of the Shares by or on behalf of any such account;
- 4.26 it irrevocably appoints any Director of the Company and any director of Canaccord Genuity to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Shares for which it has given a commitment under the Initial Placing and/or the relevant Subsequent Placing, in the event of the failure of it to do so;
- 4.27 it accepts that if the Initial Placing and/or the relevant Subsequent Placing does not proceed or the conditions to the Placing and Offer Agreement are not satisfied or the Shares for which valid applications are received and accepted are not admitted to the premium listing segment of the Official List or to trading on the Main Market for any reason whatsoever then neither Canaccord Genuity nor the Company nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives shall have any liability whatsoever to it or any other person;
- 4.28 in connection with its participation in the Initial Placing and/or any Subsequent Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering ("**Money Laundering Legislation**") and that its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the UK Money Laundering Regulations in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (Council Directive No. 91/308/EEC) (the "**Money Laundering Directive**"); or (iii) acting in the course of a business



in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;

- 4.29 it acknowledges that due to anti-money laundering requirements, Canaccord Genuity, the Company and/or their agents may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Canaccord Genuity, the Company and/or their agents may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Canaccord Genuity, the Company and/or their agents against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it or has not been provided on a timely basis;
- 4.30 Canaccord Genuity and the Company are entitled to exercise any of their rights under the Placing and Offer Agreement or any other right in their absolute discretion without any liability whatsoever to them (or any agent acting on their behalf);
- 4.31 the representations, undertakings and warranties given by it are irrevocable. It acknowledges that Canaccord Genuity and the Company and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or agreements made or deemed to have been made by its subscription of the Shares are no longer accurate, it shall promptly notify Canaccord Genuity and the Company;
- 4.32 where it or any person acting on behalf of it is dealing with Canaccord Genuity any money held in an account with Canaccord Genuity on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Canaccord Genuity to segregate such money, as that money will be held by Canaccord Genuity under a banking relationship and not as trustee;
- 4.33 any of its clients, whether or not identified to Canaccord Genuity, will remain its sole responsibility and will not become clients of Canaccord Genuity or, for the purposes of the rules of the FCA or for the purposes of any statutory or regulatory provision;
- 4.34 it accepts that the allocation of Shares shall be determined by the Directors in their absolute discretion (after consultation with Canaccord Genuity and the AIFM) and that such persons may scale back any placing commitments in respect of the Initial Placing and/or any Subsequent Placing for this purpose on such basis as the Directors may determine; and
- 4.35 time shall be of the essence as regard its obligations to settle payment for the Shares and to comply with their other obligations under the Initial Placing or the relevant Subsequent Placing.

## **5. SUPPLY AND DISCLOSURE OF INFORMATION**

If Canaccord Genuity, the Registrar or the Company or any of their agents request any information about a Placee's agreement to purchase Shares under the Initial Placing and/or any Subsequent Placing, such Placee must promptly disclose it to them.

## **6. MISCELLANEOUS**

- 6.1 The rights and remedies of Canaccord Genuity, the Registrar, the Company, the Board and their respective affiliates under the terms and conditions set out in this Part 11 are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 6.2 On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally to Canaccord Genuity the jurisdiction in which its funds are managed or owned. All documents will be sent at the Placee's risk. They may be sent by post to such Placee at an address notified to Canaccord Genuity.
- 6.3 Each Placee agrees to be bound by the Articles (as amended from time to time) once the Shares that the Placee has agreed to subscribe pursuant to the Initial Placing and/or any Subsequent Placing have been acquired by the Placee. The contract to subscribe for Shares under the Initial Placing and/or any Subsequent Placing and the appointments and authorities



mentioned in this document will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Canaccord Genuity, the Registrar and the Company each Placee irrevocably submits to the exclusive jurisdiction of the courts of England and Wales waives any objection to proceedings in any such courts on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against a Placee in any other jurisdiction.

- 6.4 In the case of a joint agreement to purchase Shares under the Initial Placing and/or any Subsequent Placing, references to a “Placee” in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.
- 6.5 Canaccord Genuity and the Company expressly reserve the right to modify the terms of the Initial Placing and/or any Subsequent Placing (including, without limitation, its timetable and settlement) at any time before allocations are determined.
- 6.6 The Initial Placing and each Subsequent Placing is subject to the satisfaction of the conditions relating to the Initial Placing or Subsequent Placing, as applicable, contained in the Placing and Offer Agreement and the Placing and Offer Agreement not having been terminated prior to Admission of the relevant Shares.

## PART 12

### TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION

#### 1. INTRODUCTION

Ordinary Shares are available under the Offer for Subscription at a price of 100 pence per Ordinary Share.

Applications must be made on the Application Form attached at the end of this document or otherwise published by the Company.

If you wish your Ordinary Shares to be issued in certificated form, in addition to completing and returning the Application Form to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, you will also need to complete and return a tax residency self-certification form ("**CRS Form**"). The CRS Form will be sent to investors with the investor's share certificate. Further copies of this form and the relevant form for joint holdings or corporate entity holdings can be requested from Equiniti Limited on +44 0371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside of the United Kingdom will be charged at the applicable international rate. The helpline is open between 8.30 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Equiniti Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

#### 2. EFFECT OF APPLICATION

Applications under the Offer for Subscription must be for Ordinary Shares with a minimum subscription amount of £1,000 and thereafter in multiples of £100. Multiple applications will be accepted.

