

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

When considering what action you should take, you are recommended immediately to seek your own personal financial advice from an appropriately qualified independent adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or, if not, another appropriately authorised financial adviser.

If you have disposed of all your Ordinary Shares in the Company, please pass this Circular (but not the accompanying Tender Form or Form of Proxy) as soon as possible to the purchaser or transferee or to the stockbroker or other agent through whom you made the disposal for onward transmission to the purchaser or transferee. The distribution of this Circular in certain jurisdictions may be restricted by law and the availability of the Tender Offer to Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are located. No action has been taken by the Company or Numis Securities Limited that would permit an offer of the Ordinary Shares or possession or distribution of this Circular or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than in the United Kingdom. Persons into whose possession this Circular comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This Circular does not constitute an offer to purchase, or solicitation of an offer to sell, Ordinary Shares in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer or solicitation under applicable securities laws.

Accordingly, unless otherwise determined by Numis and permitted by applicable law and regulation, the accompanying Tender Form is not being, nor may it be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed, or sent in, into or from any Restricted Jurisdiction, and persons receiving the Tender Form (including, without limitation, trustees, nominees or custodians) must not mail or otherwise forward, distribute or send it in, into or from such Restricted Jurisdiction, as to do so may invalidate any purported acceptance of the Tender Offer. Any person (including, without limitation, trustees, nominees or custodians) who would or otherwise intends to, or who may have a contractual or legal obligation to, forward the accompanying Tender Form to any jurisdiction outside the United Kingdom, should seek appropriate advice before taking any action.

UK Mortgages Limited

(a non-cellular company limited by shares incorporated in the Island of Guernsey under the Companies (Guernsey) Law, 2008, as amended, with registered number 60440 and registered as a Registered Closed-ended Collective Investment Scheme with the Guernsey Financial Services Commission)

Proposed Tender Offer to return in the region of £40,000,000 to Shareholders and proposals for further tender offers and Notice of Extraordinary General Meeting

Notice of an Extraordinary General Meeting of the Company to be held at 3 p.m. on Tuesday, 23 March 2021 at the offices of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St. Peter Port, Guernsey, Channel Islands GY1 3QL is set out at the end of this Circular. The proposals described in this Circular are conditional upon Shareholder approval of the Resolution at the Extraordinary General Meeting. Shareholders are requested to complete and return their Form(s) of Proxy.

To be valid, Forms of Proxy for use at the Extraordinary General Meeting must be completed and returned in accordance with the instructions printed thereon to the office of the Company's Registrar as soon as possible and in any event so as to arrive by not later than 3 p.m. on Friday 19 March, 2021.

The whole of this Circular should be read. Your attention is drawn in particular to the risk factors set out under the heading "Risk Factors" on page 25 of this Circular.

Numis Securities Limited ("Numis"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and for no one else in connection with the Tender Offers as described in this Circular and will not regard any other person (whether or not a recipient of the Circular) as its clients and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Numis or for advising any such person in connection

with the Tender Offers as described in this Circular, the contents of the Circular, or any transaction or arrangement referred to in the Circular.

This Circular includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology. These forward looking statements include matters that are not historical facts and include statements regarding the Company’s intentions, beliefs or current expectations.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that may or may not occur. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, the factors described under the heading “Risk Factors” in Part IV of the Circular.

Any forward-looking statements in this Circular reflect the Company’s view with respect to future events as at the date of this Circular and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company’s operations and strategy. Save as required by applicable law, or any UK or Guernsey regulatory requirements the Company is under no obligation publicly to release the results of any revisions to any forward-looking statements in this Circular that may occur due to any change in its expectations or to reflect events or circumstances after the date of this Circular.

Given these uncertainties, investors and prospective investors are cautioned not to place any undue reliance on such forward looking statements and should carefully consider Part IV of the Circular for a discussion of additional factors that could cause the Company’s actual results to differ materially before making any investment decision.

No statement in this Circular or incorporated by reference into this Circular is intended to constitute a profit forecast or profit estimate for any period, nor should any statement be interpreted to mean that earnings or earnings per share will necessarily be greater or less than those for the preceding financial periods of the Company.

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EXPECTED TIMETABLE OF EVENTS FOR FEBRUARY TENDER OFFER

Announcement of February Tender Offer	26 February 2021
February Tender Offer opens	26 February 2021
Latest time and date for receipt of Forms of Proxy	3.00 p.m. on 19 March 2021
Extraordinary General Meeting	3.00 p.m. on 23 March 2021
Latest time and date for receipt of Tender Forms and TTE Instructions in CREST from Shareholders in relation to the February Tender Offer	1.00 p.m. on 23 March 2021
February Tender Offer Record Date	6.00 p.m. on 23 March 2021
Announcement of the results of the General Meeting	23 March 2021
Announcement of the results of the February Tender Offer	24 March 2021
Cheques despatched and payments through CREST made and CREST accounts settled	31 March 2021
Balancing share certificates despatched	week beginning 31 March 2021

Notes:

1. References to times above and in this Circular generally are to London time unless otherwise specified.
2. All times and dates in the expected timetable and in this Circular may be adjusted by the Company. Any changes to the timetable will be notified via an RIS.

DEFINITIONS

In this Circular the words and expressions listed below have the meanings set out opposite them, except where the context otherwise requires:

Acquiring Entity	UK Mortgages Corporate Funding DAC;
Articles	the articles of incorporation of the Company, as applicable from time to time;
Basic Entitlement	the meaning given in Part I of the Circular under the heading “Tender Offers”;
Board or Directors	the directors of the Company or any duly constituted committee thereof;
Business Days	any day on which the London Stock Exchange is open for business and banks are open for business in Guernsey and London (excluding Saturdays and Sundays);
Chairman	the chairman of the Board as elected from time to time;
Company or UKML	UK Mortgages Limited;
Company’s Website	www.ukmortgageslimited.com ;
Cornhill No. 6	Cornhill Mortgages No.6 Limited to which the Company has exposure through the its holding of Participating Notes;
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the Regulations;
Disclosure Guidance and Transparency Rules	the Disclosure Guidance and Transparency Rules made by the FCA under section 72 of FSMA;
Euroclear	Euroclear UK & Ireland Limited, being the operator of CREST;
EUWA	European Union (Withdrawal) Act 2018, as amended;
Extraordinary General Meeting	the extraordinary general meeting of the Company to consider the Resolution, convened for Tuesday, 23 March 2021 at 3 p.m. in accordance with the Articles, or any adjournment thereof;
FCA	Financial Conduct Authority;
February Settlement Date	31 March 2021, being the date by which payments will be made to the eligible Shareholder as set out in the Circular, insofar as the payments relate to the February Tender Offer;
February Submission Deadline	23 March 2021, being the date by which the Tender Form or TTE Instruction must be delivered to or received by the Receiving Agent (together with supporting documentation, as applicable) in respect of the February Tender Offer;
February Tender Offer	the meaning given in Part I of the Circular under the heading “Introduction”;
February Tender Offer Record Date	6.00 p.m. on 23 March 2021;
FCA	Financial Conduct Authority;
Form of Proxy	the form of proxy provided with this Circular for use in connection with the Extraordinary General Meeting;
FSMA	the Financial Services and Markets Act 2000 of the UK, as amended;
GFSC	the Guernsey Financial Services Commission;
HMRC	Her Majesty’s Revenue and Customs;

Latest Practicable Date	Wednesday, 24 February 2021;
Law	the Companies (Guernsey) Law, 2008, as amended;
London Stock Exchange	London Stock Exchange plc (a company registered in England and Wales with registered number 2075721);
Malt Hill No. 2	Malt Hill No.2 plc, to which the Company has exposure through the its holding of Participating Notes;
Market Abuse Regulation	the UK version of the Market Abuse Regulation (Regulation 596/2014) as it forms part of the law of England and Wales by virtue of the EUWA, as amended by UK legislation;
May Tender Offer	the meaning given in Part I of the Circular under the heading "Introduction";
Mortgage Securitisations	mortgage securitisations to which the Company has exposure through its holding of Participating Notes;
Net Asset Value or NAV	in relation to an Ordinary Share, its net asset value, in relation to Ordinary Shares the net asset value per Ordinary Share multiplied by the number of shares of that class in issue (excluding, for the avoidance of doubt, any Ordinary Shares held in treasury) and in relation to the Company, the net asset value of the Company as a whole, in each case calculated in accordance with the Company's normal reporting policies from time to time;
Notice of General Meeting	the notice of Extraordinary General Meeting which is set out on pages 28 to 29 of this Circular;
November Circular	the circular issued by the Company on 13 November 2020;
Numis	Numis Securities Limited;
Oat Hill No. 2	a public securitisation refinancing Oat Hill No.1 Plc (to which the Company had exposure through its holding of Participating Notes) launched on 10 July 2020;
Ordinary Shares	ordinary shares of 1p each in the capital of the Company;
Overseas Shareholder	a Shareholder who is not a UK Shareholder, Guernsey Shareholder or Restricted Shareholder;
Participating Notes	profit participating notes issued by the Acquiring Entity to the Company from time to time;
Portfolio	the Company's portfolio of assets including cash and Profit Participating Notes and, where applicable, includes the portfolio of assets held by the Acquiring Entity;
Qualifying Shareholders	Shareholders entitled to participate in a Tender Offer, being those who are on the Register on the relevant Tender Offer Record Date and who are not Shareholders subject to the securities laws of a Restricted Jurisdiction;
Receiving Agent	Computershare Investor Services PLC;
Register	the Company's register of members;
Registrar	Computershare Investor Services (Guernsey) Limited;
Regulations	the Uncertificated Securities (Guernsey) Regulations 2009, as amended;
Repurchased Tendered Shares	Tendered Shares that are purchased by Numis, acting as principal, which are subsequently repurchased by the Company;

