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If you have sold or transferred all of your registered holding of Ordinary Shares and/or Class A Shares, please forward this document and the accompanying Form of Proxy, as soon as possible, to the purchaser or transferee or other agent through or by whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or transferred part only of your registered holding of Ordinary Shares and/or Class A Shares, please contact the Company. Any person (including, without limitation, custodians, nominees and trustees) who may have a contractual or legal obligation or may otherwise intend to forward this document to any jurisdiction outside the UK should seek appropriate advice before taking any action.

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# **ALPHA REAL TRUST LIMITED**

*(an authorised closed-ended investment scheme duly incorporated in Guernsey as a company limited by shares with registered number 44786)*

**PROPOSED GENERAL AUTHORITY FOR ON-MARKET SHARE PURCHASES,  
AMENDMENT OF ARTICLES TO ALLOW THE SCRIP DIVIDEND ALTERNATIVE**

**AND**

**APPROVAL OF WAIVER UNDER RULE 9 OF THE CITY CODE ON TAKEOVERS  
AND MERGERS**

**and**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

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This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Alpha Real Trust Limited set out on pages 7 to 16 of this document in which the Independent ARTL Directors unanimously recommend that you approve the proposals described herein by voting in favour of the resolutions proposed at the Extraordinary General Meeting.

Notice of an Extraordinary General Meeting of Alpha Real Trust Limited, to be held at Old Bank Chambers, La Grande Rue, St Martin's, Guernsey GY4 6RT on 8 January 2019 at 11.00 a.m. is set out at the end of this document. A Form of Proxy for use at the Extraordinary General Meeting is enclosed.

**To be valid, the Form of Proxy should be completed, signed and returned, in accordance with the instructions printed thereon, to the Company's administrator, Estera Administration (Guernsey) Limited, at Old Bank Chambers, La Grande Rue, St Martin's, Guernsey GY4 6RT or by fax to +44 (0)1481 233319 or email to [art@estera.com](mailto:art@estera.com), as soon as possible but, in any event, so as to arrive by no later than 48 hours before the time of the Extraordinary General Meeting. The completion and return of a Form of Proxy will not preclude you from attending and voting at the Extraordinary General Meeting in person should you wish to do so.**

Panmure Gordon, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Alpha Real Trust Limited only and no one else in connection with the proposals set out herein and will not be responsible to anyone other than Alpha Real Trust Limited for providing the protections afforded to clients of Panmure Gordon nor for providing advice in relation to any of the matters referred to or contemplated in this document.

The distribution of this document in overseas jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about, and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

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## DEFINITIONS

<b>Alpha Global</b>	Alpha Global Properties Securities Fund Pte. Limited, a company incorporated in Singapore whose registered office is at 160 Robinson Road, #17-01 Singapore Business Federation Center, Singapore 068914
<b>Amendment Resolution</b>	the resolution numbered 3 in the Notice of Extraordinary General Meeting to approve the amendment of the Articles to allow the Scrip Dividend Alternative
<b>Antler</b>	Antler Investment Holdings Limited, a company incorporated in the British Virgin Islands whose registered office is at Palm Grove House, PO Box 438, Road Town, Tortola, British Virgin Islands
<b>ARC or the Investment Manager</b>	Alpha Real Capital LLP, a limited liability partnership incorporated under the laws of England and Wales, whose registered office is at 338 Euston Road, London, United Kingdom NW1 3BG
<b>ARC Concert Parties</b>	the persons presumed to be acting in concert with ARC as set out in Appendix I, and ARC Concert Party means any one of them
<b>ARTL or the Company</b>	Alpha Real Trust Limited, an authorised closed-ended investment scheme duly incorporated in Guernsey as a company limited by shares with Guernsey registered number 44786
<b>Arrco</b>	Arrco Limited, a company incorporated in England and Wales, whose registered office is at Portland House, Park Street, Bagshot, Surrey, GU19 5AQ
<b>Articles</b>	the articles of incorporation of the Company as at the date of this document or, where the context so requires, as amended from time to time
<b>AUM</b>	assets under management
<b>Board</b>	the Directors
<b>City Code or the Code</b>	the City Code on Takeovers and Mergers
<b>Class A Shareholders</b>	the holders of Class A Shares
<b>Class A Shares</b>	the 4,525,357 convertible class A ordinary shares of no par value in the capital of the Company
<b>Companies Act</b>	the United Kingdom Companies Act 2006, as amended
<b>Companies Law</b>	the Companies (Guernsey) Law, 2008, as amended
<b>Concert Party</b>	ARC and the ARC Concert Parties
<b>Connected Persons</b>	has the meaning given to that term in section 252 of the Companies Act
<b>Datastream</b>	the database operated by the quotation service provider Thomson Reuters from which the middle market closing prices of the Ordinary Shares are derived
<b>Directors</b>	the directors of ARTL (whose names are listed in paragraph 2.1 of Part 2 of this document)