#### 3. OFFER TO ACQUIRE ORDINARY SHARES

By completing and delivering an Application Form, you, as the applicant, and, if you sign the Application Form on behalf of another person or a corporation, that person or corporation:

- 3.1 offer to subscribe for such number of Ordinary Shares at 100 pence per Ordinary Share as may be purchased by the subscription amount specified in Box 1 on your Application Form (being a minimum of 1,000 Ordinary Shares); or such smaller number for which such application is accepted, on the terms, and subject to the conditions, set out in this document, including these Terms and Conditions of Application and the Articles;
- 3.2 agree that, in consideration of the Company agreeing that it will not, prior to the date of Initial Admission, offer for subscription any Ordinary Shares to any person other than by means of the procedures referred to in this document, your application may not be revoked (subject to any legal right to withdraw your application which arises as a result of the publication of a supplementary prospectus) and that this paragraph shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to or, in the case of delivery by hand, on receipt by, the Receiving Agent of your Application Form;
- 3.3 undertake to pay the subscription amount specified in Box 1 on your Application Form in full on application and warrant that the remittance accompanying your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured you will not be entitled to receive a share certificate for the Ordinary Shares applied for in certificated form or be entitled to commence dealing in Ordinary Shares applied for in uncertificated form or to enjoy or receive any rights in respect of such Ordinary Shares unless and until you make payment in cleared funds for such Ordinary Shares and such payment is accepted by the Receiving Agent (which acceptance shall be in its absolute discretion and on the basis that you indemnify the Receiving Agent, the Company and Canaccord Genuity against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) avoid the agreement to allot the Ordinary Shares and may allot them to some other person, in which case you will not be entitled to

any refund or payment in respect thereof (other than the refund by way of a cheque in your favour at your risk, for an amount equal to the proceeds of the remittance which accompanied your Application Form, without interest);

- 3.4 agree, that where on your Application Form a request is made for Ordinary Shares to be deposited into a CREST account (a "**CREST Account**"), (i) the Receiving Agent may in its absolute discretion amend the Application Form so that such Ordinary Shares may be issued in certificated form registered in the name(s) of the holder(s) specified in your Application Form (and recognise that the Receiving Agent will so amend the form if there is any delay in satisfying the identity of the applicant or the owner of the CREST Account or in receiving your remittance in cleared funds) and (ii) the Receiving Agent, the Company or Canaccord Genuity may authorise your financial adviser or whoever he or she may direct to send a document of title for or credit your CREST Account in respect of the number of Ordinary Shares for which your application is accepted, and/or a crossed cheque for any monies returnable, by post at your risk to your address set out on your Application Form;
- 3.5 agree, in respect of applications for Ordinary Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph 3.4 above to issue Ordinary Shares in certificated form), that any share certificate to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled or pursuant to paragraph 3.4 above (and any monies returnable to you) may be retained by the Receiving Agent:
- (a) pending clearance of your remittance;
  - (b) pending investigation of any suspected breach of the warranties contained in paragraphs 7.2, 7.6, 7.13, 7.14 or 7.15 below or any other suspected breach of these Terms and Conditions of Application; or
  - (c) pending any verification of identity which is, or which the Receiving Agent considers may be, required for the purpose of the UK Money Laundering Regulations and any other regulations applicable thereto,
- and any interest accruing on such retained monies shall accrue to and for the benefit of the Company;
- 3.6 agree, on the request of the Receiving Agent to disclose promptly in writing to them such information as the Receiving Agent may request in connection with your application and authorise the Receiving Agent to disclose any information relating to your application which they may consider appropriate;
- 3.7 agree that if evidence of identity satisfactory to the Receiving Agent is not provided to the Receiving Agent within a reasonable time (in the opinion of the Receiving Agent) following a request therefor, the Receiving Agent or the Company may terminate the agreement with you to allot Ordinary Shares and, in such case, the Ordinary Shares which would otherwise have been allotted to you may be re-allotted or sold to some other party and the lesser of your application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned by a cheque drawn on a branch of a UK clearing bank to the bank account name from which they were first received, at your risk and without interest of any proceeds of the payment accompanying the application;
- 3.8 agree that you are not applying on behalf of a person engaged in money laundering;
- 3.9 undertake to ensure that, in the case of an application signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) is enclosed with your Application Form together with full identity documents for the person so signing;
- 3.10 undertake to pay interest at the rate described in paragraph 4 below if the remittance accompanying your Application Form is not honoured on first presentation;
- 3.11 authorise the Receiving Agent to procure that there be sent to you definitive certificates in respect of the number of Ordinary Shares for which your application is accepted or if you have completed section 2B on your Application Form, but subject to paragraph 3.4 above, to deliver the number of Ordinary Shares for which your application is accepted into CREST, and/or to return any monies returnable without payment of interest (at the applicant's risk)

either as a cheque by first class post to the address completed in Section 2A on the Application Form or return funds direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn;

- 3.12 confirm that you have read and complied with paragraph 9 below;
- 3.13 agree that all subscription cheques and payments will be processed through a bank account (the "**Acceptance Account**") in the name of Equiniti Limited RE: Aberdeen Standard European Logistics Income PLC – OFS Application opened by the Receiving Agent;
- 3.14 agree that your Application Form is addressed to the Company and the Receiving Agent;
- 3.15 agree that your application must be for a whole number of Ordinary Shares and the number of Ordinary Shares issued to you will be rounded down to the nearest whole number;
- 3.16 acknowledge that the offer to the public of Ordinary Shares is being made only in the United Kingdom and represent that you are a United Kingdom resident (unless you are able to provide such evidence as the Company may, in its absolute discretion, require that you are entitled to apply for Ordinary Shares); and
- 3.17 agree that any application may be rejected in whole or in part at the sole discretion of the Company.