Repurchases	purchases by the Company from Numis of Ordinary Shares from Numis in connection with the Tender Offers pursuant to the authority granted under the Resolution, and “Repurchased” shall be construed accordingly;
Resolution	the special resolution as detailed in Part VI of the Circular;
Restricted Jurisdiction	each of the United States, Canada, Australia, the Republic of South Africa and Japan and any other jurisdiction where the mailing of the Tender Form or accompanying documents into or inside such jurisdiction would constitute a violation of the laws of such jurisdiction;
Restricted Shareholder	Shareholders who are resident in, or citizens of, a Restricted Jurisdiction;
RIS	a regulatory information service that is on the list of regulatory information services maintained by the FCA;
Shareholder	a holder of Ordinary Shares;
Takeover Code	the City Code on Takeovers and Mergers, as amended from time to time;
Tender Form	the tender form issued with this Circular to Qualifying Shareholders for use in respect of Ordinary Shares held in certificated form;
Tender Offer Price	the price per Ordinary Share payable under the Tender Offers being 75p per Ordinary Share in respect of the February Tender Offer and, in relation to any other Tender Offer, such price as shall be announced by the Company by RIS announcement on or before the opening of that Tender Offer, which shall not be less than 75p per Ordinary Share;
Tender Offers	the February Tender Offer, the May Tender Offer and any future Tender Offer which may be announced by the Company by RIS announcement from time to time;
Tender Offer Record Date	in relation to the February Tender Offer, the February Tender Offer Record Date and in relation to any other Tender Offer such date as shall be announced by the Company by RIS announcement on or before the opening of the relevant Tender Offer in relation to that Tender Offer;
Tender Request	a request made by a Shareholder pursuant to a Tender Offer to tender all or some of their Ordinary Shares for purchase by Numis, acting as principal, and subsequent repurchase by the Company;
Tender Restriction	the meaning given in paragraph 2 of Part II of the Circular;
Tender Settlement Date	the February Settlement Date or such date as shall be announced by the Company by RIS announcement on or before the opening of the relevant Tender Offer in relation to that Tender Offer;
Tender Submission Deadline	the February Submission Deadline or such date as shall be announced by the Company by RIS announcement on or before the opening of the relevant Tender Offer in relation to that Tender Offer;
Tendered Shares	Ordinary Shares lodged for repurchase under a Tender Offer;
Terms and Conditions of the Tender Offers	the meaning given in paragraph 1.6 of Part II of the Circular;
TwentyFour	TwentyFour Asset Management LLP; and
TTE Instruction	transfer to escrow instruction.

PART I

Letter from the Chairman of the Company

UK MORTGAGES LIMITED

(a non-cellular company limited by shares incorporated in the Island of Guernsey under the Companies (Guernsey) Law, 2008, as amended, with registered number 60440 and registered as a Registered Closed-ended Collective Investment Scheme with the Guernsey Financial Services Commission)

Directors:

Chris Waldron (Chairman)
Richard A. Burrows
Paul Le Page
Helen Green

Registered Office:

PO Box 255
Trafalgar Court
Les Banques
St. Peter Port
Guernsey
GY1 3QL

26 February 2021

To Shareholders

Dear Sir or Madam

Introduction

On 4 December 2020 Shareholders voted in favour of the Company's proposals described in the November Circular to, among other things, (i) distribute the proceeds (net of expenses and future commitments) of the sale of Cornhill No. 6 and Malt Hill No. 2 through a tender offer (to be implemented by Numis, acting as principal) and the subsequent repurchase of Ordinary Shares from Numis by the Company.

On 8 February 2021 the Company announced that it had signed agreements to sell two buy-to-let mortgages portfolios financed by Cornhill No. 6 and Malt Hill No. 2, which subject to successful completion is expected to release capital enabling two tenders to be carried out in February (the "**February Tender Offer**") and May (the "**May Tender Offer**") respectively, on the terms and subject to the conditions set out in this Circular.

The Company today announces that it proposes to return in the region of £40,000,000 to Shareholders in two tranches, each by way of a tender offer and associated share repurchase. Having carried out a full review of the Company's liquid resources, future cash requirements, commitments and costs, the Board has concluded that the February Tender Offer will comprise a capital return of £20,000,000.

It is expected that the May Tender Offer will comprise a capital return in the region of £20,000,000. Details of the May Tender Offer will be provided at a later date by the Company by RIS announcement following the expected completion of the sale of Malt Hill No. 2 in May 2021.

The first return of capital, being the February Tender Offer, will take place by way of a tender offer and associated repurchase of up to 11.5 per cent. of the Ordinary Shares at a price of 75p per Ordinary Shares, which represents a 8.3 per cent. discount to the net asset value per Ordinary Share of the Company as at the Latest Practicable Date.

The price per Ordinary Share under the May Tender Offer and any further Tender Offers will be announced by the Company by RIS announcement on or before the opening of the relevant Tender Offer and shall not be less than 75p per Ordinary Share.

Repurchases to be made in respect of Tender Offers, including the February Tender Offer require the approval of Shareholders by special resolution.

The purpose of this Circular is, therefore, to set out the terms of the Tender Offers (and associated Repurchases) and to convene an extraordinary general meeting of the Company to consider and, if thought fit, pass the Resolution.

The Tender Offers

Returns of cash are to take the form of two tender offers (to be implemented by Numis, acting as principal) and subsequent repurchases of Ordinary Shares by the Company. Whilst the Company does not currently intend to make further tender offers after the May Tender Offer, it is seeking authority to do so, to provide the Company with that optionality going forward. The terms and conditions of the Tender Offers are set out in Part II of this Circular.

Under the February Tender Offer the Company is proposing to return £20,000,000 at 75p per Ordinary Share (being a 8.3 per cent. discount to the net asset value per Ordinary Share at the Latest Practicable Date). The maximum number of Ordinary Shares subject to Repurchase under the February Tender Offer will be 26,666,666, equivalent to 11.5 per cent. of the issued share capital of the Company as at Latest Practicable Date.

Further details of the May Tender Offer, which will be carried out in accordance with the Terms and Conditions of the Tender Offers will be provided by the Company by RIS announcement on or before the opening of the May Tender Offer.

Shareholders whose names appear on the Register on the relevant Tender Offer Record Date may apply to tender their Ordinary Shares for purchase by the Company at the relevant Tender Offer Price.

The number of Ordinary Shares to which the Tender Offers will apply

The number of Ordinary Shares subject to the February Tender Offer (and the associated Repurchase) is 26,666,666, which is calculated by dividing £20,000,000 by the Tender Offer Price and rounding down to the nearest whole number. This is 11.5 per cent. of all Ordinary Shares in issue as at the Latest Practicable Date, which represents the “**Basic Entitlement**” under the Tender Offer and each Qualifying Shareholder is entitled to tender a percentage of their holding equal to (or less than, if they so choose) the Basic Entitlement. By way of example, the Basic Entitlement of a Qualifying Shareholder with 100 Ordinary Shares would be 11 Ordinary Shares. Qualifying Shareholders will also be entitled to apply to tender Ordinary Shares above their Basic Entitlement, which, may be satisfied on a *pro rata* basis to the extent that other Qualifying Shareholders do not tender up to their respective Basic Entitlements as set out in further detail below.

The number of Ordinary Shares subject to further Tender Offers and the Basic Entitlements of Shareholders in relation to such Tender Offers will be calculated using the same methodology as is applied in respect of the February Tender Offer and will be notified to Shareholders in an RIS announcement on or before the opening of the relevant Tender Offer.

There is no guarantee that any or all Ordinary Shares tendered will be re-purchased by the Company.

Alternative courses of action for Qualifying Shareholders

- Apply to tender their Basic Entitlement as described above.
- Apply to tender fewer Ordinary Shares than their Basic Entitlement.
- Apply to tender Ordinary Shares above their Basic Entitlement and, to the extent that other Qualifying Shareholders do not tender up to their Basic Entitlement, such applications will be satisfied proportionately to other excess applications.

Procedure for tendering Ordinary Shares

If you do not wish to tender any of your Ordinary Shares, you do not need to complete and return a Tender Form or submit a TTE instruction in respect of the Tender Offer.

