

Press Release



THIS ANNOUNCEMENT (AND THE INFORMATION CONTAINED HEREIN) IS NOT FOR RELEASE, PUBLICATION, DISTRIBUTION OR FORWARDING IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO, THE UNITED STATES, CANADA, JAPAN, SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.

THIS ANNOUNCEMENT IS NOT A PROSPECTUS BUT AN ADVERTISEMENT AND DOES NOT CONSTITUTE A PROSPECTUS EQUIVALENT DOCUMENT. IT IS NOT AN OFFER OF SECURITIES FOR SALE TO U.S. PERSONS OR IN ANY JURISDICTION, INCLUDING THE UNITED STATES, CANADA, JAPAN, SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH IT WOULD BE UNLAWFUL TO DO SO. INVESTORS SHOULD NOT SUBSCRIBE FOR THE SECURITIES REFERRED TO IN THIS ANNOUNCEMENT EXCEPT ON THE BASIS OF THE INFORMATION CONTAINED IN THE PROSPECTUS EXPECTED TO BE PUBLISHED IN DUE COURSE.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

PLEASE SEE THE IMPORTANT NOTICE AT THE END OF THIS ANNOUNCEMENT.

23 May 2024

GPE Rights Issue

Fully underwritten 3 for 5 Rights Issue, to raise gross proceeds of £350 million, to capitalise on the compelling new investment opportunities in central London

Great Portland Estates plc ("**GPE**", the "**Group**" or the "**Company**") today announces the launch of a fully underwritten 3 for 5 Rights Issue to raise gross proceeds of approximately £350 million (£336 million net of expenses) through the issue of 152 million New Shares at a price of 230 pence each (the "**Rights Issue**").

Alongside this announcement, GPE has released its audited results for the year ended 31 March 2024 and announced the acquisition of The Courtyard for £28.6 million.

Background and Rationale

- The Rights Issue will allow GPE to take advantage of the attractive new acquisition and development opportunities emerging in central London commercial real estate and deliver attractive and accretive shareholder returns.
- Higher interest rates have disrupted the commercial property investment market, creating significant near-to medium-term acquisition opportunities in central London with values approaching their trough and assets trading broadly in line with 2009 real capital value levels.
- Operational market dynamics remain strong for GPE, across both its HQ and differentiated Flex offering, as demonstrated in the Group's results for the financial year ended 31 March 2024, with leasing 9.1% ahead of ERV and the Group's vacancy rate very low at 1.3%.
- With prime office demand remaining robust, and current levels of vacancy remaining low, the Group expects market conditions to remain favourable and, looking forward,

anticipates new office supply within London to tighten further alongside a growing sustainability-led bifurcation, underpinning future rental growth.

- GPE is well placed to take advantage of the market opportunity given its strong track record of disciplined capital management and accretive acquisitions, combined with its specialist development and refurbishment expertise, in-demand Flex offering and continued sustainability and customer focus.
- The Rights Issue is expected to result in a loan to value ratio (“LTV”) of 18.2% post receipt of the net proceeds of the Rights Issue and an illustrative increase in available investment capacity of approximately £450 million.

Accelerating Acquisition and Development Opportunities

- GPE continuously evaluates investment opportunities and has near-term acquisition targets of £1.4 billion within central London, which are split into a ‘Tier A’ and ‘Tier B’ list based on the Group’s assessment of the probability of a potential purchase. Beyond this the Group has an additional watchlist of £1.4 billion of assets.
- From the higher probability Tier A acquisition targets, the Group has recently exchanged on The Courtyard and has a further two near-term potential off-market Flex acquisitions under review which are adjacent to or opposite existing Flex properties of the Group.
- Given an increasing shortage of high quality office space, potential returns from the Group’s existing development pipeline, across both Flex and HQ, are also becoming increasingly attractive.
- GPE intends to use £168 million of the proceeds from the Rights Issue to commit to capex (for the Soho Square Estate and The Courtyard). This will take total capex on committed GPE schemes from £498 million to £666 million.
- GPE will seek to deploy the remainder of the proceeds in new acquisitions over the next 12-18 months, subject to market conditions.
- The Group also has approximately £660 million worth of assets earmarked for sale over the near-to-medium term as business plans complete. However, in line with the Group’s track record of recycling assets in tune with the cycle, the Group expects to time the sale of these assets opportunistically when investment market conditions are more favourable.

Delivering Long Term Value and Income Growth

- The Board expects that the acquisitions and developments which it intends to fund with proceeds of the Rights Issue will, in aggregate, enhance shareholder returns and be accretive to both EPRA earnings and NTA per share over time, and support the Group’s ambition to deliver a Total Accounting Return in excess of its cost of capital.
- GPE is targeting to deliver a Total Accounting Return of 10% plus over the near-to medium-term (before yield compression), with additional upside available should property yields contract in a falling interest rate and improving rental growth environment.
- GPE has updated its target rental value growth range for the financial year to 31 March 2025 to between 3.0% and 6.0% across the portfolio with prime offices expected to continue to outperform with a target rental value growth range of between 5.0% and 10.0%.
- GPE remains committed to maintaining its through the cycle LTV within the range of 10 to 35% and continued capital recycling discipline.

- GPE expects an inflection in EPRA earnings over the next 12 months given extensive onsite development and refurbishment activity, and the subsequent uplift from increased rental income and Flex net operating income, lower interest costs and ongoing cost discipline.
- The Board intends that the total dividend payout for the year to 31 March 2025 will be at least equal to the total payout for the year to 31 March 2024. Given the compelling pipeline of Flex and HQ opportunities that will underpin the Group's expected significant earnings growth in future years, in line with its progressive dividend policy, the total payout going forward may be increased depending on the timing of, and returns generated from, the deployment of the proceeds of the Rights Issue, as well as future asset disposals.

Directors' Intentions

- Directors of the GPE Board holding GPE shares intend to participate in the Rights Issue and intend to take up their respective entitlements in full, or in part, with a total investment of £2 million¹, further aligning themselves with GPE shareholders.

Toby Courtauld, CEO of GPE said:

"The fully underwritten Rights Issue will allow GPE to seize the significant opportunity we see emerging in the central London commercial real estate space. We have seen a correction in asset values over the last 18 months with central London commercial real estate now trading in line with levels last seen in 2009 in real terms. We are currently tracking approximately £1.4 billion of acquisition opportunities which we believe are capable of being purchased at or below replacement cost, with GPE well placed to take advantage of these opportunities given our best in class offering, sustainability credentials and differentiated flex offering. Beyond this, there is a further £1.4 billion of opportunities on our watchlist. GPE have a strong track record and a disciplined approach to allocating capital, ensuring we operate in tune with London's cyclical property markets with the objective of delivering attractive stakeholder returns."

Rights Issue and Annual Results presentation

GPE will be holding a presentation for analysts and investors today at 9.00 a.m. at the offices of Deutsche Numis. Registration for this call can be found at <https://www.gpe.co.uk/investors/latest-results>.

(1) Including Toby Courtauld c.£1.5m and Nick Sanderson c.£0.4m

Details of the Rights Issue

The Rights Issue is underwritten by BofA Securities, Deutsche Numis and J.P. Morgan Cazenove as Joint Global Coordinators and Joint Bookrunners, and Santander as Co-lead Manager (together with the Joint Global Coordinators and Joint Bookrunners, the “**Underwriters**”). Lazard is acting as Financial Advisor to GPE. BofA Securities is acting as Sole Sponsor to GPE.