<b>Extraordinary General Meeting</b>	the extraordinary general meeting of the Company, convened for 11.00 a.m. on 8 January 2019 or any adjournment thereof, notice of which is set out at the end of this document
<b>Form of Proxy</b>	the form of proxy accompanying this document for use by Ordinary Shareholders and Class A Shareholders in connection with the Extraordinary General Meeting
<b>Independent ARTL Directors</b>	the Directors, other than Phillip Rose
<b>Independent Class A Shareholders</b>	Class A Shareholders, other than ARC and the ARC Concert Parties
<b>Independent Ordinary Shareholders</b>	Ordinary Shareholders other than ARC and the ARC Concert Parties
<b>Investment Policy</b>	the investment policy of the Company
<b>Latest Practicable Date</b>	the latest practicable date prior to the publication of this document, being 17 December 2018
<b>London Stock Exchange</b>	London Stock Exchange plc
<b>MAR</b>	the Market Abuse Regulation (EU No.596/2014)
<b>NAV</b>	net asset value
<b>Notice of Extraordinary General Meeting</b>	the notice of the Extraordinary General Meeting set out at the end of this document
<b>Ordinary Shares</b>	the 69,285,942 ordinary shares of no par value in the capital of the Company
<b>Ordinary Shareholders</b>	the holders of Ordinary Shares
<b>Panel</b>	the Panel on Takeovers and Mergers
<b>Panel Waiver</b>	the waiver granted by the Panel, conditional on the approval by the Independent Ordinary Shareholders and Independent Class A Shareholders of the Panel Waiver Resolution, of any obligation which would otherwise be imposed on ARC or any of the ARC Concert Parties, either individually or collectively, to make a general offer to all Ordinary Shareholders and Class A Shareholders under Rule 9 of the City Code, as a result of market purchases made pursuant to the exercise of the Share Purchase Authority or the issue of Ordinary Shares to ARC and/or the ARC Concert Parties under the Scrip Dividend Alternative in respect of the four quarters ending 30 September 2019 provided that the maximum aggregate dividend per Voting Share in respect of which ARC and/or the ARC Concert Parties may make elections under the Scrip Dividend Alternative in respect of the four quarters ending 30 September 2019 shall not exceed 9.0 pence per Voting Share and subject to a maximum of 1,991,903 Ordinary Shares being issued to ARC and the ARC Concert Parties pursuant to such elections
<b>Panel Waiver Resolution</b>	the resolution numbered 1 set out in the Notice of Extraordinary General Meeting to approve the Panel Waiver
<b>Panmure Gordon</b>	Panmure Gordon (UK) Limited
<b>Prior Share Purchase Authority</b>	the general buy back authority approved at the extraordinary general meeting held on 5 January 2018 allowing the Company