Certificated Shareholders – Certificated Shareholders, other than Restricted Shareholders, who wish to tender Ordinary Shares should complete the Tender Form in accordance with the instructions set out therein and return the completed Tender Form using the enclosed reply-paid envelope to the Receiving Agent, Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH, so as to arrive as soon as possible and, in any event, by no later than 1.00 p.m. on the relevant Tender Submission Deadline. Share certificate(s) and/or other document(s) of title in respect of the Shares tendered should be sent with the Tender Form.

Uncertificated Shareholders – Shareholders, other than the Restricted Shareholders, holding Ordinary Shares in uncertificated form who wish to tender Ordinary Shares should transmit the

appropriate TTE Instruction in CREST as set out in paragraph 4.2.1 of Part II of the Circular so as to be received as soon as possible and, in any event, by no later than 1.00 p.m. on the relevant Tender Submission Deadline. Shareholders should note that, once tendered, Ordinary Shares may not be sold, transferred, charged or otherwise disposed of other than in accordance with the terms of the relevant Tender Offer.

Tender Forms or TTE Instructions which are received by the Receiving Agent after 1.00 p.m. on the relevant Tender Submission Deadline for Shareholders or which at that time are incorrectly completed or not accompanied by all relevant certificates, documents or instructions may be rejected and returned to the relevant Shareholders or their appointed agents, together with any accompanying share certificate(s) and/or other document(s) of title.

The Company reserves the right to treat as valid Tender Forms or TTE Instructions which are not entirely in order and which are not accompanied (in the case of Ordinary Shares held in certificated form) by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof.

Full details of the procedure for tendering Ordinary Shares are set out in Part II of the Circular and, in the case of Ordinary Shares held in certificated form, on the Tender Form.

Restricted Shareholders and other Overseas Shareholders

The Tender Offers are not being made to those Shareholders who are resident in, or citizens of, a Restricted Jurisdiction. In particular the Tender Offers are not being made, directly or indirectly, in or into or by the use of mails by any means or instrumentality (including, without limitation, facsimile transmission, internet, telex and telephone) of interstate or foreign commerce, or any facility of a national securities exchange, of the United States, nor is it being made, directly or indirectly, in or into the United States, Canada, Australia, the Republic of South Africa or Japan and the Tender Offers cannot be accepted by any such use means, instrumentality or facility from within the United States, Canada, Australia, the Republic of South Africa or Japan.

It is the responsibility of all Overseas Shareholders to satisfy themselves as to the observance of any legal requirements in their jurisdiction including, without limitation, any relevant requirements in relation to the ability of such holders to participate in the Tender Offers.

Benefits of the Tender Offers

The Board considers the Tender Offers and the subsequent Repurchases to be in the best interests of the Company and Shareholders as a whole and is, therefore, recommending that Shareholders vote in favour of the Resolution. However, the Board is not making any recommendation to Shareholders as to whether tendering Ordinary Shares under any Tender Offer is in their own individual best interests. Whether or not Qualifying Shareholders decide to tender all or any of their Ordinary Shares is a decision for individual Qualifying Shareholders.

Qualifying Shareholders should take into account their tax position when deciding whether or not to participate in the Tender Offers. A summary of material UK and Guernsey taxation considerations in connection with the Tender Offers is set out in Part III of the Circular. Qualifying Shareholders are advised to take independent advice in relation to the tax implications for them of selling Ordinary Shares pursuant to the Tender Offers.

The Board reserves the right not to proceed with any Tender Offer (and the subsequent Repurchase) if it concludes, at any time prior to the announcement of the results of the relevant Tender Offer, that the implementation of that Tender Offer (and the associated Repurchase) are no longer in the interests of the Company and the Shareholders as a whole. The repurchase of Tendered Shares by the Company will also be subject to the Company being able to pass the statutory solvency test prescribed by the Law.

You are recommended to read Part II of the Circular which sets out the full terms and conditions of the Tender Offers and how applications can be made under the Tender Offers.

Extraordinary General Meeting

An extraordinary general meeting is being convened at 3 p.m. on Tuesday, 23 March 2021 at the offices of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St. Peter Port, Guernsey, Channel Islands GY1 3QL to consider and, if thought

fit, pass the Resolution, as set out in full in the Notice of General Meeting at the end of this Circular.

Resolutions

In summary, the Resolution seeks the approval of Shareholders for the grant of authority to the Company to implement the Tender Offers.

The Resolution is a special resolution, requiring not less than 75 per cent. of the votes cast at the Extraordinary General Meeting to be in favour of it in order for it to be passed.

The Company will only implement the Tender Offers if the Resolution is passed at the Extraordinary General Meeting.

All Shareholders are entitled to attend and vote at the Extraordinary General Meeting. However, as a result of the “stay at home” measures currently implemented by the States of Guernsey in respect of the Covid-19 outbreak, as at the date hereof, public gatherings are prohibited in Guernsey and there are travel restrictions in place. Accordingly, Shareholders will be restricted from attending the Extraordinary General Meeting in person or by attorney or by corporate representative. Anyone seeking to attend the Extraordinary General Meeting in person will be refused entry to the meeting. Shareholders are strongly encouraged to appoint the “Chairman of the Meeting” as their proxy and provide voting instructions in advance of the Extraordinary General Meeting, in accordance with the instructions explained in the Notice of General Meeting and on the accompanying Form of Proxy.

In accordance with the Articles, all Shareholders present in person or by proxy shall upon a show of hands have one vote and upon a poll shall have one vote in respect of each Ordinary Share held. In order to ensure that a quorum is present at the Extraordinary General Meeting, it is necessary for two Shareholders entitled to attend and vote to be present, whether in person or by proxy (or, if a corporation, by a representative). The formal notice convening the Extraordinary General Meeting is set out on pages 28 to 29 of this Circular.

Risk Factors

Please refer to Part IV of the Circular for an overview of the relevant risk factors.

Further Information

Action to be taken

The only action that you need to take is to complete the accompanying Form of Proxy for use at the Extraordinary General Meeting.

Shareholders are asked to complete and return the Form of Proxy in accordance with the instructions printed thereon so as to be received as soon as possible and in any event by not later than 3 p.m. on Friday, 19 March 2021.

The Board notes that due to the impact of COVID-19, it will be challenging to hold the Extraordinary General Meeting in the format typically expected by Shareholders.

With effect from 23 January 2021, the States of Guernsey implemented a full lockdown in Guernsey in light of Covid-19. The “stay at home” measures implemented by the States of Guernsey in respect of the Covid-19 outbreak mean that public gatherings are prohibited in Guernsey and travel restrictions are in place. Accordingly, Shareholders will be restricted from attending the Extraordinary General Meeting in person or by attorney or by corporate representative. Anyone seeking to attend the Extraordinary General Meeting in person will be refused entry to the meeting. Shareholders are strongly encouraged to appoint the “Chairman of the Meeting” as their proxy and provide voting instructions in advance of the Extraordinary General Meeting, in accordance with the instructions explained in the Notice of General Meeting and on the accompanying Form of Proxy.

If the Board believes it has become necessary or appropriate to make alternative arrangements for the holding of the Extraordinary General Meeting due to Covid-19, it will ensure that Shareholders are given as much notice as possible. Any further information will be made available by an announcement through a Regulatory Information Service and through the Company's website: www.ukmortgageslimited.com.

Shareholders are requested to complete and return a Form of Proxy in accordance with the instructions thereof.

Recommendation

The Board considers the Proposal to be in the best interest of Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolution to be proposed at the Extraordinary General Meeting. The Directors intend to vote in favour of the Resolution in respect of their holdings of Ordinary Shares amounting to 174,050 Ordinary Shares in aggregate (representing approximately 0.07 per cent. of the issued Ordinary Share capital of the Company, as at the Latest Practicable Date.

Yours faithfully

Chris Waldron
Chairman

PART II

TERMS AND CONDITIONS OF THE TENDER OFFERS

1. INTRODUCTION

- 1.1 Qualifying Shareholders on the Register on the relevant Tender Offer Record Date are being invited to tender some, all or none of their Ordinary Shares for purchase by the Company on the terms and subject to the conditions set out in this Circular and, in the case of certificated Ordinary Shares, in the Tender Form. Shareholders who do not wish to participate in the Tender Offers do not need to complete and return a Tender Form or submit a TTE instruction in respect of the Tender Offers. The rights of Shareholders who choose not to tender their Ordinary Shares will be unaffected.
- 1.2 The price at which Tendered Shares will be repurchased under the February Tender Offer shall be 75p per Ordinary Share. The price of further Tender Offers will be announced by the Company by RIS announcement on or before the opening of the relevant Tender Offer and shall not be less than 75p per Ordinary Share.
- 1.3 Shareholders will receive a *pro rata* proportion of the aggregate proceeds received on the sale or repurchase of all Repurchased Tendered Shares, on or as soon as is reasonably practicable following the relevant Tender Settlement Date.
- 1.4 The Company will finance the consideration for Repurchased Tendered Shares from available cash or cash equivalent resources of the Company, which are generated following a redemption by the Company of a portion of its Portfolio. The repurchase of Tendered Shares by the Company will be subject to the Company being able to pass the statutory solvency test prescribed by the Law.
- 1.5 The consideration for each Repurchased Share will be paid in accordance with the settlement procedures set out in paragraph 5.4 of this Part II of the Circular.
- 1.6 Subject to the Tender Restrictions, on a Tender Offer becoming unconditional and unless such Tender Offer has been terminated in accordance with the provisions of paragraph 8 of this Part II of the Circular, the Company will purchase the validly and successfully tendered Ordinary Shares of Shareholders in accordance with the terms and conditions of the tender set out in this Part II of the Circular (the “**Terms and Conditions of the Tender Offers**”).
- 1.7 Changes of a technical or administrative nature to the Terms and Conditions of the Tender Offers may be made at the Directors’ discretion and will be published on the Company’s Website. Shareholders accepting a Tender Offer will be deemed to have accepted such changes, if any.