The Issue Price of 230 pence per New Share represents:

- a 44.5% discount to the closing price of 414.6 pence per Ordinary Share on 22 May 2024 (being the latest practicable date prior to the publication of this announcement), adjusted for the recommended final dividend for the year ended 31 March 2024, which will not be paid on the New Shares
- a 33.4% discount to the theoretical ex-rights price based on that closing price (also adjusted for the payment of such recommended final dividend)

The New Shares will, when issued and fully paid, rank pari passu with the Existing Shares, including the right to receive all dividends or distributions declared, made or paid after the date of allotment and issue of New Shares except that they will not be eligible for the final dividend for the year ended 31 March 2024 of 7.9 pence per share recommended by the Board of GPE and announced on 23 May 2024.

GPE has agreed to a 180-day lock-up, subject to customary exceptions and waiver by the Joint Global Coordinators.

Further details of the Rights Issue are set out in the Prospectus which is expected to be published on 24 May 2024 and will also be made available on GPE’s website www.gpe.co.uk.

The Rights Issue is conditional upon, amongst other things, the Underwriting Agreement becoming unconditional in all respects (save for the condition related to Admission of the New Shares) and the Underwriting Agreement not being terminated in accordance with its terms prior to admission.

Expected summary timetable

	2024
Record Date for entitlements under the Rights Issue	6.00 p.m. on 22 May
Date of publication of FY24 results and announcement of Rights Issue	23 May
Date of publication of Prospectus	24 May
Ex-entitlement date for the Rights Issue	8.00 a.m. on 28 May
Admission and commencement of dealings in New Ordinary Shares, nil paid, on the London Stock Exchange	8.00 a.m. on 28 May
Ex dividend date for FY24 Dividend	30 May
Record date for FY24 Dividend	31 May
Latest time and date for acceptance and payment in full and registration of renounced Provisional Allotment Letters	11.00 a.m. on 11 June
Dealings in New Ordinary Shares, fully paid, commence on the London Stock Exchange	8.00 a.m. on 12 June

References to times in this announcement are to London time.

Enquiries

Great Portland Estates plc

+44(0) 207 647 3000

Toby Courtauld, Chief Executive

Nick Sanderson, Chief Financial & Operating Officer

Stephen Burrows, Director of Investor Relations and Joint Director of Finance

**BofA Securities (Joint Global Coordinator, Joint Bookrunner,
Joint Broker and Sole Sponsor)**

+44 20 7628 1000

Edward Peel

David Lloyd

Lucrezia Lazzari

Stephen Little

**Deutsche Numis (Joint Global Coordinator, Joint Bookrunner
and Joint Broker)**

+44 (0)20 3727 1000

Ben Stoop

Hannah Boros

Jamie Loughborough

Jonny Abbott

**J.P. Morgan Cazenove (Joint Global Coordinator, Joint
Bookrunner and Joint Broker)**

+44 (0) 20 7742 4000

Matt Smith

Paul Pulze

Jessica Murray

Saul Leisegang

Santander (Co-Lead Manager)

+34 91 289 00 00

Javier Mata

Pablo Mateo

Andre Stairmand

Mikel Palacios

Lazard (Financial Advisor)

+44 (0) 20 7187 2000

Cyrus Kapadia

Patrick Long

Simon Chambers

Caitlin Martin

FGS Global

+44 (0) 20 7251 3801

James Murgatroyd

Gordon Simpson

A&O Shearman is acting for the Company and Herbert Smith Freehills is acting for the Underwriters in connection with the Rights Issue.

The person responsible for arranging the release of this announcement on behalf of GPE is Darren Lennark.

LEI Number: 213800JMEDD2Q4N1MC42

IMPORTANT NOTICES

This announcement has been issued by and is the sole responsibility of the Company. This announcement is not a prospectus but an advertisement and investors should not acquire any Nil-Paid Rights, Fully Paid Rights or New Ordinary Shares referred to in this announcement except on the basis of the information contained in the prospectus expected to be approved by the Financial Conduct Authority in the UK and published by the Company in connection with the Rights Issue in due course. The information contained in this announcement is for background purposes only and does not purport to be full or complete. Copies of the Prospectus, when published, will be available on the Company's website, provided that the Prospectus will not, subject to certain exceptions, be available to certain shareholders in certain restricted or excluded territories. The Prospectus will give further details of the Rights Issue.

Any decision to participate in the Rights Issue must be made solely on the basis of the Prospectus to be published by the Company in due course. The information contained in this announcement is for background purposes only and no reliance may or should be placed by any person for any purpose whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. Recipients of this announcement should conduct their own investigation, evaluation and analysis of the business, data and property described in this announcement. This announcement does not constitute a recommendation concerning any investor's decision or options with respect to the Rights Issue. The information in this announcement is subject to change.

*This announcement is for information purposes only and shall not constitute or form part of any offer to issue or sell, or the solicitation of any offer to purchase, subscribe for or otherwise acquire, any securities of the Company in the United States (including its territories and possessions, any state of the United States and the District of Columbia) (the "**United States**" or "**US**"), Canada, Japan, South Africa or any other jurisdiction where such offer or sale would be unlawful. The securities referred to herein (the "**Securities**") have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States or under applicable securities laws of Canada, Japan, South Africa, and may not be offered, sold, taken up, exercised, resold, pledged, renounced, transferred, distributed or delivered, directly or indirectly, into or within the United States, except to qualified institutional buyers ("**QIBs**") as defined in, and in reliance on, Rule 144A under the US Securities Act, or pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any relevant state or other jurisdiction of the United States. Subject to certain exceptions the Securities referred to herein may not be offered or sold in Canada, Japan, South Africa or to, or for the account or benefit of, any national, resident or citizen of Canada, Japan or South Africa. There will be no public offering of the Securities in the United States.*

Neither this announcement or any other document connected with the Rights Issue has been or will be approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the

Securities or the accuracy or adequacy of this announcement or any other document connected with the Rights Issue. Any representation to the contrary is a criminal offence in the United States.

*Each of Merrill Lynch International ("**BofA Securities**") and J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove) ("**J.P. Morgan Cazenove**") is authorised in the United Kingdom by the Prudential Regulation Authority (the "**PRA**") and regulated in the United Kingdom by the PRA and the FCA. Numis Securities Limited (trading as Deutsche Numis) ("**Deutsche Numis**") is authorised and regulated in the United Kingdom by the FCA. Banco Santander S.A. is authorised by the Bank of Spain and subject to supervision by the Bank of Spain and by the European Central Bank and to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority ("**Santander**", and together with BofA Securities, J.P. Morgan Cazenove and Deutsche Numis, the "**Underwriters**"). Each of the Underwriters is acting exclusively for the Company and no one else in connection with the Rights Issue, and will not regard any other person (whether or not a recipient of this document) as their respective clients in relation to the Rights Issue and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, nor for providing advice, in relation to the Rights Issue, the contents of this announcement or any other transaction, arrangement or matter referred to in this announcement.*

*Lazard & Co., Limited ("**Lazard**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as financial adviser to the Company and no one else in connection with the Rights Issue and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Lazard nor for providing advice in relation to the Rights Issue or any other matters referred to in this announcement. Neither Lazard nor any of its 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 Lazard in connection with this document, any statement contained herein or otherwise.*

The distribution of this announcement and any proposed offering and/or issue of securities referred to herein in certain jurisdictions may be restricted by law. No action has been taken by the Company or any of the Underwriters that would permit an offer of securities or possession or distribution of this announcement or publicity material relating to securities in any jurisdiction where action for that purpose is required, other than in the United Kingdom. Persons into whose possession this announcement comes are required by the Company and the Underwriters to inform themselves about and to observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of such jurisdiction.