	to buy back up to 24.99 per cent. of the Voting Share Capital as at 12 December 2017, being 68,496,906 Ordinary Shares
<b>Register</b>	the register of members of the Company
<b>Resolutions</b>	the Panel Waiver, the Share Purchase Resolution and the Amendment Resolution
<b>Rockmount</b>	Rockmount Ventures Limited, a company incorporated in Guernsey whose registered office is at 13 North Esplanade, St Peter Port, Guernsey GY1 2LQ
<b>Scrip Dividend Alternative</b>	the scrip dividend alternative for Ordinary Shareholders on the Register on the appropriate record date who wish to receive new Ordinary Shares in lieu of cash
<b>Scrip Dividend Booklet</b>	the booklet which accompanies this Circular and sets out how the Scrip Dividend Alternative will operate including the terms and conditions of the Scrip Dividend Alternative
<b>Shareholders</b>	Class A Shareholders and Ordinary Shareholders
<b>Specialist Fund Segment or the SFS</b>	the Specialist Fund Segment of the Main Market of the London Stock Exchange
<b>Share Purchase Authority</b>	the general authority for the Company to make on-market purchases of up to 24.99 per cent. of the Voting Share Capital, whether such on-market purchases be implemented by way of a share buyback or pursuant to any tender offer effected by (or on behalf) of the Company
<b>Share Purchase Resolution</b>	the resolution numbered 2 set out in the Notice of Extraordinary General Meeting to approve the Share Purchase Authority
<b>Voting Share Capital or Voting Shares</b>	the Ordinary Shares and the Class A Shares, amounting to a total of 66,902,342 ordinary voting shares as at the Latest Practicable Date

For the purposes of this document, “**subsidiary**” and “**subsidiary undertaking**” shall have the meanings given to them in the Companies Act.

Save where the context otherwise requires, references to the Company’s issued share capital or issued Ordinary Share capital exclude shares held in treasury.

## Expected timetable of principal events

Publication of this document	18 December 2018
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 4 January 2019
Extraordinary General Meeting	11.00 a.m. on 8 January 2019
Announcement of result of Extraordinary General Meeting	by close of business on 8 January 2019

**Notes:**

References to time in this document are to London time. The above-mentioned dates are indicative only. If any of the above times or dates should change, the revised times and/or dates will be notified to Ordinary Shareholders and Class A Shareholders by way of an announcement on a Regulatory Information Service.

## PART 1

# LETTER FROM THE CHAIRMAN ALPHA REAL TRUST LIMITED

*(an authorised closed-ended investment scheme duly incorporated in Guernsey as a company limited by shares with registered number 44786)*

### *Directors*

David Jeffreys (*Chairman*)  
Jeff Chowdhry  
Phillip Rose  
Melanie Torode  
William Simpson

### *Registered office*

Old Bank Chambers  
La Grande Rue  
St Martin's  
Guernsey  
GY4 6RT

18 December 2018

Dear Ordinary Shareholder and Class A Shareholder

## **Proposed Share Purchase Authority, Amendment of Articles to allow the Scrip Dividend Alternative and Panel Waiver**

### **1. Introduction**

The purpose of this letter is to provide you with information on the background to and reasons for the proposals set out herein, to explain why the Board considers such proposals to be in the best interests of the Company, and the Shareholders as a whole, and why the Independent ARTL Directors recommend you vote in favour of the resolutions to be proposed at the Extraordinary General Meeting.

#### **1.1 *Introduction to the proposed Share Purchase Authority, Amendment of Articles to allow the Scrip Dividend Alternative and Panel Waiver***

In the circular to Ordinary Shareholders and Class A Shareholders dated 12 December 2017, the Directors stated that the Company wished to have the flexibility to make on-market purchases of Ordinary Shares by way of a share buyback or pursuant to any tender offer effected by (or on behalf of) the Company. At the Company's extraordinary general meeting held on 5 January 2018, the Independent Ordinary Shareholders approved a general authority allowing the Company to buy back Ordinary Shares, such authority being in respect of up to 24.99 per cent. of the Voting Share Capital as at 12 December 2017, being 68,496,906 Ordinary Shares (the "**Prior Share Purchase Authority**"). A total of 1,584,564 Ordinary Shares have been purchased in aggregate pursuant to the Prior Share Purchase Authority (which authority expires on 5 January 2019), including 1,584,564 Ordinary Shares repurchased by the Company pursuant to the tender offer set out in the Company's circular published on 5 October 2018. The Company has no intention to make any further repurchases of Ordinary Shares under the Prior Share Purchase Authority.