2. CONDITIONS AND RESTRICTIONS ON TENDER OFFERS

- 2.1 The operation of the Tender Offers is subject to the following restrictions (the “**Tender Restrictions**”).
 - 2.1.1 Shareholder Approval
The Tender Offers and the Company’s authority to operate the Tender Offers is subject to approval by the Shareholders by passing the Resolution.
 - 2.1.2 Board Discretion
Whether or not the Company will make a Tender Offer will depend upon the Board’s discretion taking into consideration protecting the interests of Shareholders in abnormal markets, whether the Company can satisfy the statutory solvency test under the Law and if the Company may make any such tender under Law, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules.
- 2.2 The Company will not purchase any Ordinary Shares pursuant to a particular Tender Offer unless the Tender Restrictions in this paragraph 2 are satisfied.
- 2.3 The conditions and Tender Restrictions may not be waived by the Company, save with the prior approval of Shareholders by a special resolution, which may be general or specific in nature.

3. BASIC ENTITLEMENT AND EXCESS TENDERS

- 3.1 In respect of each Tender Offer, each Shareholder (other than a Restricted Shareholder) whose name appears on the register at the relevant Tender Offer Record Date will be entitled to sell up to their Basic Entitlement.
- 3.2 Shareholders will be entitled to sell more Ordinary Shares than their Basic Entitlement, but such orders will only be filled by the Company to the extent that other Shareholders tender less than the aggregate of their Basic Entitlements. In these circumstances, excess Tender Requests will be satisfied *pro rata* and in proportion to the number of Ordinary Shares tendered by each relevant Shareholder in excess of their Basic Entitlement (rounded down to the nearest whole number of Ordinary Shares).
- 3.3 Registered Shareholders who hold Ordinary Shares for multiple beneficial owners may decide the allocation between such beneficial owners at their own discretion.

4. PROCEDURE FOR TENDERING SHARES

4.1 Shares held in certificated form (that is, not in CREST)

4.1.1 Completion of Tender Forms

If Ordinary Shares are held in certificated form, separate Tender Forms should be completed for Ordinary Shares held under different designations. Additional Tender Forms will be available from the Receiving Agent, whose details are set out in paragraph 4.1.2 in this Part II of the Circular.

4.1.2 Return of Tender Forms

The completed and signed Tender Form should be sent either by post using the enclosed reply-paid envelope to the Receiving Agent, so as to arrive by no later than 1.00 p.m. on the relevant Tender Submission Deadline. No Tender Forms received after the relevant Tender Submission Deadline will be accepted. No acknowledgement of receipt of documents will be given. Any Tender Form received in an envelope postmarked from a Restricted Jurisdiction or otherwise appearing to the Company or its agents to have been sent from any Restricted Jurisdiction may be rejected as an invalid tender. Further provisions relating to Restricted Shareholders are contained in paragraph 10 of this Part II of the Circular.

The completed and signed Tender Form should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with a stockbroker, bank or other agent), the Tender Form should nevertheless be completed, signed and returned as described above so as to be received by the Receiving Agent by no later than the relevant Tender Submission Deadline together with any share certificate(s) and/or other document(s) of title the Shareholder may have available, accompanied by a letter stating that the (remaining) share certificate(s) and/or other document(s) of title will be forwarded as soon as possible thereafter and, in any event, not later than 1.00 p.m. on the relevant Tender Submission Deadline.

The Receiving Agent, acting as the Company's agent, will effect such procedures as are required to transfer the Shareholder's Ordinary Shares to the Company under the relevant Tender Offer.

If share certificate(s) and/or other document(s) of title have been lost, the Shareholder should either call the Receiving Agent on 0370 707 4040 from within the UK or +44 (0) 370 707 4040 if calling from outside the UK. Alternatively, the Shareholder should write to the Registrar at Computershare, The Pavilions, Bridgwater Road, Bristol BS99 6ZY for a letter of indemnity in respect of the lost share certificate(s) and/or any other document(s) of title which, when completed in accordance with the instructions given, should be returned to the Receiving Agent at Computershare Investor Services PLC, Corporate Actions Projects Bristol BS99 6AH so as to be received by no later than the relevant Tender Submission Deadline.

4.2 Ordinary Shares held in uncertificated form (that is, in CREST)

4.2.1 Completion of TTE Instruction

If the Ordinary Shares to be tendered are held in uncertificated form, each Shareholder should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Ordinary Shares which such Shareholder wishes to tender in respect of a Tender Offer to an escrow balance, specifying the Receiving Agent under its participant ID (referred to below) as the escrow agent, as soon as possible and, in any event, so that the transfer to escrow settles not later than 1.00 p.m. on the relevant Tender Submission Deadline.

Shareholders who are CREST sponsored members should refer to their CREST sponsor before taking any action. The CREST sponsor will be able to send the TTE Instruction to Euroclear UK & Ireland in relation to the Ordinary Shares which the Shareholder wishes to tender.

Shareholders should send (or, if a Shareholder is a CREST sponsored member, procure that their CREST sponsor sends) a TTE Instruction to Euroclear UK & Ireland, which must be properly authenticated in accordance with Euroclear UK & Ireland's specification and which must contain, in addition to the other information that is required for the TTE Instruction to settle in CREST, the following details:

- the ISIN number for the Ordinary Shares, this is GG00BXDZMK63;
- the number of Ordinary Shares to be transferred to an escrow balance;
- the Shareholder's member account ID;
- the Shareholder's participant ID;
- the Receiving Agent's participant ID as the escrow agent – 8RA35;
- the Receiving Agent's member account ID of the escrow agent, being UKMORT01;
- the Corporate Action Number for the Tender Offer – this is allocated by Euroclear UK & Ireland and can be found by viewing the relevant corporate action details in CREST;
- the intended settlement date for the transfer to escrow. This should be as soon as possible and in any event by no later than 1.00 p.m. on the relevant Tender Submission Deadline; and
- input with standard delivery instruction priority of 80.

After settlement of the TTE Instruction, Shareholders will not be able to access the Ordinary Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by the Receiving Agent as agent of the Company until completion or termination or lapse of the relevant Tender Offer. If a Tender Offer becomes unconditional, the Receiving Agent will transfer the Ordinary Shares which are accepted for purchase by the Company to Numis for onward sale to the Company.

Shareholders are recommended to refer to the CREST Manual published by Euroclear UK & Ireland for further information on the CREST procedures outlined above.

Shareholders should note that Euroclear UK & Ireland does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. Shareholders should therefore ensure that they (or their CREST sponsor) take all necessary action to enable a TTE Instruction relating to their Ordinary Shares to settle prior to the relevant Tender Submission Deadline. In connection with this, Shareholders are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

4.2.2 *Deposits of Ordinary Shares into, and withdrawals of Ordinary Shares from, CREST*

Normal CREST procedures (including timings) apply in relation to any Ordinary Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of a Tender Offer (whether such conversion arises as a result of a transfer of Ordinary Shares or otherwise). Shareholders who are proposing to convert any such Ordinary Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Ordinary Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the relevant Tender Offer (in particular, as regards delivery of share certificate(s) and/or other document(s) of title or transfers to an escrow balance as described above) prior to the relevant Tender Submission Deadline.

4.3 **Validity of Tender Forms and TTE Instructions**

4.3.1 In respect of each Tender Offer the Registrar will issue a personalised Tender Form to Shareholders that hold Ordinary Shares in certificated form.

4.3.2 Notwithstanding the powers in paragraph 9.3 in this Part II of the Circular, the Company reserves the right to treat as valid only Tender Forms and TTE Instructions which are received entirely in order by the relevant Tender Submission Deadline, which are accompanied (in the case of Ordinary Shares held in certificated form) by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof.

4.3.3 Notwithstanding the completion of a valid Tender Form or TTE Instruction, a Tender Offer may terminate in accordance with these Terms and Conditions of the Tender Offers.

4.3.4 The decision of the Company as to which Ordinary Shares have been validly tendered shall be conclusive and binding on Shareholders who participate in a Tender Offer.

4.3.5 Shareholders should contact the Receiving Agent if they are in any doubt as to how to complete the Tender Form or submit a TTE Instruction or as to the procedures for tendering Ordinary Shares. Shareholders who are CREST sponsored members should contact their CREST sponsor before taking any action.