The Underwriters, in accordance with applicable legal and regulatory provisions, may engage in transactions in relation to the Securities and/or related instruments for their own account for the purpose of hedging their underwriting exposure or otherwise. In connection with the Rights Issue, the Underwriters and any of their respective affiliates, acting as investors for their own accounts may acquire New Ordinary Shares as a principal position and in that capacity may retain, acquire, subscribe for, purchase, sell, offer to sell or otherwise deal for their own accounts in such New Ordinary Shares and other securities of the Company or related investments in connection with the Rights Issue or otherwise. Accordingly, references in this document to the New Ordinary Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue, offer, subscription, acquisition, placing or dealing by each of the Underwriters and any of their respective affiliates acting as investors for their own accounts. In addition, certain of the Underwriters or their respective affiliates may enter into financing arrangements (including swaps, warrants or contracts for difference) with investors in connection with which such Underwriters (or their respective affiliates) may from time to time acquire, hold or dispose

of New Ordinary Shares. Except as required by applicable law or regulation, the Underwriters and their respective affiliates do not propose to make any public disclosure in relation to such transactions.

In the event that the Underwriters acquire New Ordinary Shares which are not taken up by Qualifying Shareholders (as defined in the Prospectus), the Underwriters may co-ordinate disposals of such shares in accordance with applicable law and regulation. Except as required by applicable law or regulation, the Underwriters and their respective affiliates do not propose to make any public disclosure in relation to such transactions.

Neither the contents of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

This announcement does not constitute a recommendation concerning any investor's options with respect to the Rights Issue. The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance. The contents of this announcement are not to be construed as legal, business, financial or tax advice. Each investor or prospective investor should consult his, her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

None of the Underwriters nor any of their respective affiliates, directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to this announcement, including the truth, accuracy, fairness, sufficiency or completeness of the information (or whether any information has been omitted from the announcement) or the opinions or beliefs contained in this announcement (or any part hereof). None of the information in this announcement has been independently verified or approved by the Underwriters or any of their respective affiliates. Save in the case of fraud, no liability is accepted by the Underwriters or any of their respective affiliates for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred howsoever arising, directly or indirectly, from any use of this announcement or its contents or otherwise in connection with this announcement.

No person has been authorised to give any information or to make any representations other than those contained in this announcement and, if given or made, such announcements must not be relied on as having been authorised by the Company, the Underwriters or any of their respective affiliates. Subject to the Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules and MAR (each as defined in the Prospectus), the issue of this announcement and any subsequent announcement shall not, in any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this announcement or that the information contained in it is correct as at any subsequent date.

This announcement contains "forward-looking statements" which includes all statements other than statements of historical fact, including, without limitation, those regarding the Company'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 Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking

statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as at the date of this announcement. None of the Company, the Underwriters or their respective affiliates undertakes or is under any duty to update, review or revise any forward-looking statement contained in this announcement or to correct any inaccuracies in any such information which may become apparent or to provide you with any additional information as a result of new information, future developments or otherwise, other than any requirements that the Company may have under applicable law or the Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules or MAR. To the fullest extent permissible by law, such persons disclaim all and any responsibility or liability, whether arising in tort, contract or otherwise, which they might otherwise have in respect of this announcement. The information in this announcement is subject to change without notice.

Information to Distributors

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK MiFIR Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, as respectively defined in paragraphs 3.5 and 3.6 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors (such term to have the same meaning as in the UK MiFIR Product Governance Requirements) should note that: the price of the New Ordinary Shares may decline and investors could lose all or part of their investment and the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the sale of the New Ordinary Shares. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Underwriters will only procure investors (in connection with the Rights Issue) who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the New Ordinary Shares and determining appropriate distribution channels.

Background to and reasons for the Rights Issue

The Group's strategy is to deliver superior returns by applying its specialist skills to acquire, reposition, redevelop and manage properties to produce high-quality, highly sought-after sustainable spaces, with the high levels of service that modern central London customers demand. The Group's disciplined approach to allocating capital shapes its activities, ensuring it operates in line with London's cyclical property markets with the objective of maximising stakeholder returns. The Directors believe that compelling new investment opportunities are starting to emerge in the central London commercial property market and, given an increasing shortage of high-quality space, potential returns from the Group's existing development pipeline are increasingly attractive. The Directors believe that timing is right to capture the opportunity given their view that valuations are at or around trough levels and central London offices are trading close to 2009 real capital values (with current real capital values down 58% from their 2015 peak, according to CBRE (Central London Office Quarterly Slidebank)). The Group has already been capitalising on the current market conditions and over the course of the last 18 months has become a net buyer of central London real estate for the first time since 2013. The Group purchased £122.9 million of investment property assets off market in the year ended 31 March 2024, at more than a 25% discount to the Group's view of replacement cost, and also recently exchanged on the acquisition of The Courtyard, WC1, at 69% discount to the Group's view of replacement cost. Accordingly, the Group is seeking to further capitalise on this opportunity through the Rights Issue, whilst maintaining its disciplined approach to capital management and balance sheet strength.

The £350.3 million Rights Issue is expected to result in an increase in available investment capacity of approximately £450 million (including existing credit lines and assuming GPE remains in its through-cycle LTV range of 10-35%) and to allow the Group to be prepared to seize upon near term acquisition pipeline opportunities in central London, as well as committing to development capital expenditure at newly purchased properties. In the short term, the proceeds will be used to repay the £47.0 million drawn on the RCF (representing £46.1 million on the Group's consolidated balance sheet at 31 March 2024), with the balance placed on short-term deposit.

The Group has the benefit of an experienced management team, with a depth of specialist skills, local knowledge and stakeholder relationships (including navigating the current planning environment), allowing the team to forensically track its target markets for potentially attractive acquisition opportunities, with the vision and capabilities to identify and seek to execute return-enhancing repositioning and redevelopment. Leveraging this market access, management are currently tracking approximately £1.4 billion of near-term acquisition targets and have a further watchlist of an additional £1.4 billion acquisition opportunities that have potential for repositioning and redevelopment into HQ and Flex schemes. The Group will also use at least £168 million of the proceeds from the Rights Issue to unlock and accelerate the significant potential within the existing Group development pipeline, including through funding the development of the recently exchanged office and retail property The Courtyard and the Soho Square Estate, acquired last summer, with the intention of developing and delivering these assets into what is expected to be an undersupplied central London office market.

The Directors expect that the acquisitions and developments which the Group intends to fund with proceeds of the Rights Issue will, in aggregate, enhance shareholder returns and be accretive to both EPRA earnings and NTA per share over time, and support the Group's ambition to deliver Total Accounting Returns in excess of its cost of capital. GPE is targeting a Total Accounting Return of 10% or more over the near to medium term (before yield compression), with

additional upside available should property yields contract in a falling interest rate and improving rental growth environment.