#### **4. ACCEPTANCE OF YOUR OFFER**

The Receiving Agent may, on behalf of the Company, accept your offer to subscribe (if your application is received, valid (or treated as valid), processed and not rejected) by notifying the UK Listing Authority through a Regulatory Information Service of the basis of allocation (in which case the acceptance will be on that basis).

The basis of allocation will be determined by the Company in consultation with Canaccord Genuity and the Receiving Agent. The right is reserved notwithstanding the basis as so determined to reject in whole or in part and/or scale back any application. The right is reserved to treat as valid any application not complying fully with these Terms and Conditions of Application or not in all respects completed or delivered in accordance with the instructions accompanying the Application Form. In particular, but without limitation, the Company may accept an application made otherwise than by completion of an Application Form where you have agreed with the Company in some other manner to apply in accordance with these Terms and Conditions of Application.

The Receiving Agent will present all cheques and banker's drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful applicants' payments.

The Receiving Agent may, as agent of the Company, require you to pay interest or its other resulting costs (or both) if the payment accompanying your application is not honoured on first presentation. If you are required to pay interest you will be obliged to pay the amount determined by the Receiving Agent to be the interest on the amount of the payment from the date on which all payments in cleared funds are due to be received until the date of receipt of cleared funds. The rate of interest will be the then published bank base rate of a clearing bank selected by the Receiving Agent plus 4 per cent. per annum. The right is also reserved to reject in whole or in part, or to scale down or limit, any application.

Except as provided below, payments may be made by cheque or banker's draft in pounds sterling drawn on a branch in the United Kingdom of a bank or building society that is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or that has arranged for its cheques or bankers' drafts to be cleared through the facilities provided for members of either of those companies. Such cheques or bankers' drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of an individual Applicant where they have sole or joint title to the funds, should be made payable to Equiniti Limited RE: Aberdeen Standard European Logistics Income PLC – OFS Application. Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping/endorsing the cheque or banker's draft to that effect. The account name should be the same as that shown on the Application Form.

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 11.00 a.m. on 11 December 2017. Applicants wishing to make a CHAPS payment should contact Equiniti Corporate Actions by email at [offer@equiniti.com](mailto:offer@equiniti.com). Applicants will be provided with the relevant bank account details, together with a unique reference number which must be used when making payment.

Applicants choosing to settle via CREST, that is DVP, will need to match their instructions to Equiniti Limited's Participant Account 6RA24, Member Account RA272701 by no later than 1.00 p.m. on 14 December 2017, allowing for the delivery and acceptance of the Ordinary Shares to be made against payment of the Issue Price per Ordinary Share, following the CREST matching criteria set out in the Application Form.

## **5. CONDITIONS**

The contracts created by the acceptance of applications (in whole or in part) under the Offer for Subscription will be conditional upon:

- (a) Initial Admission occurring by 8.00 a.m. (London time) on 15 December 2017 or such later time or date as the Company and Canaccord Genuity may agree (being not later than 8.00 a.m. on 15 January 2018);
- (b) the Placing and Offer Agreement becoming otherwise unconditional in all respects, and not being terminated in accordance with its terms before Initial Admission; and
- (c) the Minimum Net Proceeds being raised.

You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other right you may have.

## **6. RETURN OF APPLICATION MONIES**

Where application monies have been banked and/or received, if any application is not accepted in whole, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest (at the applicants' risk) either by first class post as a cheque to the address set out on the Application Form or returned direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn. In the meantime, application monies will be retained by the Receiving Agent in a separate account.

## **7. WARRANTIES**

By completing an Application Form, you:

- 7.1 undertake and warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person and that such other person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions of Application and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;
- 7.2 warrant, if the laws of any territory or jurisdiction outside the UK are applicable to your application, that you have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company, Canaccord Genuity or the Receiving Agent or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside of the UK in connection with the Offer for Subscription in respect of your application;
- 7.3 confirm that (save for advice received from your financial adviser (if any)) in making an application you are not relying on any information or representations in relation to the Company other than those contained in this document (on the basis of which alone your



application is made) and accordingly you agree that no person responsible solely or jointly for this document or any part thereof shall have any liability for any such other information or representation;