In order to continue to provide liquidity to Ordinary Shareholders, the Company wishes to have the ability to make on-market purchases of Ordinary Shares either by way of a share buyback or pursuant to any tender offer effected by (or on behalf of) the Company. As the Class A Shares are unlisted and are not traded on a recognised investment exchange, the Share Purchase Authority will not authorise the Company to buy back any Class A Shares prior to their conversion into Ordinary Shares. However, further to the announcement made by the Company on 13 December 2018 regarding the final special dividend payable to all Class A Shareholders, the Company intends to convert all the Class A Shares into Ordinary Shares in accordance with the Articles and an announcement providing further details of such conversion (including the date on which conversion will occur) is expected to be made in early January 2019.

In addition, the Ordinary Shares are currently trading at a significant discount to the unaudited net asset value of the Company (such discount being 25.4 per cent. as at the Latest Practicable Date, based on the NAV per Voting Share as at 30 September 2018 of 178.4 pence).

Accordingly, the Company is therefore seeking the approval of Ordinary Shareholders and Class A Shareholders to the Share Purchase Resolution. If Ordinary Shareholders and Class A Shareholders approve the Share Purchase Resolution, the Company would have authority to

make on-market purchases of Ordinary Shares representing up to 24.99 per cent. of the Voting Share Capital (being up to 16,718,895 Ordinary Shares as at the Latest Practicable Date).

The Company's dividend policy is to pay dividends to Shareholders on a quarterly basis. Dividends in respect of the year ended 31 March 2018 totalled 2.4 pence per Voting Share, comprising four dividends of 0.6 pence per Voting Share. The Directors have also paid a dividend 0.6 pence per Voting Share for the quarter ended 30 June 2018 and on 16 November 2018 declared a dividend for the quarter ended 30 September 2018 of 0.6 pence per Voting Share.

The Directors are seeking Shareholders' approval to enable a scrip dividend alternative to be offered to Ordinary Shareholders whereby they could elect to receive additional Ordinary Shares in lieu of a cash dividend (the "**Scrip Dividend Alternative**"). Class A Shareholders will not be able to participate in the Scrip Dividend Alternative as to do so would require the Company to publish a prospectus. However, as noted above, after the payment of the final special dividend to Class A Shareholders, it is intended that all the Class A Shares will convert into Ordinary Shares in accordance with the Articles and following such conversion Class A Shareholders who wish to participate in the Scrip Dividend Alternative will be able to elect to receive additional Ordinary Shares in respect of some or all of the Ordinary Shares arising on such conversion.

Whether or not the Scrip Dividend Alternative will be offered in respect of any dividend declared from time to time will be determined by the Directors, at their absolute discretion, at the time of such declaration.

In order to enable the Directors to implement the Scrip Dividend Alternative, Resolution 3 will be proposed at the Extraordinary General Meeting to amend the Articles to allow the Board to offer the Scrip Dividend Alternative to Ordinary Shareholders. Further details of how the Scrip Dividend Alternative will operate are set out in the scrip dividend booklet that accompanies this document (the "**Scrip Dividend Booklet**").

A waiver conditionally granted by the Panel of any obligation on ARC or the ARC Concert Parties to make a mandatory offer for the Company under Rule 9 of the City Code, as a result of market purchases made pursuant to the exercise of the Prior Share Purchase Authority was approved at the Company's extraordinary general meeting on 5 January 2018 (the "**Prior Panel Waiver**").

As at the Latest Practicable Date, ARC holds 33.71 per cent. of the Voting Share Capital and the ARC Concert Parties hold 6.49 per cent. of the Voting Share Capital, bringing the total holding of ARC and the ARC Concert Parties to 40.20 per cent. of the Voting Share Capital. Consequently, Rule 9 of the Code will apply to any further increase in the Voting Share Capital attributable to ARC or the ARC Concert Parties (except to the extent that a further waiver is obtained from the Panel).

As a result, under Rule 9 and Rule 37 of the City Code, unless a specific waiver is obtained from the Panel and approved by the Independent Ordinary Shareholders and the Independent Class A Shareholders voting on a poll, ARC and the ARC Concert Parties would normally be obliged to make a mandatory offer for the Company in the event that their aggregate percentage holding of voting rights attaching to the Voting Share Capital increased as a result of the exercise of the Share Purchase Authority and/or any elections made by them for Ordinary Shares pursuant to the Scrip Dividend Alternative. ARC and the ARC Concert Parties (which includes Phillip Rose) are disenfranchised for the purposes of voting on the Panel Waiver Resolution.