Higher interest rates have disrupted the commercial property investment market, creating significant near to medium term acquisition opportunities in central London

The Directors believe that in an elevated interest rate environment, attractive investment opportunities have started to emerge in the central London commercial property market. Since the peak of the recent market cycle in March 2022, central London office values have experienced a rapid correction, bringing them in line in real terms with capital values last seen during the financial crisis in 2009. Central London yields have corrected aggressively since 2022, with prime net initial yields up by 200 basis points (a 44% increase) in the City and up 75 basis points (a 19% increase) in the West End (according to CBRE (Central London Office Quarterly Slidebank)). As a consequence, the Directors are starting to identify central London real estate acquisition opportunities at or below the Group's view of replacement cost and have already started to capitalise on the opportunity through the purchase of £122.9 million in investment property assets off market during the year ended 31 March 2024, becoming a net buyer of central London commercial property for the first time since 2013. Given the market dynamics, the Group has sought to limit its asset recycling, with its last substantial sale being 50 Finsbury Square in October 2022 for £190.0 million. As a result of these evolving market dynamics, the Directors believe that central London property values are approaching trough valuations and therefore the timing is right to capture this opportunity.

The heightened interest rate environment has significantly disrupted the commercial property investment market in central London. Turnover in central London's real estate investment market was £4.6 billion during year ended 31 March 2024, 59% below the ten-year average of £11.3 billion, and lower than levels seen in 2009, according to CBRE (Central London Office Quarterly Slidebank). The Group's specialist management team continuously assesses the commercial property stock traded across its markets and has observed that vendors are starting to be more realistic, presenting opportunities to acquire commercial property closer to the Group's view of fair value. Of the 12 potential purchases that the Group had under detailed review and subsequently transacted with a third party during the year ended 31 March 2023, only 6% were within the Group's assessment of fair value and 71% were in excess of 10% above the Group's assessment of fair value. For the year ended 31 March 2024, the proportion within the Group's assessment of fair value increased to 31% (with the Group acquiring four properties out of five that were deemed to be of fair value, at a total price of £152 million and a 42% discount to the Group's view of replacement cost), with only 43% being overpriced by more than 10%.

With market pricing becoming more realistic, the Group is identifying a greater number of compelling new investment opportunities. The Group's senior management is tracking approximately £1.4 billion of near-term A list targets and B list targets based on an assessment of the probability of a potential purchase and an additional watchlist of £1.4 billion that meet the Group's investment criteria. The opportunities are split between HQ development and Flex targets, with the largest component in the West End. Of the near-term A list targets, one building, The Courtyard, WC1 recently exchanged in an off-market acquisition.

Structurally undersupplied central London office market and strong operational markets underpin future rental growth

The Directors believe that London's occupational markets for prime office space remain healthy, as demonstrated in the Group's results for the year ended 31 March 2024 which highlight strong

leasing against ERV and very low vacancy at 1.3% as at 31 March 2024. Recent leasing data indicates that active demand for West End and City offices remains at a near record high. Leasing activity remains healthy at 10.5 million sq ft over the 12 months to 31 March 2024, and space currently under offer totals 4.1 million sq ft across central London (3.2 million sq ft in the West End and City), compared to the ten-year average of 3.4 million sq ft, in each case according to CBRE (Central London Office Quarterly Slidebank).

The Directors believe that the nature of demand for office space in London is undergoing a significant transformation, with occupiers increasingly focused on prime office spaces and discounting the rest. Whilst London's overall vacancy rate, according to CBRE (Q1 2024 Slidebank), is currently 8.8%, the vacancy rates for prime offices are substantially lower at 1.1% in the West End, where the Group's properties are predominantly located, and 2.2% in the City. As at 31 March 2024 the Group had a vacancy rate of 1.3% across the portfolio and only 1.5% in its Flex portfolio. Further detail on the London office market dynamics is contained within Part XI: "Market Overview" of the Prospectus.

Furthermore, the Directors believe that new office working patterns have now been established in central London following the pandemic with customers increasingly focused on high quality, central locations, with high amenity provision, close proximity to good transport links and London's broader cultural offer.

With prime office demand remaining robust, and current levels of vacancy remaining low, the Group expects market conditions to remain favourable, and looking forward, anticipates new office supply within London to tighten further. The Directors believe that in part this is because the already high barriers to entry to developing new space in central London are rising further. The evolving UK planning regime and the growing requirement for sustainable and climate friendly buildings means that established developers such as the Group with extensive resources, experience and a track record of navigating these challenges, are ideally placed to deliver the prime spaces which customers are demanding.

The Group's internal analysis of the forward-looking supply of new space indicates that only 3.0 million sq ft of prime speculative space is expected to complete annually between May 2024 and December 2027, compared to a ten-year average take up of 4.9 million sq ft annually. This constitutes a potential shortfall of approximately 1.9 million sq ft a year over the next 4 years, with an additional 63% supply required each year.

The Directors believe that the forecast imbalance between robust demand, low vacancy rates and lack of anticipated supply of high-quality new space is a positive driver for rental growth. As a result, the Group has upgraded its forecast range for rental growth across the office portfolio to between 4.0% and 6.0% for the year ended 31 March 2025, with rental growth across the Group's prime office portfolio upgraded to between 5.0% and 10.0%.

The Group has a track record of operating in tune with the London property cycle and delivering developments profitably

The Group has three Executive Directors with a combined 92 years of central London real estate experience. In addition, the Group's experienced senior management team has a track record of repositioning properties and adhering to a disciplined capital management approach of matching risk to the timing of the central London commercial property cycle. For example, the Group raised £304 million from new equity in 2009 and 2012 to purchase £1.1 billion of assets between 31 March 2009 and 31 March 2015 at compelling valuations given the impact of the financial crisis on London commercial real estate. Many of these buildings were acquired for development, with the Group subsequently delivering 2.4 million sq ft of new office, retail and residential space between 2009 and 2023, resulting in a total profit to completion of approximately £533 million and a profit on cost of 22%. Given the quality of the spaces created, and supportive central London leasing markets, the majority of these developments were let before the buildings completed. In line with its then-stated strategy, the Group sold £2.5 billion of repositioned real estate into improved property markets between 31 March 2015 and 31 March 2024, with most sales in the earlier part of this period as markets peaked. More recently the Group has continued to sell properties, with £231.2 million of sales completed within the two years ended 31 March 2024. As a result, the Group returned a total of £616 million to shareholders between 2017 and 2020 through capital returns by way of share buybacks, a B-share scheme and a special dividend, demonstrating an approach to returning the Group's equity to shareholders which is equivalent to the discipline shown in allocating capital at an asset level. In the period from 2009 to 2016, the Group delivered Total Accounting Return of 271%. In light of recent market data, the Directors believe the timing is now opportune to accelerate capital deployment in the Group's acquisition and development pipeline.

Whilst the Group is a long-term investor, it also remains focused on crystallising the returns on its activities through asset sales over time. The Group typically seeks to sell assets once the Group's business plans have been delivered, often when buildings have been redeveloped, let on long-leases and have limited opportunities to add further value. At 31 March 2024, the Directors believe there was approximately £660 million worth of assets within the Group's portfolio which were earmarked for sale over the near to medium term as business plans are complete.

The Group is well placed to capitalise on the growing sustainability-led bifurcation opportunity in the London office market

The Directors believe that there is growing bifurcation within the central London office market between the most sustainable assets versus the wider market. Not only are customers demanding and willing to pay a premium for sustainable properties, regulation is at the same time accelerating, both through the existing UK planning regime and from forthcoming legislation to tighten EPC and other sustainability regulations. Sustainability is also having an impact on property values. The latest CBRE Sustainability Index demonstrates the continued relationship between energy efficiency and investment performance. CBRE's analysis of over 1,000 properties showed that efficient assets reported stronger total returns than inefficient assets across all sectors, as observed in the results to the fourth quarter of 2023.

