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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE UK VERSION OF THE MARKET ABUSE REGULATION (EU 596/ 2014) AS IT FORMS PART OF UK LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018, AS AMENDED

13 June 2024

Palace Capital plc
("Palace" or the "Company" or the "Group")

Proposed Return of Capital to Shareholders by way of a Tender Offer

-Notice of General Meeting-

On 6 June 2024, alongside its preliminary results, the Company announced that, in addition to the share buyback authority granted by shareholders on 4 December 2023, it intended to return capital to Shareholders by way of a Tender Offer pursuant to which Qualifying Shareholders are invited to tender some or all of their Ordinary Shares.

It is proposed that up to 8,667,760 Ordinary Shares may be purchased under the Tender Offer for a maximum aggregate cash consideration of up to £21.67 million. Qualifying Shareholders who participate in the Tender Offer will have a Guaranteed Entitlement to tender three Ordinary Shares for every thirteen Ordinary Shares held, representing approximately 23% of the Ordinary Shares held by them, at the Record Date, rounded down to the nearest whole number, at a price of 250 pence per Ordinary Share.

A Circular is expected to be published shortly (and will be made available on the Company's website at www.palacecapitalplc.com) which includes the background to, and reasons for, the Tender Offer and why the Board considers that the Tender Offer is in the best interests of Shareholders as a whole and why the Board of Palace unanimously recommends that Shareholders vote in favour of the Tender Offer Resolution which will be proposed at a Shareholder General Meeting. The Tender Offer is conditional on the passing of the Tender Offer Resolution.

Key terms of the Tender Offer:

- The Tender Offer will be conducted at a price of 250 pence per Ordinary Share (the "Tender Price").
- The Tender Price represents an 11.1% premium to the Company's share price as at 11 June 2024 (the "Last Practicable Date").
- The Tender Offer will be open to all Qualifying Shareholders, being Shareholders on the Register on the Record Date (being 6pm on 9 July 2024).
- Each Qualifying Shareholder will be able to tender approximately 23% of their Ordinary Shares held on the Record Date (the "Guaranteed Entitlement"), which equates to 3 Ordinary Shares for every 13 Ordinary Shares held.
- Qualifying Shareholders are able to submit tenders in excess of their Guaranteed Entitlement ("Excess Tenders"). Excess Tenders will only be accepted to the extent that other Qualifying Shareholders tender less than their Guaranteed Entitlement or do not tender any Ordinary Shares.
- The Tender Offer will open on 14 June 2024 and will close at 1:00 p.m. on 9 July 2024 or such other date as may be determined in accordance with the Circular.
- Implementation of the Tender Offer is conditional upon, amongst other things, the approval of Shareholders for the Tender Offer Resolution.
- It is intended that Ordinary Shares successfully tendered will be cancelled by the Company.
- Assuming that the maximum number of Ordinary Shares are purchased under the Tender Offer and cancelled, the Company's issued share capital will be reduced by 8,667,760 Ordinary Shares to 28,892,535 Ordinary Shares following completion of the Tender Offer.

Steven Owen, Executive Chairman, commented:

"The Tender Offer announced today represents a further milestone in the Board's strategy of returning cash to shareholders following the £21.9 million cash returned through buybacks since July 2022.

"The format of the Tender Offer provides good flexibility, enabling those Qualifying Shareholders who wish to reduce their holdings an opportunity to do so at a market-driven price with a premium, whilst permitting those who wish to

retain their current investment in the Company to do so.

"With further property sales due to complete later in the year, we anticipate making further capital returns through an additional tender offer as we continue to deliver on our strategy for shareholders."