The Panel have conditionally granted a waiver of any obligation on ARC or the ARC Concert Parties to make a mandatory offer for the Company under Rule 9 of the City Code in respect of market purchases made pursuant to the Share Purchase Authority and/or any share issuances to ARC and/or the ARC Concert Parties pursuant to the Scrip Dividend Alternative provided that the maximum aggregate dividend per Ordinary Share in respect of which ARC and/or the ARC Concert Parties may make elections under the Scrip Dividend Alternative in respect of the four quarters ending 30 September 2019 shall not exceed 9.0 pence per Voting Share<sup>1</sup> and subject

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<sup>1</sup> All references in this document to a dividend of 9.0 pence per Voting Share have been included for the sole purpose of calculating the maximum number of Ordinary Shares which ARC and the ARC Concert Parties could elect to receive pursuant to the Scrip Dividend Alternative in accordance with the Panel Waiver and they do not constitute a profit or dividend forecast in respect of the four quarters ending on 30 September 2019 nor they should be seen as an indication of the Company's expected or actual results or returns.

to a maximum of 1,991,903 Ordinary Shares being issued to ARC and the ARC Concert Parties pursuant to such elections (the “**Panel Waiver**”). The Company is therefore seeking the approval of Ordinary Shareholders and Class A Shareholders to the Panel Waiver.

## **2. Background to and reasons for the proposed Share Purchase Authority, Amendment of Articles Scrip Dividend Alternative and Panel Waiver**

### **2.1 Background**

In light of the fact that the Ordinary Shares are currently trading at a significant discount to the unaudited net asset value of the Company (such discount being 25.4 per cent. as at the Latest Practicable Date, based on the NAV per Voting Share as at 30 September 2018 of 178.4 pence), the Board believes that it is in the Company’s interests, and in the interest of Shareholders as a whole, to provide Ordinary Shareholders who wish to realise part or all of their investment in the Company with an opportunity to access liquidity which might otherwise not be available in the market.

In light of the foregoing, the Board wishes to seek shareholder approval for the Company to make on-market purchases of its Ordinary Shares, such approval being in respect of up to 24.99 per cent. of the Voting Share Capital. Accordingly, Ordinary Shareholders and Class A Shareholders are being asked to approve the Share Purchase Resolution and the Panel Waiver Resolution.

The Company continues to pursue further investment opportunities. As set out in the Company’s interim results announcement on 16 November 2018, the Company’s cash and cash equivalents and units in Freehold Income Authorised Fund (which offers a monthly redemption facility) totalled £21.8 million. Whilst the Company has historically used its cash balances to make investments, this does not preclude the Company issuing shares as consideration for acquisitions (subject to complying with any applicable Guernsey regulatory requirements). There are no restrictions in the Investment Policy on the issue of the Ordinary Shares as consideration for acquisitions. Under the Companies Law, the Board must be satisfied prior to the issue of new shares that the consideration for, and the terms of, the issue are fair and reasonable to the Company and to all existing Shareholders, being any holder of Voting Share Capital. Where the Company issues shares in consideration for an acquisition, the Companies Law requires the Board to also determine the reasonable present cash value of the consideration for the issue and resolve that, in its opinion, the present cash value of the consideration to be provided for the issue of the shares is not less than the amount to be credited for the issue of the shares. Other than as described above, there are no restrictions under the Companies Law or the Articles for issuing shares on a non pre-emptive basis or below the Company’s last reported NAV per Voting Share.

Any share purchases of Ordinary Shares made in accordance with the Share Purchase Authority will be made at a price which is considered by the Board to be in the best interests of the Company and the Shareholders as a whole at the relevant time and at a discount to the last reported NAV per Voting Share (provided that (a) in relation to any tender offer, the maximum price shall be 150 per cent. of the average of the middle market quotations as published by Datastream for the five business days immediately preceding the date on which a circular is posted to Shareholders notifying them of the terms and conditions of such tender offer; and (b) in relation to any share purchases effected otherwise than pursuant to a tender offer, the maximum price shall be the higher of (i) an amount equal to 105 per cent. of the average of the middle market quotations as published by Datastream for the five business days immediately preceding the date on which the Ordinary Shares are contracted to be purchased and (ii) the amount stipulated by Article 5(6) of MAR). The Board has no immediate intention of using the Share Purchase Authority, but this will be kept under regular review by the Board. In addition, the Board will continue to monitor the discount to NAV per Voting Share at which the Ordinary Shares trade.

