



Recommended all-share
merger with abrdrn
Property Income Trust
Limited (“API”)

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Further improvements to the management arrangements and fees for the Combined Group

Removal of:

- Two-year term extension of CCL's Investment Management Agreement (remains 12 months rolling notice)
- £0.35m project fee

In addition to existing concessions offered:

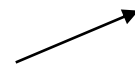
- Waive management fee on the NAV attributable to API for the first nine months following completion (estimated c. £1.5m savings)
- Reduce management fee by estimated £0.3m pa for the first two years following completion (estimated £0.6m total savings)

Overall MW fee concessions = estimated £2.5m

- Ringing endorsement of:
 - Diversified property strategy
 - Focus on income
 - Rental growth expectations
 - Benefits of scale on liquidity and costs
 - API's 'in demand' high quality, complementary portfolio

- API General meetings to be held on 27 March, completion expected early April

	CREI	API
EPRA topped-up net initial yield*	6.2%	5.4%
Reversionary yield**	7.8%	7.3%



CREI share price



The CREI Merger represents a strategically consistent and significant enhancement to the status quo for API Shareholders and offers growth prospects from the enlarged portfolio. Furthermore, the CREI Merger represents a premium to API's undisturbed share price and brings an increase in dividends, full dividend cover and enhanced scale and liquidity for API shareholders

The ULR Possible Offer would result in a reduction in earnings and dividends for API Shareholders with lower earnings cover compared to the CREI Merger and a degree of refinancing risk. Furthermore, the ULR Possible Offer currently represents a discount to implied value of the CREI Merger. More generally, the API Board believes that a share-based transaction with Urban Logistics would constitute a deviation for API Shareholders away from the diversified, income-focused strategy in which they have chosen to invest

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