Expected timetable of principal events

Announcement of the Tender Offer, publication of the Circular and the Notice of General Meeting:
13 June 2024

Tender Offer opens: 14 June 2024

Latest time and date for receipt of Voting Instructions: 9.30 a.m. on 5 July 2024

General Meeting: 9.30 a.m. on 9 July 2024

Announcement of results of the General Meeting: 9 July 2024

Latest time and date for receipt of Tender Forms and share certificates in relation to the Tender Offer (i.e. close of Tender Offer): 1.00 p.m. on 9 July 2024

Latest time and date for receipt of TTE Instructions in relation to the Tender Offer (i.e. close of Tender Offer): 1.00 p.m. on 9 July 2024

Tender Offer Record Date: 6.00 p.m. on 9 July 2024

Announcement of results of the Tender Offer: 15 July 2024

CREST accounts credited with unsuccessfully tendered uncertificated holdings of Ordinary Shares: not later than 16 July 2024

Purchase of Ordinary Shares under the Tender Offer: 17 July 2024

CREST accounts credited in respect of Tender Offer proceeds for uncertificated Ordinary Shares: by 19 July 2024

Cheques despatched in respect of Tender Offer proceeds for certificated Ordinary Shares: by 30 July 2024

Return of share certificates in respect of unsuccessful tenders of certificated Ordinary Shares: by 30 July 2024

Despatch of balancing share certificates (in respect of certificated Ordinary Shares) for revised, certificated holdings in the case of partially successful tenders: by 30 July 2024

All times are references to London (UK) times. Other than the date of the announcement of the Tender Offer, each of the above times and dates are indicative only and based on the Company's expectations as at the date of this announcement. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by an announcement through a Regulatory Information Service.

Enquiries:

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Posting of Circular and Notice of General Meeting:

Full details of the Tender Offer will be included in a circular which is expected to be published and available on the Group's website later today (www.palacecapital.com).

There is no guarantee that the Tender Offer will take place. The Tender Offer is conditional on, among other things, the approval of the Tender Offer Resolution by Shareholders and will not proceed if any of the Tender Conditions are not satisfied or waived by Deutsche Numis or the Company (as the case may be) or if it is withdrawn by Deutsche Numis or the Company at any point prior to the announcement of the results of the Tender Offer.

Notice in relation to overseas persons:

The release, publication or distribution of this announcement in or into jurisdictions other than the UK may be restricted by law and therefore any person who is subject to the laws of any jurisdiction other than the UK should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions might constitute a violation of the relevant laws or regulations of such jurisdiction.

Forward-looking statements:

This announcement includes "forward-looking statements" which include all statements other than statements of

historical fact, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group's control that could cause the actual results, performance or achievements of the Group to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this announcement. Whilst the Directors consider these statements to be reasonable based upon information currently available, they may prove to be incorrect. However, the Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law.

No profit forecast or estimates:

Unless otherwise stated, no statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Group, for the current or future financial years would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow from the Group.

Numis Securities Limited (trading as Deutsche Numis) ("Deutsche Numis"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Palace and no one else in connection with the proposed Tender Offer and will not be responsible to anyone other than Palace for providing the protections afforded to clients of Deutsche Numis nor for providing advice in relation to the proposed Tender Offer or any other matter referred to herein. Neither Deutsche Numis nor any of its group undertakings or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Deutsche Numis in connection with the proposed Tender Offer or any matter referred to herein.

Proposed Return of Capital to Shareholders by way of a Tender Offer for 3 Ordinary Shares for every 13 Ordinary Shares held at 250 pence per Ordinary Share and Notice of General Meeting

Introduction

On 6 June 2024, alongside its preliminary results, the Company announced that, in addition to the share buyback authority provided by shareholders on 4 December 2023, it intended to return capital to Shareholders by way of a Tender Offer pursuant to which Qualifying Shareholders are invited to tender some or all of their Ordinary Shares.

It is proposed that up to 8,667,760 Ordinary Shares may be purchased under the Tender Offer for a maximum aggregate cash consideration of up to £21.67 million and Qualifying Shareholders who participate in the Tender Offer will have a Guaranteed Entitlement to tender three Ordinary Shares for every thirteen Ordinary Shares held, representing approximately 23% (assuming full take-up under of the Tender Offer) of the Ordinary Shares held by them, at the Record Date, rounded down to the nearest whole number, at a price of 250 pence per Ordinary Share.