- 7.4 agree that, having had the opportunity to read this document in its entirety, you shall be deemed to have had notice of all information and representations contained in this document;
- 7.5 acknowledge that no person is authorised in connection with the Offer for Subscription to give any information or make any representation other than as contained in this document and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the AIFM, the Investment Manager, Canaccord Genuity or the Receiving Agent;
- 7.6 warrant that you are not under the age of 18 on the date of your application;
- 7.7 agree that all documents and monies sent by post to, by, from or on behalf of the Company or the Receiving Agent, will be sent at your risk and, in the case of documents and returned application cheques and payments to be sent to you, may be sent to you at your address (or, in the case of joint holders, the address of the first named holder) as set out in your Application Form;
- 7.8 confirm that you have reviewed the restrictions contained in paragraph 9 below and warrant that you (and any person on whose behalf you apply) comply with the provisions therein;
- 7.9 agree that, in respect of those Ordinary Shares for which your Application Form has been received and processed and not rejected, acceptance of your Application Form shall be constituted by the Company instructing the Registrar to enter your name on the Register;
- 7.10 agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer for Subscription shall be governed by and construed in accordance with the laws of England and Wales and that you submit to the jurisdiction of the English Courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;
- 7.11 irrevocably authorise the Company, Canaccord Genuity or the Receiving Agent or any other person authorised by any of them, as your agent, to do all things necessary to effect registration of any Ordinary Shares subscribed by or issued to you into your name and authorise any representatives of the Company and/or Canaccord Genuity and/or the Receiving Agent to execute any documents required therefor and to enter your name on the Register;
- 7.12 agree to provide the Company with any information which it, Canaccord Genuity or the Receiving Agent may request in connection with your application or to comply with any other relevant legislation (as the same may be amended from time-to-time) including without limitation satisfactory evidence of identity to ensure compliance with the UK Money Laundering Regulations;
- 7.13 warrant that, in connection with your application, you have observed the laws of all requisite territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action which will or may result in the Company, the AIFM, the Investment Manager, Canaccord Genuity or the Receiving Agent acting in breach of the regulatory or legal requirements of any territory in connection with the Offer for Subscription or your application;
- 7.14 represent and warrant to the Company that; (i) you are not a U.S. Person, are not located within the United States and are not acquiring the Ordinary Shares for the account or benefit of a U.S. Person; (ii) you are acquiring the Ordinary Shares in an offshore transaction meeting the requirements of Regulation S; (iii) you understand and acknowledge that the Ordinary Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, into or within the United States or to, or for the account or benefit of, U.S. Persons; and (iv) you understand and acknowledge that the Company has not registered and will not register as an investment company under the U.S. Investment Company Act;



- 7.15 represent and warrant to the Company that if in the future you decide to offer, sell, transfer, assign or otherwise dispose of the Ordinary Shares, you will do so only: (i) in an offshore transaction complying with the provisions of Regulation S under the U.S. Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person, by pre-arrangement or otherwise, or (ii) to the Company or a subsidiary thereof. You understand and acknowledge that any sale, transfer, assignment, pledge or other disposal made other than in compliance with the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;
- 7.16 agree that Canaccord Genuity and the Receiving Agent are acting for the Company in connection with the Offer for Subscription and for no-one else and that they will not treat you as their customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of the Ordinary Shares or concerning the suitability of the Ordinary Shares for you or be responsible to you for the protections afforded to their customers;
- 7.17 warrant that you are not subscribing for the Ordinary Shares using a loan which would not have been given to you or any associate or not given to you on such favourable terms, if you had not been proposing to subscribe for the Ordinary Shares;
- 7.18 warrant that the information contained in the Application Form is true and accurate; and
- 7.19 agree that if you request that Ordinary Shares are issued to you on a date other than Initial Admission and such Ordinary Shares are not issued on such date that the Company and its agents and Directors will have no liability to you arising from the issue of such Ordinary Shares on a different date.

## **8. MONEY LAUNDERING**

You agree that, in order to ensure compliance with the UK Money Laundering Regulations, the Proceeds of Crime Act 2002 and any other applicable regulations, the Receiving Agent may at its absolute discretion undertake electronic searches for the purpose of verifying your identity (the “**holder(s)**”) as the applicant lodging an Application Form and further may request from you and you will assist in providing identification of:

- 8.1 the owner(s) and/or controller(s) (the “**payor**”) of any bank account not in the name of the holder(s) on which is drawn a payment by way of banker’s draft or cheque; or
- 8.2 where it appears to the Receiving Agent that a holder or the payor is acting on behalf of some other person or persons.

Failure to provide the necessary evidence of identity may result in your application being rejected or delays in the despatch of documents or CREST accounts being credited.

Without prejudice to the generality of this paragraph 8.2, verification of the identity of holders and payors will be required if the value of the Ordinary Shares applied for, whether in one or more applications considered to be connected, exceeds €15,000 (or the Sterling equivalent). If, in such circumstances, you use a building society cheque or banker’s draft you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the cheque or banker’s draft and adds its stamp. If, in such circumstances, the person whose account is being debited is not a holder you will be required to provide for both the holder and the payor an original or a copy of that person’s passport or driving licence certified by a solicitor and an original or certified copy of the following no more than 3 months old, a gas, electricity, water or telephone (not mobile) bill, a recent bank statement or a council tax bill, in their name and showing their current address (which originals will be returned by post at the addressees’ risk) together with a signed declaration as to the relationship between the payor and you the holder.

For the purpose of the UK Money Laundering Regulations a person making an application for Ordinary Shares will not be considered as forming a business relationship with the Company or the Receiving Agent but will be considered as effecting a one-off transaction with either the Company or with the Receiving Agent.

The person(s) submitting an application for Ordinary Shares will ordinarily be considered to be acting as principal in the transaction unless the Receiving Agent determines otherwise, whereupon you may be required to provide the necessary evidence of identity of the underlying beneficial owner(s).

If the amount being subscribed exceeds €15,000 (or the Sterling equivalent) you should endeavour to have the declaration contained in section 5 of the Application Form signed by an appropriate firm as described in that section. If you cannot have that declaration signed and the amount being subscribed exceeds €15,000 (or the Sterling equivalent) then you must provide with the Application Form the identity documentation detailed in section 6 of the Application Form for each underlying beneficial owner.