The Company’s dividend policy is to pay dividends to Shareholders on a quarterly basis. Dividends in respect of the year ended 31 March 2018 totalled 2.4 pence per Voting Share, comprising four dividends of 0.6 pence per Voting Share. The Directors have also paid a dividend of 0.6 pence per Voting Share for the quarter ended 30 June 2018 and on 16 November 2018 declared a dividend for the quarter ended 30 September 2018 of 0.6 pence per Voting Share.

The Directors are seeking Shareholders' approval to enable a scrip dividend alternative to be offered to Ordinary Shareholders whereby such Ordinary Shareholders could elect to receive additional Ordinary Shares in lieu of a cash dividend in respect of dividends declared from time to time. As noted above, prior to conversion of the Class A Shares into Ordinary Shares in accordance with the Articles, Class A Shareholders will not be able to participate in the Scrip Dividend Alternative as to do so would require the Company to publish a prospectus. However, following such conversion, Class A Shareholders will be able to participate in the Scrip Dividend Alternative in respect of some or all of the Ordinary Shares arising on conversion in accordance with the terms and conditions of the Scrip Dividend Alternative set out in Appendix 1 to the Scrip Dividend Booklet.

In order to enable the Directors to implement the Scrip Dividend Alternative, it is proposed that the Company amend its Articles by inserting a new article that would allow the Board to offer Ordinary Shareholders the right to receive shares instead of cash in respect of the whole or part of any dividend declared by the Board, by Shareholders passing of the Amendment Resolution (Resolution 3 in the Notice of Extraordinary General Meeting). Whether or not the Scrip Dividend Alternative will be offered in respect of any dividend declared from time to time will be determined by the Directors, at their absolute discretion, at the time of such declaration.

## **2.2 Summary information on the Share Purchase Authority and the Scrip Dividend Alternative**

Ordinary Shareholders and Class A Shareholders are being asked to approve the Share Purchase Resolution to enable the Company to make market purchases of up to 16,718,895 Ordinary Shares, representing a maximum of 24.99 per cent. of the Voting Share Capital as at the Latest Practicable Date. If the Share Purchase Resolution is approved by Ordinary Shareholders and Class A Shareholders, the Company would have authority to make on-market purchases either by way of a share buyback or pursuant to any tender offer effected by (or on behalf) of the Company. The Share Purchase Authority is conditional upon the passing of the Panel Waiver Resolution and so will therefore have the benefit of the Panel Waiver (see paragraph 3.4 below for further details).

If a tender offer were to be effected by (or on behalf of) the Company, details of that tender offer (including the tender price, terms of the tender offer and timetable for such tender offer) would be communicated to Ordinary Shareholders and Class A Shareholders at the relevant time. As referred to above, there is no immediate intention of using the Share Purchase Authority, whether by way of tender offer or otherwise.

Ordinary Shareholders and Class A Shareholders are also being asked to approve the proposed amendment to the Articles to enable the Company to offer scrip dividends to Ordinary Shareholders under the Scrip Dividend Alternative, at the absolute discretion of the Directors, from time to time.

The number of Ordinary Shares that an Ordinary Shareholder will receive under the Scrip Dividend Alternative will be calculated by reference to the applicable scrip calculation price. The relevant scrip calculation price will be calculated using the average of the closing middle market quotations of an Ordinary Share as published by Datastream for five consecutive dealing days as the Board shall determine, provided that the first of such days shall be on or after the day on which the Ordinary Shares are first quoted "ex" the relevant dividend, or in such other manner as may be approved by ordinary resolution of the Shareholders.