To the extent that Qualifying Shareholders tender for less than the total overall amount that may be returned to Shareholders pursuant to the Tender Offer, or where the Board decides not to proceed with the Tender Offer in accordance with terms of the Circular, the Board will consider alternative options regarding how best to deploy any cash or capital surplus or to return value to Shareholders, including by way of a further tender offer, a share buy-back programme or by way of a distribution of dividends, taking into consideration the then prevailing market and economic conditions and other relevant factors at the relevant time.

Tender Offer

Background and reasons for the Tender Offer

Subject to certain conditions including the passing of the Tender Offer Resolution by Shareholders at the General Meeting as a special resolution, the Tender Offer will be implemented by Deutsche Numis (acting as principal and not as agent, nominee or trustee) at the Tender Price giving Qualifying Shareholders the opportunity to tender Ordinary Shares through the Tender Offer for cash. The Tender Offer Resolution will give the Directors authority to buy back up to 8,667,760 Ordinary Shares, at the Tender Price of 250 pence per Ordinary Share, for a maximum aggregate cash consideration of up to £21.67 million.

Update on delivery of strategic objectives

Notwithstanding challenging property and financial markets, the past year was again transformational for the Group as it continued to successfully deliver on its disposal and debt reduction strategy resulting in a significantly de-leveraged balance sheet which has put the Company into a substantial net cash position. Since 1 April 2023 to date, the Company has exchanged or completed on the sale of 24 investment properties for £112.9 million and exchanged or completed on £4.4 million of sales of unencumbered residential units at Hudson Quarter, York. During FY24, the Company completed the sale of 21 investment properties for £93.7 million, which is 4.4% ahead of the 31 March 2023 valuation and completed the sales of seven residential units at Hudson Quarter, York, for £3.2 million, 5.3% ahead of the 31 March 2023 valuation.

During FY24, the Company proactively reduced gross debt by £56.0 million to £8.3 million and the significant de-leveraging of the Group's balance sheet resulted in a net cash position of £11.5 million as at the year end which has increased to £19.7 million as at 5 June 2024. Proforma net cash, assuming that all exchanged properties complete, is approximately £30.1 million as at the Latest Practicable Date.

As mentioned above, disposal activity has continued since the year end and we have exchanged or completed on the sale of three investment properties for £18.5 million and also conditionally exchanged on an office unit at St James'

Gate, Newcastle for £0.7 million. These sales were in aggregate 1.5% ahead of the 31 March 2024 book value.

Total investment properties sold since the change of strategy in July 2022 amount to £124.0 million or £135.9 million including residential apartments. Since July 2022, cash returned to shareholders from share buyback programmes totals £21.9 million of which £15.2 million was returned during FY24.

Assuming that the properties currently under offer are sold, the Company will have six investment properties remaining, each of which have their own asset management initiatives that are required to be completed in order to be ready for sale. Additionally, conditions in the investment market for certain types of assets, particularly leisure assets, are such that, in the Board's view, the sale of these assets should be deferred until market demand and pricing improve, particularly given the high income yield and long unexpired lease terms. Market conditions are continually assessed in order to determine the optimum time to sell a property assuming all appropriate asset management initiatives have been completed in relation to such properties.

Operationally, the business remains robust. The team has been proactive in implementing asset management plans to increase income, reduce void costs and improve our ESG performance, including EPCs. Rent collection remains high and current occupancy levels remain resilient.

The Company continues to reduce its level of administrative expenses in line with its strategy, with measures implemented in FY24 saving £0.9 million. This includes reducing headcount and relocating its head office to a smaller office in Victoria, London in December 2023. Annual occupancy costs of the Company's premises are £0.25 million lower than those of its former offices in Bury Street, SW1.