Therefore, creating sustainable spaces is at the heart of the Group's purpose. The Directors believe that increasingly buildings can no longer be considered to be prime if they are not sustainable, and sustainability is becoming a key differentiator between prime spaces and the rest, with the demand for highly sustainable space growing rapidly. The Directors believe that minimising carbon emissions during development, along with the design of climate resilient

buildings, serves to maximise customer appeal, enhance long-term property value and reduce obsolescence of the Group's redeveloped assets. The Group has a strong track record of developing sustainable spaces: its development of 50 Finsbury Square, for example, had sustainability and wellbeing at the heart of the refurbishment. 50 Finsbury Square was the first of the Group's developments to achieve net carbon as defined by the UK Green Building Council (UKGBC) and contributed to a successful sale in October 2022 for £190 million, broadly in line with the March 2022 book value and reflecting a topped-up net initial yield of 3.85%. The Directors believe the sustainability profile of the development was a key contributor in pre-letting the property to Inmarsat Global Limited and in determining the ultimate sale price.

Delivering the Group's differentiated Flex offering into growing market demand, enhancing rental growth and potential returns

The Group places customer needs at the heart of its strategy, providing customers with a variety of office solutions and choices to create the space the way they want it and on flexible terms that suit them. These spaces are designed to meet and exceed customer expectations and are delivered with a personalised service where the Group works closely with customers to understand their changing needs to seek to deliver and maintain the highest standard. Having a strong and enduring relationship with the customer positions the Group to enhance satisfaction in the customer's existing space, but to also retain or relocate them when their occupation requirements change. This is reflected in the Group attaining a strong office Net Promoter Score of +30.2 versus an industry standard of +6.9 as measured by RealService.

The Directors believe that the provision of Flex space is increasingly a prerequisite for maximising returns from smaller, sub 5,000 sq ft, central London spaces. Since 2018, the Group has been expanding its Flex office space offering, capturing a first mover advantage in providing space both on a Fitted and Fully Managed basis. The Group provides Fitted space to offer dedicated, fully furnished space on flexible terms, allowing customers to move in and out of the space with ease. Where customers want a higher level of service provision it has a Fully Managed offer, which extends its proposition to provide additional services and amenity. These offerings cater to the varying demands of a broad range of modern customers from SMEs to larger corporates seeking flexibility and convenience in prime central London locations. The Group's Flex spaces are an integral part of its office offering and as at 31 March 2024 accounted for a total of 503,000 sq ft (with average unit size of 3,250 sq ft for Fitted and Fully Managed offerings), or 23.5% of its office portfolio, with 102,353 sq ft added in the year ended 31 March 2024. There is further detail on the Group's Fitted and Fully Managed office offering within Part XII: "Information on Great Portland Estates Group" of the Prospectus.

The Directors believe that evolving patterns of work are changing what many customers want from their office space, with a growing demand for spaces that are convenient, flexible in lease term and provide a high level of service. Increasingly, flexible space is becoming the default choice for customers seeking sub 5,000 sq ft office space. The Directors anticipate this trend to continue, with the wider flexible office market expected to constitute 50 million sq ft by 2025 across the UK (according to Instant Offices, an office rental agency, in 2023). The Directors believe the Group's portfolio is well suited to deliver further Flex growth given the size and nature of its portfolio.

The Group's Flex spaces have a diverse customer base which is broader than just SMEs and includes a number of large institutions, such as Morgan Stanley, Reventus Power and Aggreko, seeking elements of flexibility within a broader office portfolio. The Group had 61 Flex customers with an average lease term of 3.6 years as at 31 March 2024 with 98.5% occupancy (including

space under offer). The Group's Flex customers tend to be sticky with a customer retention rate of 63% in the year ended 31 March 2024.

Furthermore, the Group is generating significant returns from its Fully Managed initiatives and expects this to continue. Flex customers are increasingly willing to pay a rental premium for the Group's high quality convenient spaces, as demonstrated by its +117% Net Effective Rent beat (calculated as the difference between Fully Managed Net Effective Rent less operating expenditures divided by Ready to Fit Net Effective Rent) for the year ended 31 March 2024 and its anticipated 82% cash flow premium over a ten year period (calculated as the 10-year net cashflow derived from Flex assets divided by the 10-year net cashflow derived from Ready to Fit assets).

The Group remains committed to growing Flex both organically and through acquisition. The Group intends to grow Flex to more than 605,000 sq ft organically by 2028, with a one million sq ft target to be achieved over the medium term from acquisitions funded from future asset recycling and proceeds from the Rights Issue. The Directors believe that one million sq ft of Flex office space constitutes expected net operating income of approximately £76 million per annum, with approximately 75% expected to be Fully Managed (constituting a more than seven-fold growth in net operating income from May 2024). This Fully Managed Flex office space is expected to generate an additional £13 million in services profit compared to that generated by Fitted Flex office space. The majority of the organic Flex growth is expected to be delivered through the completion of the refurbishment of 6 St Andrew Street, EC4 and 31/34 Alfred Place, WC1 in 2024 and 141 Wardour Street, W1, Egyptian & Dudley, W1, which are anticipated to complete in 2025. A portion of the proceeds from the Rights Issue is expected to allow the Group to expand its Flex offers further through the acquisition of buildings, such as The Courtyard, that lend themselves to the Group's flexible space offer. The remaining one million sq ft target is currently expected to be achieved through further acquisitions funded through additional financing sources.

Use of Proceeds

The £350.3 million Rights Issue is expected to result in an increase in available investment capacity of approximately £450 million (including existing credit lines) and to allow the Group to be prepared to seize upon near term acquisition pipeline opportunities in central London, as well as committing to development capital expenditure at newly purchased properties. In the short term, the proceeds will be used to repay the £47.0 million drawn on the RCF (representing £46.1 million on the Group's consolidated balance sheet at 31 March 2024), with the balance placed on short-term deposit. As described above, the Group will also use at least £168 million of the proceeds from the Rights Issue to unlock and accelerate the significant potential within the existing Group development pipeline, including through funding the development of the recently exchanged office and retail property The Courtyard and the Soho Square Estate, acquired last summer, with the intention of developing and delivering these assets into what is expected to be an undersupplied central London office market.

The Group will continue seeking to match risk to the market cycle through the potential pre-letting of future developments and forward sales of existing assets within the Group's portfolio. Typically, the Group has sold stabilised refurbishments and developments where the Group's business plans are complete and the buildings are let on long-term leases. However, the Directors do not believe that the current market conditions provide an optimal selling environment for the Group's prime HQ assets. Currently, the Group has approximately £660 million worth of assets earmarked for sale over the near-to medium term as business plans are complete. The Group will

continue to monitor the central London investment market as it evolves and will seek to bring these assets to market at the right time to maximise returns.

Proceeds from any nearer term asset recycling, in addition to the Rights Issue proceeds, will be used to capitalise on the Group's extensive watchlist of acquisition opportunities, with the intention of further enhancing shareholder returns.

Seizing the near-term acquisition pipeline opportunity

The Group's near-term acquisition targets of £1.4 billion within central London are split into an A list and B list based on the Group's assessment of the probability of a potential purchase. In addition to these targets, the Group has an additional watchlist of 15 sites totalling approximately £1.4 billion. It is anticipated that the Group will opportunistically deploy the proceeds earmarked for acquisitions from the Rights Issue over the next 12 to 18 months, subject to market conditions.