5. **ANNOUNCEMENTS OF A TENDER OFFER PRICE AND SETTLEMENT**

5.1 On or before any Tender Offer (other than the February Tender Offer) opens, an RIS announcement will be released informing Shareholders of:

- the amount of capital to be returned to Shareholders;
- the Tender Offer Price; and
- the timetable for the Tender Offer.

5.2 Unless terminated in accordance with the provisions set out in paragraph 8 of this Part II of the Circular, a Tender Offer will close for Shareholders at the relevant Tender Submission Deadline.

5.3 As soon as practicable following the close of each Tender Offer the Company will make a public announcement of the number of Tendered Shares (if any) repurchased by the Company.

5.4 Delivery of cash to Shareholders for the Ordinary Shares to be purchased pursuant to a Tender Offer will be made by the Receiving Agent. The Receiving Agent will act as agent for the Company for the purpose of receiving the cash and transmitting such cash to tendering Shareholders. Under no circumstances will interest be paid on the cash to be paid by the Company or the Receiving Agent regardless of any delay in making such payment.

5.5 If any tendered Ordinary Shares are not purchased because of an invalid tender, the termination of a Tender Offer or otherwise, relevant share certificate(s) and/or other document(s) of title, if any, will be returned or sent as promptly as practicable, without expense to, but at the risk of, the relevant tendering Shareholder, or in the case of Ordinary Shares

held in uncertificated form (that is, in CREST), the Receiving Agent will provide instructions to Euroclear UK & Ireland to transfer all Ordinary Shares held in escrow balances by TTE Instruction to the original available balances to which those Ordinary Shares relate.

- 5.6 For each Tender Offer, settlement of the consideration to which any Shareholder is entitled pursuant to valid Tender Requests accepted by the Company is expected to be made at the relevant Tender Settlement Date as follows:

5.6.1 *Ordinary Shares held in certificated form (that is, not in CREST)*

Where an accepted Tender Request relates to Ordinary Shares held in certificated form, cheques for the consideration due will be despatched by the Receiving Agent by first class post to the person or agent whose name and address is set out in Box 1 (or, if relevant, Box5) of the Tender Form, in the case of joint holders, the address of the Shareholder first named in the Register. All cash payments will be made in the currency to which the tendered Ordinary Shares correspond by cheque drawn on a branch of a UK clearing bank.

5.6.2 *Ordinary Shares held in uncertificated form (that is, in CREST)*

Where an accepted Tender Request relates to Ordinary Shares held in uncertificated form, the consideration due will be paid by means of CREST by the Company procuring the creation of a CREST payment in favour of the tendering Shareholder's payment bank in accordance with the CREST payment arrangements.

5.6.3 *Timing of settlement*

The payment of any consideration to Shareholders for Repurchased Shares will be made only after the relevant TTE Instruction has settled or (as the case may be) timely receipt by the Receiving Agent of share certificate(s) and/or other requisite document(s) of title evidencing such Ordinary Shares and any other documents required for a Tender Offer.

- 5.7 If only part of a Shareholding is sold in a Tender Offer, then:

5.7.1 where the Ordinary Shares are held in certificated form, the relevant Shareholder will be entitled to receive a balance share certificate in respect of the remaining Ordinary Shares; or

5.7.2 where the Ordinary Shares are held in uncertificated form (that is, in CREST) the unsold Ordinary Shares will be transferred by the Receiving Agent by means of a TTE Instruction to the original available balance from which those Ordinary Shares came.

6. **TENDER FORM AND TTE INSTRUCTION**

- 6.1 Each Shareholder by whom, or on whose behalf, a Tender Form and/or TTE Instruction (as applicable) is executed or input, irrevocably undertakes, represents, warrants and agrees to and with the Company (so as to bind themselves, and their respective personal representatives, heirs, successors and assigns) that:

6.1.1 the execution of the Tender Form or the input of a TTE Instruction shall constitute an offer to sell to the Company such Shareholder's Basic Entitlement or, if relevant, the number of Ordinary Shares inserted in Box 2 of the Tender Form or submitted in the TTE Instruction (as applicable), on and subject to the Terms and Conditions of the Tender Offers and, once a Tender Form and/or TTE Instruction is submitted, such offer shall be irrevocable;

6.1.2 such Shareholder has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by the Company, the Company will acquire such Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the relevant Tender Settlement Date, including the right to receive all dividends and other distributions declared, paid or made after that date;

- 6.1.3 the execution of the Tender Form or the input of a TTE Instruction will, subject to the relevant Tender Offer becoming unconditional, constitute the irrevocable appointment of any Director or officer of the Company as such Shareholder's attorney and/or agent, and an irrevocable instruction to the attorney to complete and execute all or any instruments of transfer and/or other documents at the attorney's discretion in relation to the Ordinary Shares referred to in paragraph 6.1.1 above in favour of the Company or such other person or persons as the Company may direct and to deliver such instrument(s) of transfer and/or other documents at the discretion of the attorney, together with the share certificate(s) and/or other document(s) of title relating to such Ordinary Shares, for registration within six months of the relevant Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the relevant Tender Offer and to vest such Ordinary Shares in the Company or its nominee(s) or such other person(s) as the Company may direct;
- 6.1.4 such Shareholder will ratify and confirm each and every act or thing which may be done or effected by the Company or any of its Directors or any person nominated by the Company in the proper exercise of its or their powers and/or authorities hereunder;
- 6.1.5 if such Shareholder holds Ordinary Shares in certificated form, he will deliver to the Receiving Agent their share certificate(s) and/or other document(s) of title in respect of the Ordinary Shares referred to in paragraph 6.1.1 above, or an indemnity acceptable to the Receiving Agent in lieu thereof, or will procure the delivery of such certificate(s) and/or other document(s) to such person as soon as possible thereafter and, in any event, by no later than 1.00 p.m. on the relevant Tender Submission Deadline;
- 6.1.6 such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by the Company to be desirable, in each case to complete the purchase of the successfully tendered Ordinary Shares and/or to perfect any of the authorities expressed to be given hereunder;
- 6.1.7 such Shareholder, if an Overseas Shareholder, has fully observed any applicable legal requirements and that the invitation under a Tender Offer may be made to and accepted by them under the laws of the relevant jurisdiction;
- 6.1.8 such Shareholder has not received or sent copies or originals of the Circular or the Tender Form or any related documents to a Restricted Jurisdiction and has not otherwise utilised in connection with a Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, internet, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of any Restricted Jurisdiction, that the Tender Form has not been mailed or otherwise sent in, into or from any Restricted Jurisdiction and that such Shareholder is not accepting a Tender Offer from any Restricted Jurisdiction;
- 6.1.9 in the case of Ordinary Shares held in certificated form, the provisions of the Tender Form shall be deemed to be incorporated into the Terms and Conditions of the Tender Offers;
- 6.1.10 in the case of Ordinary Shares held in certificated form, the despatch of cheques in respect of the Tender Offer Price to such Shareholder at their registered address or such other relevant address as may be specified in the Tender Form will constitute a complete discharge by the Company of its obligations to make such payments to such Shareholder;
- 6.1.11 in the case of Ordinary Shares held in uncertificated form (that is, in CREST), the creation of a CREST payment in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in paragraph 5 of this Part II of the Circular will, to the extent of the obligations so created, discharge fully any obligation of the Company to pay to such Shareholders the cash consideration to which they are entitled in a Tender Offer;
- 6.1.12 on execution, the Tender Form takes effect as a deed; and

6.1.13 the execution of the Tender Form or the input of a TTE Instruction constitutes such Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with a Tender Offer.

6.2 A reference in this paragraph 6 to a Shareholder includes a reference to the person or persons executing the Tender Form or submitting a TTE Instruction and in the event of more than one person executing a Tender Form or submitting a TTE Instruction, the provisions of this paragraph 6 will apply to them jointly and to each of them.

7. ADDITIONAL PROVISIONS

7.1 When a Tender Offer takes place, Shareholders (other than a Restricted Shareholder) will be entitled, subject to the conditions and the Tender Restrictions, to have accepted valid tenders to the Company up to their Basic Entitlement. In addition, Shareholders may tender Ordinary Shares in excess of their Basic Entitlement where other Shareholders tender less than their Basic Entitlement, as set out in paragraph 3.2 in this Part II of the Circular. If in the Receiving Agent's determination (in its absolute discretion) Box 2 of any Tender Form has not been validly completed, provided that that Tender Form is otherwise in order and accompanied by all other relevant documents, the relevant Shareholders may be deemed to have tendered such numbers of Ordinary Shares as are equal to their respective Basic Entitlements.

7.2 Ordinary Shares sold by Shareholders pursuant to a Tender Offer will be acquired with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the relevant Tender Settlement Date, including the right to receive all dividends and other distributions declared, paid or made after that date.

7.3 Shareholders who tender or procure the tender of Ordinary Shares will thereby be deemed to have agreed that, in consideration of the Company agreeing to process their Tender Request, such Shareholders will not revoke their tender or withdraw their Ordinary Shares. Shareholders should note that once tendered, Ordinary Shares may not be sold, transferred, charged or otherwise disposed of.