Annualised cost savings are now over £2.3 million compared to 2022. These cost savings represent 51% of FY22 administrative expenses and 31% of FY22 EPRA earnings. We now have a Board of two members and an executive team of six, including myself, focused on executing the Company's strategy.

The Directors believe that it is now appropriate to return further capital to Shareholders. This reflects the Directors' belief that share buy backs (including by way of tender offer) are an appropriate means of returning capital to Shareholders.

The Board regularly reviews capital allocation to optimise long-term returns for Shareholders and has explored various options for returning capital to Shareholders. The Board has determined that the proposed Tender Offer, to be made at an appropriate premium to the price per Ordinary Share on the Latest Practicable Date, would be the most suitable way of returning capital to Shareholders in a quick and efficient manner, taking account of the relative costs, complexity and timeframes of the possible methods available, as well as the likely tax treatment for and equality of treatment of Shareholders.

The Board of Directors of the Company considers the Tender Offer to be beneficial to the Shareholders as a whole, including, among other reasons, in that:

- the Tender Offer is available to all Qualifying Shareholders regardless of the size of their holding;
- the Tender Price represents a premium of 11.1% to the Company's Ordinary Shares closing price of 225 pence on 11 June 2024 (being the Latest Practicable Date);
- the Tender Offer provides Qualifying Shareholders who wish to reduce their holdings of Ordinary Shares with an opportunity to do so at a market-driven price with a premium;
- the Tender Offer enables Ordinary Shares to be sold free of commissions or charges that would otherwise be payable if Qualifying Shareholders were to sell their Ordinary Shares through their broker; and
- the Tender Offer permits Shareholders who wish to retain their current investment in the Company and their Ordinary Shares to do so, as no Shareholder is required to participate in the Tender Offer, providing Shareholders with flexibility.

The Tender Offer is separate, and in addition, to the share buy-back programme approved by Shareholders on 4 December 2023 (the "Buy-Back Programme"). Pursuant to the Buy-Back Programme, the Company was entitled to repurchase up to a maximum of 5,634,044 representing 15% of the then issued share capital (excluding shares held in treasury) of Ordinary Shares. In addition, the Company intends to renew this share buy-back authority at its next annual general meeting, which is currently scheduled to take place at 10.00 a.m. on 24 July 2024 (the "2024 AGM").

Therefore, the Tender Offer is being proposed in addition to the Buy-Back Programme and any share buy-back programme which may be announced by the Company following the 2024 AGM, assuming that the share buy-back authority is passed by Shareholders at the 2024 AGM. In addition, the Directors expect that an additional tender offer is likely to take place later in the year as further sales are completed.

Principal Terms of the Tender Offer

Subject to certain conditions (including the Tender Offer Resolution being passed at the General Meeting), Deutsche Numis will implement the Tender Offer by acquiring, as principal (and not as agent, nominee or trustee), the successfully tendered Ordinary Shares at the Tender Price. Ordinary Shares purchased by Deutsche Numis pursuant to the Tender Offer will be purchased by Deutsche Numis as principal (and not as agent, nominee or trustee) and such purchases will be on-market purchases in accordance with the provisions of the Act and the rules of the London Stock Exchange and the FCA.

Conditional upon the Tender Offer becoming unconditional and subject to the terms thereof, Deutsche Numis has the right to require the Company to purchase from it (and the Company has the right to require Deutsche Numis to sell to it) any Ordinary Shares acquired by Deutsche Numis under the Tender Offer pursuant to the Repurchase Agreement at the Tender Price. If either the put option or call option under the Option Agreement is exercised, Deutsche Numis shall sell such Ordinary Shares to the Company, at a price per

Ordinary Share equal to the Tender Price, pursuant to the Repurchase Agreement. Purchases of Ordinary Shares by the Company pursuant to the Repurchase Agreement will also be on-market purchases in accordance with the provisions of the Act and the rules of the London Stock Exchange and the FCA. The Company intends that all of the Ordinary Shares purchased by the Company pursuant to the Repurchase Agreement in connection with the Tender Offer will be cancelled.