The Group's A list acquisition targets consist of eight higher probability opportunities with a potential acquisition price of approximately £244 million (which are expected to have an additional £491 million of associated capital expenditure, for a total cost of £735 million; £350 million once adjusted to account for the Group's view of the likelihood of conversion). From the A list acquisition targets, the Group has recently exchanged on The Courtyard and has a further two near term potential Flex off-market acquisitions under review which are adjacent to existing Flex properties of the Group. The estimated total acquisition cost for The Courtyard and the two further near term opportunities is approximately £250 million. The Group has identified a further 19 lower probability B list acquisition targets with a potential acquisition price of approximately £1.2 billion (£0.3 billion once adjusted to account for the Group's view of the likelihood of conversion).

The acquisition opportunities currently being tracked by the Group are based in attractive central London locations supported by established infrastructure and good levels of local investment, with 63%, 11%, 16% and 10% of the A and B list acquisition targets by value (excluding the capital expenditure cost) in the West End, Midtown, City and Southwark, respectively. Of the 49% and 51% of these A and B list acquisition targets are intended for HQ and Flex, respectively, with the predominant majority of the A and B list acquisition targets in the West End Flex opportunities and the predominant majority of those in the remaining locations HQ opportunities. The Group typically targets acquisitions that are off-market, with the majority of its A list and B list targets (by value) currently being tracked falling into the off-market category. The Group seeks to maintain a disciplined approach to capital management and will target acquisition opportunities where it believes the potential for strong returns is high on the basis of the investment criteria set out below:

The Group's criteria for HQ repositioning:

- Tired inefficient properties often with poor sustainability credentials and low EPC ratings;
- Low existing rents and low capital values per square foot;
- Accretive assets capable of potentially delivering a 10%-15% unlevered IRR over the two to three year development period, a 150bp-200bp return above the capitalisation rate and a 12.5%-20.0% profit on cost (depending on planning and whether the asset is a new build or retrofit);
- Ability to add floor area; and
- Discount to the Group's view of replacement cost.

The Group's criteria for its Flex portfolio:

- Amenity rich locations with excellent transportation links;
- Clustering around existing GPE holdings desirable; targeting Soho, Mayfair/St James's, Fitzrovia, Southwark, Farringdon/Midtown plus potential future clusters around Liverpool Street, Waterloo and Kings Cross stations;
- 30,000 – 60,000 sq ft with divisible floorplates, unit size of 2,000 – 6,000 sq ft;
- Ability to create internal and external amenity space, including end-of-trip facilities (i.e. "journey end" facilities in a building that are most commonly used by active commuters);
- High quality ground floor experience;
- Product or market appropriate refurbishment capital expenditure;
- Opportunity to deliver a stabilised yield on cost of 6%, along with attractive profit on refurbishment; and
- For Fully Managed space, the capability to deliver a cashflow premium in excess of 35% and a Net Effective Rent in excess of 50% relative to Ready to Fit and a service margin of greater than 20%.

The Group has already started to capitalise on the current market conditions and in the year ended 31 March 2024 has become a net buyer of central London real estate for the first time since 2013, purchasing £122.9 million of investment property assets at or below the Group's view of replacement cost. More recently, the Group has exchanged on The Courtyard, WC1, which will be purchased off market, significantly below the Group's view of replacement cost, for net proceeds of £10.4 million (£462 psf on existing area) and through a property exchange of the Group's prime space at 95/96 New Bond Street for £18.2 million (£2,039 psf), thus securing a 155-year City headlease at peppercorn. The Courtyard comprises 62,000 sq ft of vacant office and partially let retail space, which the Group expects to substantially refurbish to deliver its Fully Managed offer, including the delivery of high quality workspaces with attractive customer amenities, a large roof terrace and re-configured modern retail space.

Unlocking potential in the existing Group pipeline through committing development capital expenditure

From the proceeds of the Rights Issue, the Directors intend to develop properties in its existing pipeline, including through the re-development of two recently purchased assets, The Courtyard, WC1 and the Soho Square Estate, W1. The Directors expect to be committing £168 million in capital expenditure to these two developments, increasing the Group's total committed capital expenditure across developments from approximately £498 million as at 31 March 2024 to approximately £666 million by the second quarter of 2027. This is expected to bring the total prime HQ and Flex office space that GPE will be developing into an under-supplied market to 840,600 sq ft over the coming years. The Directors believe that together The Courtyard, Soho Square Estate and other Flex acquisitions acquired from the proceeds of the Rights Issue are expected to generate a further future rent roll of £38.8 million once fully let.

The Group exchanged on the off-market acquisition of The Courtyard in April 2024. The character-rich building is located in a vibrant West End sub-market located opposite existing Group Flex holdings on Alfred Place, WC1. The Directors believe it is well-suited to being repositioned into the Group's Fully Managed office offering and will add to a growing Flex cluster in the area. The Directors expect that with an assumed refurbishment capital expenditure spend until the second quarter of 2027 of £62 million on The Courtyard, the building can potentially deliver average Fully-Managed ERV of £216 psf, potential net operating income of £4.9 million, annual rent roll of £9.0 million, potential profit on cost of 12.4%, a development yield of 6.6% and

a target ungeared IRR of 11.4%. It is anticipated that refurbishment will commence in the third quarter of 2025 and complete in the second quarter of 2027.

The Group announced the off market acquisition of the Soho Square Estate in August 2023 for £70 million, with vacant possession over the 57,456 sq ft of existing mixed-use buildings expected by November 2024. The site benefits from planning consent to demolish the existing buildings and deliver approximately 100,300 sq ft of new prime office and prime retail space, representing an increase in the existing floor space. The buildings are located in the heart of the West End at the eastern end of Oxford Street and back onto Soho Square, just 100 metres from the new Tottenham Court Road Elizabeth line underground station. The Group intends to re-work the designs to improve the quality of office and retail space, further increasing its attractiveness to prospective customers in a materially undersupplied market. The redevelopment is expected to provide a high-quality sustainable HQ office building on Soho Square with flagship retail fronting Oxford Street, arranged over basement, lower ground, ground and eight upper floors, with multiple private terraces and a communal roof terrace. The Directors expect that with an assumed development capital expenditure spend of £106.0 million on Soho Square Estate, the Group's repositioning can potentially deliver office ERV of £109 psf, future rent roll of £12.3 million and a potential profit on cost of 20.7%, development yield of 5.8% and a target ungeared IRR of 10.4%. It is anticipated that development will commence in early 2025 and vacant possession is expected from November 2024.

Until such time as the net proceeds of the Rights Issue are required to execute the acquisition and development opportunities noted above, the Group intends to use the net proceeds of the Rights Issue to pay down existing RCF debt in the short term and with the balance placed on short-term deposit. The RCF will be re-drawn, as required, to execute the Group's strategy. The Group intends to continue to use financial leverage to enhance, rather than drive, the Group's returns; once the proceeds of the Rights Issue are fully deployed, the Group will seek to continue to maintain LTV through the cycle within its target range of 10 – 35% as previously communicated by the Board, with a nearer-term LTV expectation within the 20 – 30% range.

Financial Impact of the Rights Issue

The Group's pro forma EPRA LTV as at 31 March 2024, adjusted for the Rights Issue, was 18.2% and is more fully described in Part XV: "Operating and Financial Review of the Group— Group Debt" of the Prospectus. As a result of the Rights Issue, the Group anticipates a 60% increase in the number of Ordinary Shares. As a result of the Rights Issue total available liquidity is expected to be £594.2 million (comprising cash and undrawn committed credit facilities).