7.4 Any omission to despatch the Tender Form or any notice required to be despatched under the terms of a Tender Offer to, or any failure to receive the same by, any person entitled to participate in a Tender Offer shall not invalidate a Tender Offer in any way or create any implication that a Tender Offer has not been made to any such person.

7.5 No acknowledgement of receipt of any Tender Form, TTE Instruction, share certificate(s) and/or other document(s) of title will be given. All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from Shareholders (or their designated agents) will be delivered by or sent to or from such Shareholders at their own risk.

7.6 All powers of attorney and authorities on the terms conferred by or referred to in this Part II of the Circular or in the Tender Form are given by way of security for the performance of the obligations of the Shareholders concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 of the UK.

7.7 Subject to paragraphs 9 and 10 of this Part II of the Circular, all Tender Requests in relation to certificated Shareholders must be made on the prescribed Tender Form, fully completed in accordance with the instructions set out thereon which constitute part of the Terms and Conditions of the Tender Offers and, for uncertificated holders, a TTE Instruction must be submitted in accordance with the instructions provided in paragraph 4.2 of this Part II of the Circular. A Tender Form or TTE Instruction will only be valid when the procedures contained in the Terms and Conditions of the Tender Offers and in the Tender Form or TTE Instruction are complied with. Each Tender Offer and any non-contractual obligations arising out of or in connection with a Tender Offer will be governed by and construed in accordance with the laws of England and Wales.

7.8 If a Tender Offer is terminated in accordance with the Terms and Conditions of the Tender Offers, all documents lodged pursuant to that Tender Offer will be returned promptly by post, within 14 Business Days of that Tender Offer terminating, to the person or agent whose name and address is set out in Box 1 (or, if relevant, Box 5) or, in the case of joint holders, the address of the Shareholder first named in the Register. In the case of Ordinary Shares held in uncertificated form, the Receiving Agent in its capacity as the escrow agent will, within 14

Business Days of a Tender Offer terminating, give instructions to Euroclear UK & Ireland to transfer all Ordinary Shares held in escrow balances and in relation to which it is the escrow agent for the purposes of a Tender Offer by TTE Instruction to the original available balances from which those Ordinary Shares came. In any of these circumstances, Tender Forms and TTE Instructions will cease to have any effect.

- 7.9 In the case of Ordinary Shares held in certificated form, the instructions, terms, provisions and authorities contained in or deemed to be incorporated in the Tender Form shall constitute part of the Terms and Conditions of the Tender Offers.
- 7.10 Subject to paragraphs 9 and 10 of this Part II of the Circular, a Tender Offer is open to those Shareholders whose name appeared on the register on the relevant Tender Offer Record Date. Each Tender Offer will close on the relevant Tender Submission Deadline. Subject to paragraphs 4.1.2 and 9.3 of this Part II of the Circular, no Tender Form, share certificate(s) and/or other document(s) of title or indemnity or TTE Instruction received after 1.00 p.m. on the relevant Tender Submission Deadline will be accepted.
- 7.11 Copies of the Circular and Tender Forms may be obtained on request from the Receiving Agent at the address set out in the Tender Form and on the Company's Website.

8. TERMINATION OF A TENDER OFFER

- 8.1 A Tender Offer will terminate if, at any time prior to effecting the purchase of the successfully tendered Ordinary Shares, the Company suspends the calculation of its NAV for any reason.
- 8.2 If any Tender Offer terminates in accordance with this paragraph 8, the Company shall by an RIS announcement withdraw that Tender Offer and, in such event, that Tender Offer shall cease and determine absolutely.

9. MISCELLANEOUS

- 9.1 All times and dates in the expected timetable set out on page 4 of the Circular and in any expected timetable to be announced pursuant to paragraph 5.1 of this Part II of the Circular from time to time may be adjusted by the Company. Any change to the expected timetable, terms, or any extension or termination of a Tender Offer will be followed as promptly as practicable by an RIS announcement thereof, to be issued by no later than 3.00 p.m. on the Business Day following the date of such change. In such cases, the definitions, times and dates mentioned in relation to a Tender Offer shall be deemed to be adjusted accordingly. References to the making of an announcement by the Company include the release of an announcement on behalf of the Company by the Company's administrator to the press and the delivery of, or telephone or electronic transmission of, such announcement to an RIS of the London Stock Exchange.
- 9.2 Ordinary Shares purchased by Numis pursuant to a Tender Offer which are then repurchased by the Company will, following the completion of such Repurchase, be cancelled by the Company.
- 9.3 The Company reserves the absolute right to inspect (either itself or through its agents) all Tender Forms and TTE Instructions and may consider void and reject any Tender Request that does not in the Company's sole judgement (acting reasonably) meet the requirements of the Tender Offer to which such Tender Form or TTE Instruction relates. The Company also reserves the absolute right to waive any defect or irregularity in the tender or repurchase of any Ordinary Shares, including any Tender Form (in whole or in part) which is not entirely in order, the related share certificate(s) and/or other document(s) of title or an indemnity acceptable to the Company in lieu thereof. However, in that event, the consideration in a Tender Offer for successfully tendered Ordinary Shares held in certificated form will only be despatched when the Tender Form is entirely in order and the relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to the Company has/have been received. The Company, the Receiving Agent or any other person will not be under any duty to give notification of any defects or irregularities in Tender Requests or incur any liability for failure to give any such notification.
- 9.4 The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to Tenders Offers.

10. RESTRICTED SHAREHOLDERS AND OVERSEAS SHAREHOLDERS

- 10.1 The provisions of this paragraph 10 and any other terms of a Tender Offer relating to Restricted Shareholders and Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company but only if the Company is satisfied that such a waiver, variance or modification will not constitute or give rise to a breach of applicable securities or other laws.
- 10.2 Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such Overseas Shareholder wishing to tender Ordinary Shares to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection herewith, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any such Overseas Shareholders will be responsible for the payment of any such transfer or other taxes or other requisite payments due by whomsoever payable and the Company and any person acting on its behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such transfer or other taxes or other requisite payments such person may be required to pay. No steps have been taken to qualify Tender Offers or to authorise the extending of Tender Offers or the distribution of Tender Forms in any territory outside the United Kingdom.
- 10.3 Tender Offers will not be made to Restricted Shareholders. Restricted Shareholders will be excluded from the Tenders Offers in order to avoid breaching applicable local laws relating to the implementation of a Tender Offer. Accordingly, copies of this Circular, Tender Forms and any related documents will not be and must not be mailed or otherwise distributed into a Restricted Jurisdiction, including to any Shareholder with a registered addresses in any Restricted Jurisdiction, or to persons who the Company knows to be custodians, nominees or trustees holding Ordinary Shares for persons in Restricted Jurisdictions. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute or send them in or into a Restricted Jurisdiction or use such mails or any such means, instrumentality or facility in connection with a Tender Offer, as doing so may render invalid any related purported acceptance of a Tender Offer. Persons wishing to accept a Tender Offer should not use such mails or any such means, instrumentality or facility for any purpose directly or indirectly relating to acceptance of that Tender Offer. Envelopes containing Tender Forms should not be postmarked from a Restricted Jurisdiction or otherwise despatched to a Restricted Jurisdiction and accepting Shareholders must not provide Restricted Jurisdiction addresses for the remittance of cash or return of Tender Forms.
- 10.4 A Shareholder will be deemed not to have made a valid Tender Request if:
- 10.4.1 such Shareholder is unable to make the representations and warranties set out in paragraphs 6.1.7 (if relevant) and 6.1.8 in this Part II of the Circular;
 - 10.4.2 such Shareholder inserts in Box 1 (or, if relevant, Box 5) of the Tender Form the name and address of a person or agent in a Restricted Jurisdiction to whom they wish the consideration to which such Shareholder is entitled in a Tender Offer to be sent; or
 - 10.4.3 the Tender Form received from them is in an envelope postmarked in, or which otherwise appears to the Company or its agents to have been sent from, a Restricted Jurisdiction. The Company reserves the right, in its absolute discretion, to investigate, in relation to any acceptance, whether the representations and warranties referred to in paragraphs 6.1.7 (if relevant) and 6.1.8 of this Part II of the Circular given by any Shareholder are correct and, if such investigation is undertaken and as a result the Company determines (for any reason) that such representations and warranties are not correct, such acceptance shall not be valid.
- 10.5 If, in connection with a Tender Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, depositaries, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this Circular, the Tender Form or any related documents in or into a Restricted Jurisdiction or uses the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, telex, internet and telephone) of interstate or foreign commerce of, or any facility of a national securities exchange in, a Restricted Territory in connection with such forwarding, such person should:

10.5.1 inform the recipient of such fact;

10.5.2 explain to the recipient that such action may invalidate any purported acceptance by the recipient; and

10.5.3 draw the attention of the recipient to this paragraph 10.

10.6 If you are in any doubt about your position, you should consult your professional adviser in the relevant territory.

10.7 The provisions of this paragraph 10 supersede any of the Terms and Conditions of the Tender Offers inconsistent herewith.