Qualifying Shareholders must consider carefully all of the information contained in the Circular as well as their personal circumstances when deciding whether to participate in the Tender Offer.

The maximum number of Ordinary Shares that may be purchased under the Tender Offer, being up to 8,667,760 Ordinary Shares, will equate to approximately 23% of the Issued Ordinary Share Capital at the Tender Offer Record Date, for a maximum aggregate cash consideration of up to £21.67 million ("Maximum Tendered Shares"). As at 11 June 2024, being the Latest Practicable Date, there were 37,560,295 Ordinary Shares in issue. No shares were held in treasury.

If the Maximum Tendered Shares are acquired by Deutsche Numis pursuant to the Tender Offer and subsequently repurchased by the Company for cancellation pursuant to the Repurchase Agreement, the total number of Ordinary Shares of the Company in issue following such cancellation will be 28,892,535 Ordinary Shares. It is intended that successfully tendered Ordinary Shares which are subsequently purchased by the Company pursuant to the Repurchase Agreement will be cancelled and will not rank for any future dividends.

How to Participate in the Tender Offer

Qualifying Shareholders are not obliged to tender any Ordinary Shares if they do not wish to do so. If no action is taken by Qualifying Shareholders, there will be no change to the number of Ordinary Shares that they hold and they will receive no cash as a result of the Tender Offer.

Each Qualifying Shareholder who wishes to participate in the Tender Offer is entitled to submit a tender to sell some or all of their Ordinary Shares.

The total number of Ordinary Shares tendered by any Qualifying Shareholder should not exceed the total number of Ordinary Shares registered in the name of that Qualifying Shareholder at the Record Date. For example, a Qualifying Shareholder may decide to tender fifty per cent. (50%) of their Ordinary Shares, but if a Qualifying Shareholder returned a tender purporting to offer for sale more than one hundred per cent. (100%) of their Ordinary Shares, they would be deemed to have tendered only the number of Ordinary Shares actually owned by that Shareholder on the Record Date, with the tender in respect of any additional shares being deemed invalid.

The Tender Offer will open on 14 June 2024 (unless such date is altered by Deutsche Numis in consultation with the Company in accordance with the terms and conditions of the Tender Offer). The Tender Offer will close at 1.00 p.m. on 9 July 2024 and tenders received after that time will not be accepted (unless the Closing Date is extended by Deutsche Numis, in consultation with the Company, in accordance with the terms and conditions of the Tender Offer).

Purchase of Ordinary Shares

Successfully tendered Ordinary Shares will be purchased from Qualifying Shareholders by Deutsche Numis (acting as principal and not as agent nominee or trustee), free of commission and dealing charges. Conditional upon the Tender Offer becoming unconditional and subject to the terms thereof, Deutsche Numis has the right to require the Company to purchase from it (and the Company has the right to require Deutsche Numis to sell to it) any Ordinary Shares acquired by Deutsche Numis under the Tender Offer pursuant to the Repurchase Agreement at the Tender Price. If either the put option or call option under the Repurchase Agreement is exercised, such Ordinary Shares will be repurchased by the Company from Deutsche Numis pursuant to the terms of the Repurchase Agreement and subsequently will be cancelled by the Company. Any rights of Qualifying Shareholders who do not participate in the Tender Offer will be unaffected by the Tender Offer.

All Shareholders who tender Ordinary Shares will receive the Tender Price, subject, where applicable, to the scaling-down arrangements as set out in the Circular to be published later today.

If more than the overall limit of Ordinary Shares that may be repurchased pursuant to the Tender Offer are validly tendered by Qualifying Shareholders and the Tender Offer is therefore oversubscribed, acceptances of validly tendered Ordinary Shares will be scaled-down to determine the extent to which individual tenders are accepted. Accordingly, where scaling-down applies, beyond a Qualifying Shareholder's Guaranteed Entitlement, there is no guarantee that all of the Ordinary Shares which are tendered by Qualifying Shareholders will be accepted for purchase.