The Board expects that the acquisitions and developments which it intends to fund with proceeds of the Rights Issue will, in aggregate, enhance shareholder returns and be accretive to both EPRA earnings and NTA per share over time, and support the Group's ambition to deliver Total Accounting Returns in excess of its cost of capital. GPE targets a Total Accounting Return of 10% or more over the near-to medium-term (before yield compression), with additional upside available should property yields contract in a falling interest rate and rental growth environment. The Total Accounting Return is expected to be predominantly from development surplus and rental growth, alongside a modest contribution from earnings growth.

The Directors believe the Rights Issue is expected to deliver long-term value and income growth with Group committed capital expenditure spend increasing from approximately £498 million to approximately £666 million as a result of the deployment of £168 million into the development of the Soho Square Estate and The Courtyard. The Directors believe this could deliver a further

future development surplus of £55 million bringing the total near-term potential development surplus to £175 million, including the anticipated £120 million development surplus from the Group's existing committed schemes. These buildings once completed could deliver an additional 840,600 sq ft into the central London supply constrained market.

The use of proceeds will also accelerate delivery of GPE's Flex ambitions and in particular its Fully Managed portfolio, driving income growth towards the Group's medium term ambition of £76 million net operating income (expected to be generated by ERV growth of £152.2 million) together with the potential to add additional value of £150 million from the expected services profit.

GPE has significant rent roll growth opportunity, with expected growth of 132% to come through organic growth and the use of proceeds. GPE's current rent roll, £107.5 million as at 31 March 2024, is expected to grow to £210.5 million over the medium term as a result of its existing onsite HQ developments and Flex refurbishments, with approximately one third of the remaining growth expected to come from other items (including current small office space vacancies, wider refurbishments and reversionary potential). The use of proceeds being deployed into capital expenditures for Soho Square Estate and The Courtyard, together with other Flex acquisitions, is expected to generate a further £38.8 million of future rent roll taking total rent roll to £249.3 million over the medium term. With further upside potential from acquisitions funded by the Rights Issue. Future asset recycling of the long-dated portfolio is expected to provide additional future acquisition capacity (approximately £660 million by value, with an estimated rent roll of £31 million) as business plans are delivered and investment markets stabilise.

Outlook

The Directors are increasingly confident that central London commercial property values are approaching trough valuations with persistent inflation in the UK starting to subside. In the occupational commercial property market, given the scarcity of high quality spaces in central London, the Directors continue to expect that leasing and rental performance of the Group's existing portfolio will remain strong into the financial year to 31 March 2025. Accordingly, the Directors have updated their target rental value growth range for the financial year to 31 March 2025 to between 3.0% and 6.0% across the portfolio with prime office expected to continue to outperform, with a target rental value growth range of between 5.0% and 10.0%. Furthermore, the Directors believe that property yields will remain stable, with possible yield compression on the best assets.

The Directors expect an inflection in EPRA earnings over the next twelve months with potential growth thereafter as the nearer term extensive pipeline of onsite development and refurbishment is delivered and Flex income growth continues.

The Directors believe strongly in the enduring appeal of high quality London offices and the robustness of the Group's business model.

Dividend Policy

The Board is recommending a final dividend for the financial year to 31 March 2024 of 7.9 pence per share. The New Ordinary Shares issued pursuant to the Rights Issue will not receive the final dividend. The final dividend is subject to approval by Shareholders at the Annual General Meeting of the Company to be held on 4 July 2024 and, if approved, will be paid to Shareholders on the

register as 31 May 2024. If approved, this will provide a total dividend of 12.6 pence per share for the year to 31 March 2024 (£31.9 million in aggregate).

The Board intends that the total payout for the year to 31 March 2025 will be at least equal to the total payout for the year to 31 March 2024. Given the compelling pipeline of Flex and HQ opportunities that will underpin the Group's expected significant earnings growth in future years, in line with its progressive dividend policy, the total payout going forward may be increased depending on the timing of, and returns generated from, the deployment of the proceeds of the Rights Issue, as well as future asset disposals.

Summary of the principal terms of the Rights Issue and underwriting commitments

The Company is proposing to raise gross proceeds of £350.3 million (approximately £336 million after deductions of estimated commissions, fees and expenses) by way of the Rights Issue.

Subject to the fulfilment of, among other things, the conditions set out below, the Company will offer 152,320,747 New Ordinary Shares to Qualifying Shareholders at a Rights Issue Price of 230 pence per New Ordinary Share, payable in full on acceptance. The Rights Issue will be offered on the basis of:

3 New Ordinary Shares for every 5 Existing Ordinary Shares

held by Qualifying Shareholders on the Record Date, and so in proportion to any other number of Existing Ordinary Shares then held and otherwise on the terms and conditions set out in Part IX: "*Terms and Conditions of the Rights Issue*" of the Prospectus.

The Rights Issue is being fully underwritten by the Underwriters, subject to certain customary conditions, on the basis set out in the Underwriting Agreement. The principal terms of the Underwriting Agreement are summarised in Part XX: "*Additional Information*" of the Prospectus. The Rights Issue Price of 230 pence per New Ordinary Share, which is payable in full on acceptance by no later than 11.00 a.m. on 11 June 2024, represents a 44.5% discount to the closing middle-market price of the Company of 414.6 pence per Existing Ordinary Share on 22 May 2024, the last trading day prior to the announcement of the Rights Issue adjusted for the recommended final dividend for the year ended 31 March 2024, which will not be paid on the New Shares. Additionally, it represents a discount of approximately 33.4% to the theoretical ex-rights price of 345 pence per New Ordinary Share, calculated by reference to the closing middle-market price on the same basis and adjusted for the recommended final dividend for the year ended 31 March 2024, which will not be paid on the New Shares. If a Qualifying Shareholder does not take up any of his or her entitlement to New Ordinary Shares, his or her proportionate shareholding will be diluted by 37.5%. However, if a Qualifying Shareholder takes up his or her New Ordinary Shares in full, he or she will, after the Rights Issue has been completed, and subject to the rounding down of any fractions, as nearly as practicable have the same proportionate voting rights and distribution rights as he or she had on the Record Date.

If a Qualifying Shareholder does not subscribe for the New Ordinary Shares to which he or she is entitled, such Shareholder can instead sell his or her rights to those New Ordinary Shares and receive the net proceeds in cash. This is referred to as dealing in the rights "nil paid" and, subject to the fulfilment of certain conditions, dealings on the London Stock Exchange in the Nil Paid Rights are expected to commence at 8.00 a.m. on 28 May 2024.

Qualifying Non-CREST Shareholders with registered addresses in the United States, Canada or in any of the other Excluded Territories will not be sent Provisional Allotment Letters and Qualifying CREST Shareholders in such territories will not have their CREST stock accounts credited with Nil Paid Rights, except where the Company and the Joint Global Coordinators

(on behalf of the Underwriters) are satisfied that such action would not result in the contravention of any registration or other legal or regulatory requirement in such jurisdiction.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Rights Issue. Fractions of New Ordinary Shares will not be allotted to any Qualifying Non-CREST Shareholders or Qualifying CREST Shareholders. The Joint Global Coordinators (on behalf of the Underwriters) will use their reasonable endeavours to place the aggregate of such New Ordinary Shares in the market for the benefit of the Company.

The New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive in full all dividends and other distributions declared, made or paid by reference to a record date after the date of their issue, save in respect of any dividend or distribution with a record date falling before the date of the issue of the New Ordinary Shares.