## **9. NON-UNITED KINGDOM INVESTORS**

The Offer for Subscription is only being made in the United Kingdom. If you receive a copy of this document or an Application Form in any territory other than the United Kingdom you may not treat it as constituting an invitation or offer to you, nor should you, in any event, use an Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to you or an Application Form could lawfully be used without contravention of any registration or other legal requirements. It is your responsibility, if you are outside the UK and wish to make an application for Ordinary Shares under the Offer for Subscription, to satisfy yourself as to full observance of the laws of any relevant territory or jurisdiction in connection with your application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

None of the Ordinary Shares have been or will be registered under the laws of any member state of the EEA (other than the United Kingdom), Canada, Japan, Australia, the Republic of South Africa or under the U.S. Securities Act or with any securities regulatory authority of any state or other political subdivision of the United States, any member state of the EEA (other than the United Kingdom), Canada, Japan, Australia or the Republic of South Africa. If you subscribe for Ordinary Shares you will, unless the Company and the Receiving Agent agree otherwise in writing, be deemed to represent and warrant to the Company that you are not a U.S. Person or a resident of any member state of the EEA (other than the United Kingdom), Canada, Japan, Australia, the Republic of South Africa or a corporation, partnership or other entity organised under the laws of any member state of the EEA (other than the United Kingdom), the U.S. or Canada (or any political subdivision of either) or Japan or Australia or the Republic of South Africa and that you are not subscribing for such Ordinary Shares for the account of any U.S. Person or resident of any member state of the EEA (other than the United Kingdom), Canada, Japan, Australia or the Republic of South Africa and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the Ordinary Shares in or into any member state of the EEA (other than the United Kingdom), the United States, Canada, Japan, Australia or the Republic of South Africa or to any U.S. Person or person resident in Canada, any member state of the EEA (other than the United Kingdom), Japan, Australia or the Republic of South Africa. No application will be accepted if it shows the applicant, payor or a holder having an address other than in the United Kingdom.

## **10. THE DATA PROTECTION ACT 1998**

Pursuant to The Data Protection Act 1998 (the “**DP Act**”) the Company and/or the Registrar, may hold personal data (as defined in the DP Act) relating to past and present Shareholders.

Such personal data held is used by the Registrar to maintain the Register and mailing lists and this may include sharing such data with third parties when (a) effecting the payment of dividends and other distributions to Shareholders and (b) filing returns of Shareholders and their respective transactions in Ordinary Shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used.

By becoming registered as a holder of Ordinary Shares a person becomes a data subject (as defined in the DP Act) and is deemed to have consented to the processing by the Company or its Registrar of any personal data relating to them in the manner described above.

## **11. MISCELLANEOUS**

To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise (including, without limitation, pre-contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the Ordinary Shares and the Offer for Subscription.

The rights and remedies of the Company, the AIFM, the Investment Manager, Canaccord Genuity and the Receiving Agent under these Terms and Conditions of Application are in addition to any rights and remedies which would otherwise be available to any of them and the exercise or partial exercise of one will not prevent the exercise of others.

The Company reserves the right to extend the closing time and/or date of the Offer for Subscription from 5.00 p.m. on 11 December 2017. In that event, the new closing time and/or date will be notified to applicants.

The Company may terminate the Offer for Subscription in its absolute discretion at any time prior to Initial Admission. If such right is exercised, the Offer for Subscription will lapse and any monies will be returned as indicated without interest.

You agree that Canaccord Genuity and the Receiving Agent are acting for the Company in connection with the Issue and for no-one else, and that neither Canaccord Genuity nor the Receiving Agent will treat you as its customer by virtue of such application being accepted or owe you any duties concerning the price of the Ordinary Shares or concerning the suitability of the Ordinary Shares for you or otherwise in relation to the Initial Issue or for providing the protections afforded to their customers.

Save where the context requires otherwise, terms used in these Terms and Conditions of Application bear the same meaning as where used in the document.

## NOTES ON HOW TO COMPLETE THE APPLICATION FORM

**Applications should be returned so as to be received no later than 5.00 p.m. (London time) on 11 December 2017.**

**HELP DESK:** If you have a query concerning completion of this Application Form please call the Receiving Agent on +44 0371 384 2050. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (excluding public holidays in England and Wales). Calls to the helpline from outside the UK will be charged at the applicable international rate. The helpline cannot provide advice on the merits of the offer nor give any financial, legal or tax advice.

### 1. APPLICATION

Fill in (in figures) in Box 1 the amount of money being subscribed for Ordinary Shares. The amount being subscribed must be a minimum of £1,000 and thereafter in multiples of £100.

### 2A. HOLDER DETAILS

Fill in (in block capitals) the full name and address of each holder. Applications may only be made by persons aged 18 or over. In the case of joint holders, the address given for the first named will be entered as the registered address for the holding on the share register and used for all future correspondence. A maximum of four joint holders is permitted. All holders named must sign the Application Form at section 3.

### 2B. CREST

If you wish your Ordinary Shares to be deposited into a CREST Account in the name of the holders given in section 2A, enter in section 2B the details of a CREST Account which the Receiving Agent can credit, using the DVP message. By returning the Application Form you agree that you will do all things necessary to ensure that you or your settlement agent/custodian's CREST account allows for the delivery and acceptance of Ordinary Shares to be made prior to 8.00 a.m. on 15 December 2017 against payment of the Issue Price per Ordinary Share.

The Receiving Agent will contact you via e-mail to confirm your allocation and provide you with the relevant details which you will need to input by no later than 1.00 p.m. on 14 December 2017. Ensure you provide an e-mail contact address in Section 2A of the Application Form.