Guaranteed Entitlement

The Guaranteed Entitlement is only relevant if the Tender Offer is oversubscribed. Tenders in respect of approximately 23% of each holding of Ordinary Shares of every Qualifying Shareholder on the Record Date will be accepted in full at the Tender Price and will not be scaled down. This percentage is known as the "**Guaranteed Entitlement**". Qualifying Shareholders may tender Ordinary Shares in excess of their Guaranteed Entitlement. However, if the Tender Offer is oversubscribed, the tender of such excess Ordinary Shares will only be successful to the extent that other Qualifying Shareholders have tendered less than their Guaranteed Entitlement.

Circumstances in which the Tender Offer may not proceed

There is no guarantee that the Tender Offer will take place. The Tender Offer is conditional on the passing of the Tender Offer Resolution as set out in the Notice of General Meeting and on the satisfaction of the other Tender Conditions specified in the Circular. In particular, the Tender Offer is conditional on the receipt by 1.00 p.m. on the Closing Date of valid tenders in respect of at least 375,603 Ordinary Shares (representing approximately 1% of the Company's issued share capital as at the

Latest Practicable Date).

Deutsche Numis has reserved the right at any time prior to the announcement of the results of the Tender Offer, in consultation with the Company, to extend the period during which the Tender Offer is open and/or vary the aggregate value of the Tender Offer, based on economic or market conditions and/or other factors, subject to compliance with applicable legal and regulatory requirements. Deutsche Numis has also reserved the right, in certain circumstances, to not proceed with the Tender Offer. Any such decision will be announced by the Company through a Regulatory Information Service as soon as practicable thereafter.

To the extent that Qualifying Shareholders tender for significantly less than the total amount that may be returned to Shareholders pursuant to the Tender Offer, or where Deutsche Numis decides not to proceed with the Tender Offer, the Company will consider alternative options regarding how best to deploy any such cash or capital surplus or to return cash to Shareholders, including by way of a share buy-back programme or by way of distribution of dividends, taking into consideration the then prevailing market conditions and other relevant factors at the relevant time.

Full terms and conditions of the Tender Offer

Full details of the Tender Offer, including the terms and conditions on which it is made, are set out in the Circular expected to be published later today.

General Meeting to approve the Tender Offer Resolution

The Tender Offer requires the approval by Shareholders of the Tender Offer Resolution at a General Meeting of the Company. For this purpose, the Company is convening the General Meeting for 9.30 a.m. on 9 July 2024 to consider and, if thought fit, pass the Tender Offer Resolution to authorise and to approve the terms under which the Tender Offer will be effected.

The Tender Offer Resolution must be passed on a poll by at least seventy-five per cent. (75%) of the votes validly cast by those Shareholders present in person or by proxy and entitled to vote at the General Meeting. Deutsche Numis will not purchase Ordinary Shares pursuant to the Tender Offer unless the Tender Offer Resolution is duly passed.

A summary of action to be taken by Shareholders is set out in the Circular.

Recommendation by the Board

The Directors consider that the Tender Offer is in the best interests of the Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Tender Offer Resolution. The Board makes no recommendation to Qualifying Shareholders in relation to participation in the Tender Offer itself. Whether or not Qualifying Shareholders decide to tender all, or any, of their Ordinary Shares will depend on, among other things, their view of the Company's prospects and their own individual circumstances, including their own financial and tax position. Shareholders are required to take their own decision and are recommended to consult with their duly authorised independent financial or professional adviser.