11. MODIFICATIONS

The Terms and Conditions of the Tender Offers shall have effect subject to such non-material modifications or additions as the Company may from time to time approve in writing. The relevant Tender Submission Deadline in respect of a Tender Offer may be amended by the Company. Details of any such changes will appear on the Company's Website.

PART III

TAXATION

The following statements are intended only as a general guide to current UK and Guernsey tax legislation and to what is understood to be the current practice of HMRC and the Guernsey Revenue Service, both of which are subject to change with retrospective effect. They do not constitute advice and they summarise certain limited aspects of the UK and Guernsey taxation consequences of disposing of Shares pursuant to the Tender Offers and may not apply to certain Shareholders, such as dealers in securities, insurance companies, collective investment schemes or Shareholders who have (or are deemed to have) acquired their shares by virtue of an office or employment, who may be subject to special rules. Unless expressly stated otherwise they apply only to Shareholders resident and, in the case of individuals, domiciled for tax purposes in Guernsey or the United Kingdom at all relevant times, who hold Ordinary Shares as an investment (rather than as securities to be realised in the course of a trade) and who are the absolute beneficial owners of those Ordinary Shares. Shareholders who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside of Guernsey or the United Kingdom, should consult their own professional advisers immediately.

United Kingdom

Tax on disposals

On the basis that the Company is not an “offshore fund” under sections 355 to 363 of the Taxation (Income and Other Provisions) Act 2010 for the purposes of UK taxation, a disposal of Repurchased Tendered Shares by a Shareholder who is an individual pursuant to a Tender Offer will not be subject to UK tax as income but will be a disposal for capital gains tax purposes and may, depending on the Shareholder’s individual circumstances (including the availability of exemptions, reliefs and allowable losses), give rise to a liability to capital gains tax.

On the basis that the Company is not an offshore fund, for Shareholders within the charge to UK corporation tax, a disposal of their Ordinary Shares pursuant to a Tender Offer will be subjected to, or relieved from, UK corporation tax on chargeable gains.

Transactions in securities

The attention of Shareholders is drawn to anti-avoidance legislation in Chapter 1, Part 13 of the Income Tax Act 2007 and Part 15 of the Corporation Tax Act 2010 that could apply if tax advantages are sought in prescribed circumstances.

Stamp duty and stamp duty reserve tax (“SDRT”)

No UK stamp duty will be payable on a transfer of Shares pursuant to a Tender Offer, provided that all instruments effecting or evidencing the transfer are not executed, and do not relate to property situated in the United Kingdom, and no matters or things done relating to the transfer are performed in the United Kingdom.

Since the Ordinary Shares are not registered in any register kept in the United Kingdom by or on behalf of the Company nor paired with shares issued by a company incorporated in the United Kingdom, any agreement to transfer the Ordinary Shares pursuant to a Tender Offer will not be subject to UK SDRT.

General Anti-Abuse Rule

Shareholders should be attentive to the potential application of the General Anti-Abuse Rules contained in Part 5 of, and Schedule 43 to, the Finance Act 2013 which targets abusive tax arrangements.

Guernsey

The Company

The Company has applied for and has been granted an exemption from liability to income tax in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989, as amended must

be applied for annually and will be granted, subject to the payment of an annual fee, which is currently fixed at £1,200, **provided that** the Company qualifies under the applicable legislation for exemption. It is the intention of the Directors to conduct the affairs of the Company so as to ensure that it will continue to qualify for exempt company status for the purposes of Guernsey taxation.

As an exempt company, the Company is treated as if it were not resident in Guernsey for the purposes of liability to Guernsey income tax. The exemption from income tax and the treatment of the Company as if it were not resident in Guernsey for the purposes of Guernsey income tax is effective from the date the exemption is granted and will apply for the year of charge in which the exemption is granted.

Under current law and practice in Guernsey, the Company will only be liable to tax in Guernsey in respect of income arising or accruing from a Guernsey source, other than from a relevant bank deposit. It is not anticipated that such Guernsey source taxable income will arise in this case.

Dividends and distributions made by exempt companies to non-Guernsey residents will be free of Guernsey withholding tax and reporting requirements. Where a tax exempt company makes a dividend or distribution to shareholders that are Guernsey tax resident individuals the company will only need to report the relevant details of those dividends or distributions (as applicable).

In the absence of tax exempt status, the Company would be Guernsey tax resident and taxable at the Guernsey standard rate of company income tax, which is currently zero per cent.

Guernsey currently does not levy taxes upon capital, inheritances, capital gains, gifts, sales or turnover. No stamp duty or similar tax is chargeable in Guernsey on the issue, transfer or redemption of shares in the Company.

Shareholders

Payments made by the Company pursuant to each Tender Offer may be treated as distributions for the purposes of Guernsey tax.

Distributions by the Company to Shareholders who are not resident in Guernsey (which includes Alderney and Herm) for tax purposes (and do not have a permanent establishment in Guernsey) can be paid to such Shareholders, either directly or indirectly, without the withholding of Guernsey tax and without giving rise to any other liability to Guernsey income tax.

Shareholders who are resident for tax purposes in Guernsey (which includes Alderney and Herm), or who are not so resident but have a permanent establishment in Guernsey to which the holding of their Shares is related, may incur Guernsey income tax at the applicable rate on a distribution paid to them by the Company. So long as the Company has been granted tax exemption the Company should not be required to withhold any tax from distributions paid to such Shareholders and will only be required to provide the Director of the Revenue Service such particulars relating to any distribution paid to Guernsey resident Shareholders as the Director of the Revenue Service may require, including the names and addresses of the Guernsey resident Shareholders, the gross amount of any distribution paid and the date of the payment.

As already referred to above, Guernsey currently does not levy taxes upon capital inheritances, capital gains, gifts, sales or turnover, nor are there any estate duties (save for registration fees and *ad valorem* duty for a Guernsey Grant of Representation where the deceased dies leaving assets in Guernsey which require presentation of such a Grant).

No stamp duty or similar tax is chargeable in Guernsey on the issue, transfer or redemption of shares in the Company.

PART IV

RISK FACTORS

The Directors consider that the following material risk factors should be taken into account by Shareholders when assessing whether to vote in favour of the Resolution and/or to participate in the Tender Offer:

1. If the Tender Offers are not approved by Shareholders, the Company will not be able to return capital to Shareholders, as set out in the Circular. This might affect the current share price discount that the Ordinary Shares currently trade at to their Net Asset Value.
2. There is no guarantee that any Tender Offers will take place. Securitisations and resecuritisations of the assets in the Portfolio are dependent on the effective functioning of securitisation markets and disruption of those markets could make it difficult or impossible to securitise or resecuritise assets in the Portfolio which may have a material adverse effect on the Company, the Portfolio and returns to Shareholders. Delays in disposing of assets may have a materially adverse effect on the Company, the Portfolio and returns to Shareholders.
3. The Company has been established as a closed-ended vehicle. Accordingly, there is no right or entitlement attaching to Ordinary Shares that allows them to be repurchased by the Company. The making and timing of any share buybacks whether pursuant to a tender offer or otherwise is at the absolute discretion of the Board and is subject to the applicable requirements of Guernsey law, including a statutory solvency test. There can be no guarantee that share buybacks will occur.
4. The securities laws of certain jurisdictions may restrict the Company's ability to allow Shareholders to participate in any Tender Offers. There can be no assurance that the Company will be able to conduct any Tender Offers in a manner that would enable participation therein, or receipt of the cash proceeds thereof, by Shareholders in such jurisdictions. Shareholders who have a registered address in or who are resident or located in (as applicable) a jurisdiction other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to participate in any Tender Offers.
5. Shareholders' percentage voting rights in the Company may increase as a result of Tendered Shares being purchased by Numis and then repurchased by the Company and as a result there is a risk that a Shareholder may acquire 30 per cent. of the voting rights in the Company and then be obliged under the Takeover code to make a general offer to all the remaining Shareholders to acquire their Ordinary Shares. A Shareholder could be required to make a general offer to all remaining Shareholders to acquire their Ordinary Shares under Rule 9 of the Takeover Code, which states that any person who acquires shares which, taken together with shares already held by them or shares held or acquired by persons acting in concert with him, carry 30 per cent. or more of the voting rights in a company which is subject to the Takeover Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares. Similarly, when any person or persons acting in concert already hold more than 30 per cent. but not more than 50 per cent. of the voting rights of such company, a general offer will normally be required if any further shares increasing that person's percentage of voting rights are acquired.

Under Rule 37 of the Takeover Code, when a company purchases its own voting shares, a resulting increase in the percentage of voting rights carried by the shareholdings of any person or group of persons acting in concert will be treated as an acquisition for the purposes of Rule 9 of the Takeover Code. Accordingly, when the Company makes Repurchases pursuant to a Tender Offer, any resulting increase in the percentage of the voting rights in the Company held by a Shareholder (or Shareholders acting in concert) will be treated as an acquisition in accordance with Rule 37 of the Takeover Code and, if such percentage reaches 30 per cent. of the voting rights in the Company, or if a Shareholder (or Shareholders acting in concert) already hold(s) 30 per cent. of the voting rights in the Company and such percentage Shareholding increases further, the relevant Shareholder or Shareholders would be required under Rule 9 to make a general offer to all remaining Shareholders to acquire their Ordinary Shares.