The Rights Issue is conditional upon, among other things:

- Admission of the New Ordinary Shares (nil paid) becoming effective by not later than 8.00 a.m. on 28 May 2024 (or such later time and/or date as the Company and the Joint Global Coordinators may agree);
- the delivery of certain documents to the Underwriters by the times and dates specified in the Underwriting Agreement;
- the Company having complied with its obligations under the Underwriting Agreement and under the terms of the Rights Issue, save to the extent that, in the opinion of the Joint Global Coordinators acting in good faith, would not be material in the context of the Rights Issue, the underwriting of the New Ordinary Shares or Admission;
- the warranties on the part of the Company under the Underwriting Agreement being true, accurate and not misleading on the date of the Underwriting Agreement, the date of the Prospectus and immediately before Admission;
- no event requiring a supplement to the Prospectus having arisen between the time of publication of the Prospectus and Admission and no such supplementary prospectus being published by or on behalf of the Company before Admission, which the Joint Global Coordinators (acting in good faith) consider to be material in the context of the Rights Issue; and
- in the opinion of the Joint Global Coordinators (acting in good faith), no material adverse change having occurred in respect of the Group at any time prior to Admission (whether or not foreseeable at the date of the Underwriting Agreement).

The results of the Rights Issue, including the aggregate amount raised, is expected to be announced by the Company to a Regulatory Information Service by 8.00 a.m. on 12 June 2024.

Applications have been made to the FCA for the New Ordinary Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on its main market for listed securities. It is expected that Admission of the Nil Paid Rights will become effective, and that dealings in the New Ordinary Shares, will commence, nil paid, at 8.00 a.m. on 28 May 2024 and that dealings in the New Ordinary Shares, fully paid, will commence at 8.00 a.m. on 12 June 2024.

The Existing Ordinary Shares are already admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities and to CREST. It is expected that all of the New Ordinary Shares, when issued and fully paid,

will be capable of being held and transferred by means of CREST. The New Ordinary Shares will trade under ISIN GB00BF5H9P87. The ISIN number for the Nil Paid Rights is GB00BQXP7G81 and the ISIN for the Fully Paid Rights is GB00BQXP7H98.

Intention of Directors

The Board considers that the Rights Issue is in the best interests of the Shareholders of the Group taken as a whole. Each Director who is able to participate in the Rights Issue has confirmed their intention to take up their entitlement in full, or in part, to subscribe for New Ordinary Shares under the Rights Issue in respect of their respective holding of existing Ordinary Shares, which represent approximately 0.7% of the total voting rights in the Company as at the Latest Practicable Date.

In addition, certain of the Directors have indicated their intention, subject to compliance with applicable laws and regulations, and the Company's Share Dealing Code, to purchase Nil Paid Rights, Fully Paid Rights or New Ordinary Shares following Admission, and disclosures of any such dealings will be made as required by applicable law and regulations.

Definitions

The following definitions apply throughout this announcement unless the context requires otherwise:

Admission	admission of the New Ordinary Shares, nil paid or fully paid as the case may be, to the Official List and to trading on the main market for listed securities of the London Stock Exchange becoming effective in accordance with paragraph 3.2.7G of the Listing Rules and paragraph 2.1 of the Admission and Disclosure Standards published by the London Stock Exchange
Board	the board of directors of the Company from time to time
BofA Securities	Merrill Lynch International
Closing Price	the closing middle-market price of a relevant share as derived from the London Stock Exchange's Daily Official List on any particular day
Company	Great Portland Estates plc
CREST	the electronic transfer and settlement system for the paperless settlement of trades in listed securities operated by Euroclear
Deutsche Numis	Numis Securities Limited (trading as Deutsche Numis)
Directors	the Executive Directors, Independent Non-Executive Directors and Chairman of Great Portland Estates plc
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules made by the FCA under Part VI of the FSMA
EPC	Energy Performance Certificate
EPRA	European Public Real Estate Association
ERV	Estimated Rental Value
Excluded Territories	The United States, Canada, South Africa, Japan and any other jurisdiction where the extension and/or availability of the Rights Issue (and any other transactions contemplated in relation to it) would breach any applicable laws or regulations if not conducted in accordance with the legal restrictions and requirements of that jurisdiction, and Excluded Territory shall mean any of them

Executive Directors	Toby Courtauld, Nick Sanderson and Dan Nicholson
Existing Ordinary Shares	the ordinary shares of 15 5/19 pence each in the capital of the Company at the Record Date
FCA	the UK Financial Conduct Authority
FSMA	the UK Financial Services and Markets Act 2000, as amended
Fully Paid Rights	rights to subscribe for New Ordinary Shares, fully paid
Group	Great Portland Estates plc together with its subsidiaries
Joint Global Coordinators	BofA Securities, Deutsche Numis and J.P. Morgan Cazenove
J.P. Morgan Cazenove	J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove)
Latest Practicable Date	22 May 2024 (being the latest practicable date prior to publication of the Prospectus)
Listing Rules	the listing rules of the FCA made under section 74(4) of the FSMA
London Stock Exchange	London Stock Exchange plc
NTA	Net Tangible Assets
New Ordinary Shares	the 152,320,747 new Ordinary Shares to be issued pursuant to the Rights Issue
Nil Paid Rights	rights to subscribe for New Ordinary Shares, nil paid
Official List	the Official List maintained by the FCA
Ordinary Shares	ordinary shares of 15 5/19 pence each in the capital of the Company
pounds sterling or £	the lawful currency of the United Kingdom of Great Britain and Northern Ireland
PRA	UK Prudential Regulation Authority

Prospectus Regulation Rules	the prospectus regulation rules of the FCA made under Section 73A of the FSMA
Provisional Allotment Letter	the provisional allotment letter to be issued to Qualifying Non-CREST Shareholders (other than certain Overseas Shareholders)
QIB	"qualified institutional buyer" as defined under Rule 144A
Qualifying CREST Shareholders	Qualifying Shareholders holding Ordinary Shares in uncertificated form on the Record Date
Qualifying Non-CREST Shareholders	Qualifying Shareholders holding Ordinary Shares in certificated form on the Record Date
Qualifying Shareholders	holders of Ordinary Shares on the register of members of the Company at the Record Date
RCF	the Group's £450,000,000 syndicated revolving credit facility
Record Date	6.00 p.m. on 22 May 2024
Register	the Company's register of members
Regulations	regulation, legislation and other mandatory requirements issued by authorities within the United Kingdom, the European Union and other relevant jurisdictions to which the Group's operations are subject
Regulatory Information Service	one of the regulatory information services authorised by the Financial Conduct Authority to receive, process and disseminate regulatory information from listed companies
Rights Issue	the offer by way of a rights issue to Qualifying Shareholders to subscribe for New Ordinary Shares on the terms and conditions set out in the Prospectus and, in the case of Qualifying Non-CREST Shareholders, the Provisional Allotment Letter
Rights Issue Price	230 pence per New Ordinary Share
Rule 144A	Rule 144A under the U.S. Securities Act
Santander	Banco Santander, S.A.
Securities	the New Ordinary Shares, the Nil Paid Rights, the Fully Paid Rights and the Provisional Allotment Letters

Shareholders	holders of Ordinary Shares
UK MiFIR Product Governance Requirements	the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook
Underwriters	BofA Securities, Deutsche Numis, J.P. Morgan Cazenove and Santander
Underwriting Agreement	the underwriting agreement entered into between the Company and the Underwriters relating to the Rights Issue and as further described in paragraph 9 of Part XX: "Additional Information" of the Prospectus