### 3. SIGNATURE

All holders named in section 2A must sign section 3 and insert the date. The Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor or a bank) must be enclosed for inspection (which originals will be returned by post at the addressee's risk). A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

### 4. SETTLEMENT

#### **(a) Cheques/Bankers' draft**

Payments can be made by cheque or banker's draft in Sterling drawn on a branch in the United Kingdom of a bank or building society which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided for members of any of these companies. Such cheques or banker's drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have a sole or joint title to the funds, should be made payable to Equiniti Limited RE: Aberdeen Standard European Logistics Income PLC – OFS Application. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping and endorsing the cheque/banker's draft to such effect. Post-dated cheques will not be accepted.

The account name should be the same as that shown on the application.

**(b) Electronic Bank Transfers**

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 11 December 2017. Please contact Equiniti Limited by email at [offer@equiniti.com](mailto:offer@equiniti.com). Applicants will be provided with the bank account details, together with a unique reference number which must be used when making payment.

**(c) CREST settlement**

The Company will apply for the Ordinary Shares issued pursuant to the Offer for Subscription in uncertificated form to be enabled for CREST transfer and settlement with effect from Initial Admission (the “**Settlement Date**”). Accordingly, settlement of transactions in the Ordinary Shares will normally take place within the CREST system.

The Application Form in the Appendix contains details of the information which the Receiving Agent will require from you in order to settle your application within CREST, if you so choose. If you do not provide any CREST details or if you provide insufficient CREST details for the Receiving Agent to match to your CREST account, the Receiving Agent will deliver your Ordinary Shares in certificated form provided payment has been made in terms satisfactory to the Company.

The right is reserved to issue your Ordinary Shares in certificated form should the Company, having consulted with the Receiving Agent, consider this to be necessary or desirable. This right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST or any part of CREST or on the part of the facilities and/or system operated by Equiniti Limited in connection with CREST.

The person named for registration purposes in the Application Form (which term shall include the holder of the relevant CREST account) must be: (i) the person procured by you to subscribe for or acquire the relevant Ordinary Shares; or (ii) yourself; or (iii) a nominee of any such person or yourself, as the case may be. Neither Equiniti Limited nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. The Receiving Agent, on behalf of the Company, will input a DVP instruction into the CREST system according to the booking instructions provided by you in your Application Form. The input returned by you or when your settlement agent/custodian of a matching or acceptance instruction to our CREST input will then allow the delivery of your Ordinary Shares to your CREST account against payment of the Issue Price per Ordinary Share through the CREST system upon the Settlement Date.

By returning the Application Form you agree that you will do all things necessary to ensure that you or your settlement agent/custodian’s CREST account allows for the delivery and acceptance of Ordinary Shares to be made prior to 8.00 a.m. on 15 December 2017 against payment of the Issue Price per Ordinary Share. Failure by you to do so will result in you being charged interest at a rate equal to the London Inter-Bank Offered Rate for seven day deposits in sterling plus 2 per cent. per annum.

To ensure that you fulfil this requirement it is essential that you or your settlement agent/custodian follow the CREST matching criteria set out below:

<b>Trade Date:</b>	13 December 2017
<b>Settlement Date:</b>	15 December 2017
<b>Company:</b>	Aberdeen Standard European Logistics Income PLC
<b>Security Description:</b>	Ordinary share of £0.01 each
<b>SEDOL:</b>	BD9PXH4
<b>ISIN:</b>	GB00BD9PXH49
<b>Equiniti Limited Participant Account</b>	6RA24
<b>Equiniti Limited Member Account</b>	RA272701

If you wish to settle via CREST, that is DVP, you will need to match your instructions to the Receiving Agent’s participant account 6RA24, Member account RA272701 by no later than 1.00 p.m. on 14 December 2017. The Receiving Agent will contact you via e-mail to confirm your allocation and provide you with relevant details which you will need to input by no later than 1.00 p.m. on 14 December 2017. Ensure you provide an e-mail contact address in Section 2A of the Application Form.

## **5. RELIABLE INTRODUCER DECLARATION**

Applications will be subject to the UK's verification of identity requirements. This will involve you providing the verification of identity documents listed in section 6 of the Application Form UNLESS you can have the declaration provided at section 5 of the Application Form given and signed by a firm acceptable to the Receiving Agent. In order to ensure your application is processed timely and efficiently all applicants are strongly advised to have the declaration provided in section 5 of the Application Form completed and signed by a suitable firm.

## **6. IDENTITY INFORMATION**

Applicants need only consider section 6 of the Application Form if the declaration in section 5 cannot be completed. Notwithstanding that the declaration in section 5 has been completed and signed the Receiving Agent reserves the right to request of you the identity documents listed in section 6 and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time your application might be rejected or revoked. Where certified copies of documents are provided such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

## **7. CONTACT DETAILS**

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person the Receiving Agent may contact with all enquiries concerning your application. Ordinarily this contact person should be the person signing in section 3 on behalf of the first named holder. If no details are provided here but a regulated person is identified in section 5, the Receiving Agent will contact the regulated person. If no details are entered here and no regulated person is named in section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

**INSTRUCTIONS FOR DELIVERY OF COMPLETED APPLICATION FORMS** – Completed Application Forms should be returned, by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA or by hand (during normal business hours), to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA so as to be received no later than 5.00 p.m. (London time) on 11 December 2017, together in each case with payment in full in respect of the application. If you post your Application Form, you are recommended to use first class post and to allow at least four days for delivery. Application Forms received after this date may be returned.