Part V

General Information

1 Incorporation and Administration

The Company was incorporated in Guernsey on 10 June 2015 with registered number 60440 as a non-cellular company limited by shares under the Law. The Company is registered by the GFSC as a registered closed-ended collective investment scheme under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and the Registered Collective Investment Schemes Rules 2018 made hereunder.

The Company is not regulated by the Financial Conduct Authority but is regulated by the GFSC.

The address of the registered office and principal place of business of the Company is PO Box 255, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL, with telephone number +44 (0)1481 745001.

2 Directors' Interests in Ordinary Shares

	Ordinary Shares	% of issued share capital
Chris Waldron	80,000	0.03
Richard A. Burrows	5,000	0.002
Paul Le Page	67,800	0.03
Helen Green	21,250	0.01

3 Major Shareholders

As at the close of business on the 29 January 2021 the following entities were known to be interested in 5 per cent. or more of the Company's share capital:

Shareholder	Ordinary Shares	% of issued share capital
TwentyFour Asset Management	45,071,258	19.42%
Premier Miton Investors	22,255,409	9.59%
Investec Wealth & Investment	18,964,379	8.17%
Seven Investment Management	18,813,783	8.10%
Seneca Investment Managers	16,391,510	7.06%

4 No Significant Change

There has been no significant change in the financial position of the Company since 30 June 2020, being the end of the last financial period for which audited financial information has been published, other than (i) the completion of the securitisation of a portfolio of first ranking, Buy-to-Let mortgage loans originated by Keystone Property Finance on 15 January 2021 valued at £400 million; and (ii) the completion of the Oat Hill No. 2 securitisation, which funded the Company's repurchase and cancellation of 40,932,502 Ordinary Shares. The Company completed the sale of Cornhill No. 6 on 25 February 2021, and, subject to successful completion, expects to complete the sale of Malt Hill No.2 in May 2021. The proceeds (net of expenses and future commitments) of these sales are expected to be returned to Shareholders in two approximately equal parts under the February Tender Offer and the May Tender Offer.

5 Consent

TwentyFour and Numis have given and have not withdrawn their written consents to the issue of this Circular with reference to their names in the form and context in which such references appear.

PART VI

Notice of Extraordinary General Meeting

UK MORTGAGES LIMITED

(a non-cellular company limited by shares incorporated in the Island of Guernsey under the Companies (Guernsey) Law, 2008, as amended, with registered number 60440 and registered as a Registered Closed-ended Collective Investment Scheme with the Guernsey Financial Services Commission)

Notice is hereby given that an extraordinary general meeting (the “**Meeting**”) of UK Mortgages Limited (the “**Company**”) will be held on Tuesday, 23 March 2021 at 3 p.m. at the offices of Northern Trust International Fund Administration (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3QL, Channel Islands to consider and, if thought fit, approve resolution 1, which will be proposed as a special resolution (the “**Resolution**”):

Special Resolution

THAT, without prejudice to and in addition to all existing authorities of the Company from time to time, the terms of the proposed tender offers that, among other things, permit the Company to acquire its issued share capital from tendering shareholders, subject to certain restrictions (the “**Facility**”), the terms and conditions of which constituting the contract of such Facility (the “**Agreement**”) are set out in the circular in respect of the Company dated 26 February 2021 (the “**Circular**”), are hereby approved and authorised pursuant to section 314(2) of the Companies (Guernsey) Law, 2008, as amended (the “**Law**”) and it is intended that the Company’s authority to effect the Facility shall continue until 31 December 2022, however the expiration of such authority shall not prevent the Company from purchasing shares after the expiration of the authority in accordance with the terms of the Facility made and agreed prior to the expiration of the authority.

BY ORDER OF THE BOARD

Northern Trust International Fund Administration Services (Guernsey) Limited
Company Secretary

Date:

26 February 2021

Registered Office:

PO Box 255

Trafalgar Court

Les Banques

St. Peter Port

Guernsey, GY1 3QL

Notes

- (i) These notes should be read in conjunction with the notes on the enclosed Form of Proxy.
- (ii) The “stay at home” measures implemented by the States of Guernsey in respect of the Covid-19 outbreak mean that public gatherings are prohibited in Guernsey and travel restrictions are in place. Accordingly, Shareholders will be restricted from attending the Extraordinary General Meeting in person or by attorney or by corporate representative. Anyone seeking to attend the Extraordinary General Meeting in person will be refused entry to the meeting. Shareholders are strongly encouraged to appoint the “Chairman of the Meeting” as their proxy and provide voting instructions in advance of the Extraordinary General Meeting, in accordance with the instructions explained in the Notice of General Meeting and on the accompanying Form of Proxy. To allow effective constitution of the Meeting, the Chairman may appoint a substitute (in these circumstances a member of his household) to act as proxy in his stead for any member, provided that such substitute proxy shall vote on the same basis as the Chairman.
The Board also encourages Shareholders to monitor the Company’s website and the Regulatory Information Services for any updates on the Extraordinary General Meeting that may need to be provided.
- (iii) If a quorum is not present within thirty minutes after the time appointed for the commencement of the Meeting, the Meeting will be adjourned to 3 p.m. on Tuesday, 6 April 2021.
- (iv) A vote withheld is not a vote in law, which means the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, a proxy may vote or abstain from voting at his/her discretion. A proxy may vote (or abstain from voting) as he or she thinks fit in relation to any other matter put before the Meeting.
- (v) Members who wish to change their proxy instructions should submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

- (vi) In order to revoke a proxy instruction members will need to inform the Company. Members should send a signed hard copy notice clearly stating their intention to revoke a proxy appointment to the Company's Registrar, Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY.
- (vii) The Form of Proxy is enclosed with this notice for use by Shareholders. To be valid, the Form of Proxy and any power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) must be deposited with the Company's Registrar, Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, as soon as possible and, in any event, by no later than 3 p.m. on Friday, 19 March 2021. Amended instructions must also be received by the Company's Registrar by the deadline for receipt of Forms of Proxy. If you have any queries in relation to the Form of Proxy you may call Computershare Investor Services (Guernsey) Limited c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, on 0370 707 4040 from within the UK (or +44 (0)370 707 4040 from outside of the UK) between 9.00 a.m. and 5.00 p.m. on any Business Day. Completion and return of a Form of Proxy or the giving of a CREST Proxy Instruction (as described below) will not preclude a Shareholder from attending and voting at the meeting if he or she wishes to do so (noting that Shareholders' may be restricted from attending the meeting in light of the "stay at home" measures implemented by the States of Guernsey in respect of the Covid-19 outbreak).
- (viii) Pursuant to Regulation 41 of the Uncertificated Securities (Guernsey) Regulations 2009 (the "**CREST Regulations**"), the Company has specified that only those Shareholders entered on the register of members of the Company as at 5.00 p.m. on 19 March 2021 or, if the meeting is adjourned, on the register of members as at 5.00 p.m. two Business Days prior to the adjourned meeting shall be entitled to attend and vote at the meeting in respect of the number of Ordinary Shares registered in their name at that time. Changes to the register of members after 5.00 p.m. on 19 March 2021 or, if the meeting is adjourned, 5.00 p.m. two Business Days prior to the adjourned meeting will be disregarded in determining the rights of any person to attend and vote at the meeting or adjourned meeting (as the case may be).
- (ix) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment thereof by using the procedures described in the CREST Manual on Euroclear's website (www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to the CREST sponsor or voting service provider who will be able to take the appropriate action on their behalf.
- (x) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message ("**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to an instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (Computershare Investor Services (Guernsey) Limited) not less than 48 hours before the time of the holding of the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instruction to proxies appointed through CREST should be communicated to the appointee through other means.
- (xi) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that their CREST sponsor or voting service provider takes) such action as shall be necessary to ensure the message is transmitted by means of the CREST system by any particular time. In this connection CREST members and, where applicable, their CREST sponsors or voting service providers are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (xii) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the CREST Regulations.
- (xiii) If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure Guidance and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Conduct Authority. As a result, any member holding 5 per cent., or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights, and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and the Financial Conduct Authority.
- (xiv) In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- (xv) As at 24 February 2021, being the latest practicable date prior to the printing of this notice, there were 232,132,888 Ordinary Shares in issue carrying one vote each. Therefore, the total voting rights in the Company as at 24 February 2021 are 232,132,888. The Company holds no Ordinary Shares in treasury.
- (xvi) Terms used in this notice shall have the same meaning as in the Circular to shareholders of the Company dated the same date as this notice unless otherwise defined.
- (xvii) The contents of this notice, details of the total number of shares in respect of which members are entitled to exercise voting rights at the meeting, the total voting rights members are entitled to exercise at the meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's Website.
- (xviii) You may not use any electronic address provided in this Notice of the Extraordinary General Meeting to communicate with the Company for any purposes other than those expressly stated.