The following definitions apply throughout the Circular and this announcement:

Act the Companies Act of England and Wales 2006, as amended from time to time

Articles or Articles of association the articles of association of the Company, as amended from time to time

Board or Board of Directors or Directors the directors of the Company as at the date of the Circular, whose names are set out in the Circular

Business Day any day other than a Saturday, Sunday or public holiday on which banks are open in the City of London for the transaction of general commercial business

certificated form or certificated in relation to a share, a share, title to which is recorded in the relevant register of the share concerned as being held in certificated form (that is, not in CREST)

Circular the document to be published by the Company and sent to Shareholders relating to the proposed Tender Offer and Notice of General Meeting

Closing Date 9 July 2024 or such other date as may be determined in accordance with the Circular in relation to the Tender Offer

Company or Palace Capital Palace Capital plc, a public limited company incorporated in England and Wales with registered number 05332938 and registered office at Thomas House, 84 Eccleston Square, London SW1V 1PX United Kingdom

CREST the paperless settlement procedure operated by Euroclear enabling system securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument

CREST Manual the rules governing the operation of CREST as published by Euroclear

CREST Member a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations)

CREST Participant a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)

CREST Proxy Instruction a proxy appointment or instruction made via CREST authenticated in accordance with Euroclear's specifications and containing the information set out in the CREST Manual CREST Regulations the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time

CREST Sponsor a CREST Participant admitted to CREST as a CREST sponsor, being a sponsoring system participant (as defined in the CREST Regulations)

CREST Sponsored Member a CREST Member admitted to CREST as a sponsored member

CTA 2010 the UK Corporation Tax Act 2010 (as amended from time to time)

Deutsche Numis Numis Securities Limited

Disclosure and Transparency Rules the Disclosure Guidance and Transparency Rules of the FCA made under Part VI of FSMA, as amended from time to time

Distribution any dividend or other distribution on or in respect of the shares of the Company and references to a Distribution being paid include a distribution not involving a cash payment being made

circulation being paid in full and a circulation not involving a cash payment being made

Electronic Tender the inputting and settlement of a TTE Instruction in accordance with the procedures set out in the Circular which constitutes or is deemed to constitute a tender of Ordinary Shares pursuant to and on the terms of the Tender Offer as set out in the Circular

Euroclear Euroclear UK & International Limited, the operator of CREST

FCA the Financial Conduct Authority of the United Kingdom

Form of Proxy the paper proxy form available from the Registrar upon request; or the electronic proxy form to appoint a proxy electronically using the Equiniti Shareview website or (for institutional investors only) by using the Proxymity platform on www.proxymity.io, as the case may be, in each case, to be used in connection with the General Meeting and to be completed and submitted in accordance with the instructions thereof and the terms and conditions of this Circular (including the notes to the Notice of the General Meeting set out in Part IX of this Circular)

FSMA Financial Services and Markets Act 2000, as amended from time to time

General Meeting the general meeting of the Company to be held at the offices of CMS Cameron McKenna Nabarro Olswang LLP at Cannon Place, 78 Cannon Street, London EC4N 6AF at 9.30 a.m. on 9 July 2024, or any adjournment thereof, notice of which is set out in the Circular

Group the Company and its subsidiaries and subsidiary undertakings

Guaranteed Entitlement has the meaning given to that term in the Circular (as calculated in accordance with the terms of the Circular)

HMRC H.M. Revenue & Customs

Issued Ordinary Share Capital the issued Ordinary Shares in the capital of the Company at the Tender Offer Record Date

Latest Practicable Date 11 June 2024, being the latest practicable date prior to the publication of the Circular

Equiniti Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA as Registrar and Receiving Agent

Listing Rules the listing rules made by the FCA under Part VI of FSMA, as amended from time to time and contained in the FCA's publication of the same name

London Stock Exchange London Stock Exchange PLC

MAR the Market Abuse Regulation (EU) 5964/2014, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018)

member account ID the identification code or number attached to any member account in CREST

Notice of General Meeting the notice of the General Meeting which appears in the Circular

Official List the list maintained by the FCA in accordance with section 74(1) of FSMA for the purposes of Part VI of FSMA

Ordinary Shares the ordinary shares of £0.10 each in the capital of the Company

Overseas Shareholders a Shareholder who is a resident in, or a national or citizen of, a jurisdiction outside the United Kingdom