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## APPENDIX – APPLICATION FORM

Please send this completed form by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA or by hand (during normal business hours) to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA so as to be received no later than 5.00 p.m. (London time) on 11 December 2017.

FOR OFFICIAL USE  
ONLY

Log No.

The Directors may, with the prior approval of Canaccord Genuity, alter such date and thereby shorten or lengthen the offer period. In the event that the offer period is altered, the Company will notify investors of such change.

Important: Before completing this form, you should read the prospectus dated 17 November 2017 (the “**Prospectus**”) and the Terms and Conditions of the Offer for Subscription set out in this document and accompanying notes to this form.

Box 1 (minimum of  
£1,000 and in multiples  
of £100 thereafter)

To: Aberdeen Standard European Logistics Income PLC and the Receiving Agent

£

### 1. APPLICATION

I/We the person(s) detailed in section 2A below offer to subscribe the amount shown in Box 1 for Ordinary Shares subject to the Terms and Conditions of Applications relating to the Offer for Subscription set out in the Prospectus and subject to the Articles in force from time-to-time.

### 2A. DETAILS OF HOLDER(S) IN WHOSE NAME(S) ORDINARY SHARES WILL BE ISSUED (BLOCK CAPITALS)

1:

Mr, Mrs, Ms or Title:

Forenames (in full):

Surname/Company name:

Address (in full):

Postcode:

Designation (if any):

Date of birth:

E-mail contact address:



2:	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
House number and Postcode:		
Date of birth:		

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3:	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
House number and Postcode:		
Date of birth:		

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4:	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
House number and Postcode:		
Date of birth:		

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**2B. CREST ACCOUNT DETAILS INTO WHICH ORDINARY SHARES ARE TO BE DEPOSITED (IF APPLICABLE)**

Only complete this section if Ordinary Shares allotted are to be deposited in a CREST Account which must be in the same name as the holder(s) given in Section 2A.

(BLOCK CAPITALS)

CREST Participant ID:

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CREST Member Account ID:

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**3. SIGNATURE(S): ALL HOLDERS MUST SIGN**

By completing the signature/execution boxes below you are deemed to have read the Prospectus and agreed to the terms and conditions in Part 12 of the Prospectus (Terms and Conditions of Application under the Offer for Subscription) and to have given the warranties, representations and undertakings set out therein.

Signature by an individual (or joint individual applicants)

First Applicant Signature:		Date	
Second Applicant Signature:		Date	
Third Applicant Signature:		Date	
Fourth Applicant Signature:		Date	

Execution by a Company:

Executed by (Name of Company):			
Name of Authorised signatory:		Name of Authorised signatory:	
Position of Authority:		Position of Authority:	
Signature:		Signature:	
Date:		Date:	
Affix Company Seal here:			

*A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.*

**PLEASE TICK THE RELEVANT BOX BELOW CONFIRMING YOUR METHOD OF PAYMENT FROM OPTIONS 4A, 4B OR 4C BELOW:**

**4A. CHEQUES/BANKER'S DRAFT**
☐

Pin or staple to this form your cheque or banker's draft for the exact amount shown in Box 1 made payable to Equiniti Limited RE: Aberdeen Standard European Logistics Income PLC – OFS Application. Cheques and banker's payments must be drawn in Sterling on an account at a bank branch in the United Kingdom and must bear a United Kingdom bank sort code number in the top right hand corner. If you use a banker's draft or a building society cheque you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the banker's draft or cheque and adds its stamp.



**4B. ELECTRONIC BANK TRANSFER**☐

If you are subscribing for Ordinary Shares and sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 11 December 2017. Please contact Equiniti Limited by email on [offer@equiniti.com](mailto:offer@equiniti.com). Applicants will be provided with the relevant bank details, together with a unique reference number which must be used when making payment.

Please enter below the sort code of the bank and branch you will be instructing to make such payment for value by 11.00 a.m. on 11 December 2017, together with the name and number of the account to be debited with such payment and the branch contact details.

Sort Code:	Account Number:
Account Name:	Bank Name and Address:

**4C. SETTLEMENT BY DELIVERY VERSUS PAYMENT (DVP)**☐

Only complete this section if you choose to settle your application within CREST, that is delivery versus payment (DVP).

Please indicate the CREST Participant ID from which the DEL message will be received by the Receiving Agent for matching, which should match that shown in 2B above, together with the relevant Member Account ID.

(BLOCK CAPITALS)

CREST Participant ID:

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CREST Member Account ID:

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You or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares to be made against payment at the Issue Price per Ordinary Share, following the CREST matching criteria set out below:

<b>Trade Date:</b>	13 December 2017
<b>Settlement Date:</b>	15 December 2017
<b>Company:</b>	Aberdeen Standard European Logistics Income PLC
<b>Security Description:</b>	Ordinary share of £0.01 each
<b>SEDOL:</b>	BD9PXH4
<b>ISIN:</b>	GB00BD9PXH49
<b>Equiniti Limited Participant Account</b>	6RA24
<b>Equiniti Limited Member Account</b>	RA272701

Should you wish to settle DVP, you will need to match your instructions to the Receiving Agent's participant account 6RA24, member account RA272701 by no later than 1.00 p.m. on 14 December 2017. The Receiving Agent will contact you via email to confirm your allocation and provide you with the relevant details which you will need to input by no later than 1.00 p.m. on 14 December 2017. Ensure you provide an e-mail contact address in Section 2A of the Application Form.

