



RNS

Result of Equity Issue

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LXI REIT PLC

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LXi REIT plc

(the "Company" or "LXi REIT")

Result of Initial Issue

Further to its announcements on 18 February 2021, the Board of Directors (the "**Board**") of LXi REIT (ticker: LXI), the specialist inflation-protected long income REIT, is pleased to announce the results of its Initial Issue (the "**Initial Issue**").

The Board, taking into account the strength of the Company's near term investment pipeline, has determined to increase the size of the Initial Issue to approximately £125 million (from approximately £75 million), and, accordingly the Company will issue a total of 100,401,606 ordinary shares ("**New Ordinary Shares**") at the Issue Price of 124.50 pence per New Ordinary Share.

The Initial Issue of New Ordinary Shares will be split as follows:

- 48,212,689 New Ordinary Shares under the Open Offer (including the Excess Application Facility), raising gross proceeds of approximately £60 million;
- 49,581,239 New Ordinary Shares under the Initial Placing, raising gross proceeds of approximately £62 million;
- 1,726,331 New Ordinary Shares under the Offer for Subscription, raising gross proceeds of approximately £2 million; and
- 881,347 New Ordinary Shares under the Intermediaries Offer, raising gross proceeds of approximately £1 million.

All valid applications received under the Open Offer will be met in full.

Commenting on today's announcement, Stephen Hubbard, Chairman of LXi REIT plc, said:

"We are delighted by the success of this significantly oversubscribed Initial Issue and, on behalf of the Directors and the Investment Adviser, I would like to thank existing shareholders for their strong support and welcome a range of new investors to the Company. In light of the strength of investor demand and reflecting our confidence in both the depth and near-term availability of our investment pipeline we have increased the size of the Initial Issue to £125 million.

The proceeds of this fundraising will allow us to capitalise in short order on the significant identified pipeline of additional assets diversified across a range of defensive and structurally supported sub-sectors and let to high-quality tenant covenants. These are expected to be accretive and further strengthen and diversify our portfolio. We look forward to updating shareholders as we execute on these attractive investment opportunities."

Terms not otherwise defined in this announcement have the meanings given to them in the prospectus published by the Company on 18 February 2021 (the "**Prospectus**").

Applications have been made for admission of the New Ordinary Shares to the premium segment of the Official List of the Financial Conduct Authority and to trading on the premium segment of the London Stock Exchange plc's main market ("**Admission**"). It is expected that Admission will occur at 8.00 a.m. on 15 March 2021.

Following the Initial Issue, the Company's issued share capital will comprise 621,827,616 Ordinary Shares and this is the total number of Ordinary Shares with voting rights in the Company. This figure (621,827,616) may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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The Company's LEI is: 2138008YZGXOKAXQVI45

NOTES:

LXI REIT plc invests in UK commercial property assets let, or pre-let, on very long (typically 20 to 30 years to expiry or first break), inflation-linked leases to a wide range of strong tenant covenants across a diverse range of robust property sectors.

The Company may invest in fixed-price forward funded developments, provided they are pre-let to an acceptable tenant and full planning permission is in place. The Company will not undertake any direct development activity nor assume direct development risk.

The Company, a real estate investment trust ("**REIT**") incorporated in England and Wales, is listed on the premium listing segment of the Official List of the Financial Conduct Authority and was admitted to trading on the main market of the London Stock Exchange in February 2017.

The Company is a constituent of the FTSE 250, FTSE EPRA/NAREIT and MSCI indices.

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The value of shares and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested. Figures refer to past performance and past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations.

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Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) the UK's implementation of EU Directive 2014/65/EU on markets in financial instruments, as amended ("**UK MiFID II**"); and (b) the UK's implementation of Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing UK MiFID II, and in particular Chapter 3 of the Product Intervention and Product Governance Sourcebook of the FCA (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in UK MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by UK MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors (such term to have the same meaning as in the MiFID II Product Governance Requirements) should note that: the market price of the New Ordinary Shares may decline and investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Initial Issue and/or

Share Issuance Programme. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Peel Hunt and Jefferies have only and will only procure investors (pursuant to the Initial Issue and Share Issuance Programme) who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of UK MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the New Ordinary Shares and determining appropriate distribution channels.

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