Participant ID the identification code or membership number used in CREST to identify a particular CREST Member or other CREST Participant

Person Closely Associated or PCA shall have the same meaning as given in Chapter 1, Article 3 of MAR

Qualifying Property Rental Business the property-rental business of a REIT as defined in section 519 of the CTA 2010

Qualifying Shareholder Shareholders who are entitled to participate in the Tender Offer, being those who are on the Register on the Tender Offer Record Date and excluding those with a registered address in a Restricted Jurisdiction

REIT UK Real Estate Investment Trust

Repurchase Agreement the Repurchase Agreement, dated 13 June 2024, between Deutsche Numis and the Company, the terms of which are summarised in the Circular

Register the Company's register of members

Registrar and Receiving Agent Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA

Regulatory Information Service a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA's website

Restricted Jurisdiction means: (i) the United States, Brazil and the Republic of South Africa and any other jurisdiction where the mailing of the Circular or the accompanying documents, or the extension of the Tender Offer, in the manner contemplated by the Circular into or inside such jurisdiction would constitute a violation of the laws of such jurisdiction; or (ii) any country, region or territory which is the subject of Sanctions (including, without limitation, Cuba, Iran, North Korea, Syria, Russia, the Crimea Region of Ukraine, the so-called Donetsk People's Republic and the so-called Luhansk People's Republic)

Sanctions means any sanctions administered or enforced by the US Government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of Treasury of the U.S. Department of State, and including, without limitation, the designation of a "specially designated national" or "blocked person"), the United Nations Security Council, the European Union, His Majesty's Treasury, or other relevant competent governmental or regulatory authority, institution or agency which administers economic, financial and/or trade sanctions

Shareholder Helpline the helpline operated by Equiniti available to Shareholders in connection with the Tender Offer

Shareholders holders of Ordinary Shares from time to time

Subsidiary a subsidiary as that term is defined in section 1159 of the Act

Substantial Shareholder any person whose interest in the Company, whether legal or beneficial, direct or indirect, may cause any member of the Group to be liable to pay tax under Regulation 10 of the Real Estate Investment Trusts (Breach of Conditions) Regulations 2006 (as such regulations may be modified, supplemented or replaced from time to time) on or in connection with the making of a Distribution to or in respect of such person, and the term

"**Substantial Shareholding**" shall be construed accordingly

Takeover Code the City Code on Takeovers and Mergers

Tender Conditions shall have the meaning given in the Circular

Tender Form the form enclosed with the Circular for use by Shareholders who hold Ordinary Shares in certificated form in connection with the Tender Offer

Tender Offer the invitation to Shareholders to tender Ordinary Shares on the terms and conditions set out in the Circular and also, in the case of certificated Ordinary Shares only, the Tender Form (and, where the context so requires, the associated repurchase of such Ordinary Shares by the Company from Deutsche Numis pursuant to the Repurchase Agreement)

Tender Offer Record Date or Record Date close of business (6.00 p.m., UK time) on 9 July 2024 or such other time and date as may be determined by the Company in its sole discretion in the event that the Closing Date is altered in accordance with the Circular

Tender Offer Resolution the special resolution to be proposed at the General Meeting, as set out in the Notice of General Meeting

Tender Price 250 pence being the price per Ordinary Share at which Ordinary Shares will be purchased pursuant to

Tender Price 250 pence being the price per Ordinary Share at which Ordinary Shares will be purchased pursuant to the Tender Offer

TFE Instruction a transfer from escrow instruction (as defined by the CREST Manual)

TTE Instruction a transfer to escrow instruction (as defined by the CREST Manual)

uncertificated form recorded on the register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertified Securities Regulations, may be transferred by means of CREST

United Kingdom or UK United Kingdom of Great Britain and Northern Ireland

United States or USA the United States of America, its territories and possessions, any state of the United States, and the District of Columbia

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