You must also ensure that you or your settlement agent/custodian has a sufficient “debit cap” within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

## 5. RELIABLE INTRODUCER DECLARATION

Completion and signing of this declaration by a suitable person or institution may avoid presentation being requested of the identity documents detailed in section 6 of this form.

The declaration below may only be signed by a person or institution (such as a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the “**firm**”) which is itself subject in its own country to operation of ‘know your customer’ and anti-money laundering regulations no less stringent than those which prevail in the United Kingdom.

### DECLARATION:

#### To the Company and the Receiving Agent

With reference to the holder(s) detailed in section 2A, all persons signing at section 3 and the payor identified in section 6 if not also a holder (collectively the “**subjects**”) WE HEREBY DECLARE:

1. we operate in the United Kingdom, or in a country where money laundering regulations under the laws of that country are, to the best of our knowledge, no less stringent than those which prevail in the United Kingdom and our firm is subject to such regulations;
2. we are regulated in the conduct of our business and in the prevention of money laundering by the regulatory authority identified below;
3. each of the subjects is known to us in a business capacity and we hold valid identity documentation on each of them and we undertake to immediately provide to you copies thereof on demand;
4. we confirm the accuracy of the names and residential business address(es) of the holder(s) given at section 2A and if a CREST Account is cited at section 2B that the owner thereof is named in section 2A;
5. having regard to all local money laundering regulations we are, after enquiry, satisfied as to the source and legitimacy of the monies being used to subscribe for the Ordinary Shares mentioned; and
6. where the payor and holder(s) are different persons we are satisfied as to the relationship between them and reason for the payor being different to the holder(s).

The above information is given in strict confidence for your own use only and without any guarantee, responsibility or liability on the part of this firm or its officials.

Name:

Signed:

Position:

Name of regulatory authority:

Firm's licence number:

Website address or telephone number of regulatory authority:

STAMP of firm giving full name and business address:





## 6. IDENTITY INFORMATION

If the declaration in section 5 cannot be signed and the value of your application is greater than €15,000 (or the Sterling equivalent), please enclose with that Application Form the documents mentioned below, as appropriate. Please also tick the relevant box to indicate which documents you have enclosed, all of which will be returned by the Receiving Agent to the first named Applicant.

Holders				Payor

Tick here for documents provided

In accordance with internationally recognised standards for the prevention of money laundering, the documents and information set out below must be provided:

### A. For each holder being an individual enclose:

- (1) an original or a certified clear photocopy of one of the following identification documents which bear both a photograph and the signature of the person: current passport – Government or Armed Forces identity card – driving licence; and
- (2) an original or certified copies of at least two of the following documents no more than 3 months old which purport to confirm that the address given in section 2A is that person's residential address: a recent gas, electricity, water or telephone (not mobile) bill – a recent bank statement – a council rates bill – or similar document issued by a recognised authority; and
- (3) if none of the above documents show their date and place of birth, enclose a note of such information; and
- (4) details of the name and address of their personal bankers from which the Receiving Agent may request a reference, if necessary.

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### B. For each holder being a company (a "holder company") enclose:

- (1) a certified copy of the certificate of incorporation of the holder company; and
- (2) the name and address of the holder company's principal bankers from which the Receiving Agent may request a reference, if necessary; and
- (3) a statement as to the nature of the holder company's business, signed by a director; and
- (4) a list of the names and residential addresses of each director of the holder company; and
- (5) for each director provide documents and information similar to that mentioned in A above; and
- (6) a copy of the authorised signatory list for the holder company; and
- (7) a list of the names and residential/registered address of each ultimate beneficial owner interested in more than 5 per cent. of the issued share capital of the holder company and, where a person is named, also complete C below and, if another company is named (hereinafter a "beneficiary company"), also complete D below. If the beneficial owner(s) named do not directly own the holder company but do so indirectly via nominee(s) or intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder company.

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### C. For each person named in B(7) as a beneficial owner of a holder company enclose for each such person documents and information similar to that mentioned in A(1) to (4).

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**D. For each beneficiary company named in B(7) as a beneficial owner of a holder company enclose:**

- (1) a certified copy of the certificate of incorporation of that beneficiary company; and
- (2) a statement as to the nature of that beneficiary company's business signed by a director; and
- (3) the name and address of that beneficiary company's principal bankers from which the Receiving Agent may request a reference, if necessary; and
- (4) a list of the names and residential/registered address of each beneficial owner owning more than 5 per cent. of the issued share capital of that beneficiary company.

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**E. If the payor is not a holder and is not a bank providing its own cheque or banker's payment on the reverse of which is shown details of the account being debited with such payment (see note 5 on how to complete this form) enclose:**

- (1) if the payor is a person, for that person the documents mentioned in A(1) to (4); or
- (2) if the payor is a company, for that company the documents mentioned in B(1) to (7); and
- (3) an explanation of the relationship between the payor and the holder(s).

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The Receiving Agent reserves the right to ask for additional documents and information.

**7. CONTACT DETAILS**

To ensure the efficient and timely processing of this application please enter below the contact details of a person the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the person signing in section 3 on behalf of the first named holder. If no details are provided here but a regulated person is identified in section 5, the Receiving Agent will contact the regulated person. If no details are entered here and no regulated person is named in section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact name:

E-mail address:

Contact address:

Postcode:

Telephone No:

Fax No:





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**Registered office:**  
Bow Bells House  
1 Bread Street  
London  
EC4M 9HH  
W: [www.eurologisticsincome.co.uk](http://www.eurologisticsincome.co.uk)