Further details of how the Scrip Dividend Alternative will operate, including the terms and conditions of the Scrip Dividend Alternative, are set out in the Scrip Dividend Booklet which accompanies this document. Subject to the passing of Resolution 3, Ordinary Shareholders will also be sent a scrip dividend mandate form which they should complete if they wish to receive all or part of their dividends in new Ordinary Shares instead of cash in the event that the Directors apply the Scrip Dividend Alternative to the relevant dividend.

Shareholders should note that the ability of ARC and the ARC Concert Parties to elect to receive additional Ordinary Shares under the Scrip Dividend Alternative in respect of dividends declared for any or all of the four quarters ending on 30 September 2019 will be conditional on Shareholders passing the Panel Waiver Resolution (Resolution 1 in the Notice of Extraordinary General Meeting).

Although the Share Purchase Authority will last until 7 January 2020, the Company may ask Ordinary Shareholders and Class A Shareholders to approve a new share purchase authority at the Company's next annual general meeting or at some other later date. If so, the Company may seek a new waiver from the Panel in relation to any obligation which would otherwise be imposed on ARC or any of the ARC Concert Parties to make a general offer to all Ordinary Shareholders and Class A Shareholders under Rule 9 of the City Code as a result of the exercise of any share purchase authority. In addition, the Company may also seek a new waiver in respect of any share issuances under the Scrip Dividend Alternative to ARC and/or the ARC Concert Parties in respect of dividends declared for any quarter ending after 30 September 2019. Any such waivers would again be conditional upon the approval of Independent Ordinary Shareholders and Independent Class A Shareholders voting on a poll.

Further details regarding the Panel Waiver, the Share Purchase Authority and the Amendment Resolution are set out below in the section headed "Notice of Extraordinary General Meeting".

### 2.3 **Information on ARC and the ARC Concert Parties**

Under the City Code, the partners in ARC are presumed to be acting in concert with ARC.

As at the Latest Practicable Date, the interests of ARC and the ARC Concert Parties, all of which are beneficial unless otherwise stated, in the ARTL relevant securities were as follows:

<i>Shareholder / partner (as applicable)</i>	<i>ARTL shareholding</i>		<i>Partnership interest in ARC</i>
	<i>Number</i>	<i>%</i>	<i>%</i>
ARC <sup>1</sup>	22,550,000	33.71	NA
<i>ARC partners</i>			
Rockmount	2,257,575	3.37	19.15
Arrco	10,930 <sup>2</sup>	0.02	56.82
Phillip Rose	892,220	1.33	20.44
Brad Bauman	55,006	0.08	2.75
IPGL Limited <sup>3</sup>	–	–	–
IPGL Property Funds Limited <sup>3</sup>	–	–	–
Brian Frith	1,125,000	1.68	0.76
Karl Devon Lowe	–	–	0.01
Mark Rattigan	–	–	0.01
Hugo James	–	–	0.01
Nicholas Friedlos	–	–	0.01
Nigel Ashfield	–	–	0.01
Patrick Grant	–	–	0.01
Scott Gardner	–	–	0.01
Tom Pissarro	–	–	0.01
<b>Total</b>	<b>26,890,731</b>	<b>40.20</b>	<b>100.00</b>

1 Note: All shares are held by ARC's wholly-owned subsidiary, Alpha Global.

2 Note: Syd Taylor (formerly a director of Arrco) holds 10,930 Ordinary Shares in ARTL.

3 Note: IPGL Limited and IPGL Property Funds Limited are no longer members of the Concert Party following the sale of Ordinary Shares they held in ARTL and the sale of their partnership interest in ARC.

As at the Latest Practicable Date, ARC holds 33.71 per cent. of the Voting Share Capital and the ARC Concert Parties hold 6.49 per cent. of the Voting Share Capital, bringing the total holding of ARC and the ARC Concert Parties to 40.20 per cent. of the Voting Share Capital of ARTL.

None of Karl Devon-Lowe, Mark Rattigan, Hugo James, Nicholas Friedlos, Nigel Ashfield, Patrick Grant, Scott Gardner or Tom Pissarro, all of who are partners in ARC, holds any Ordinary Shares.

Phillip Rose cannot be treated as an independent director of ARTL in relation to the proposed Share Purchase Authority and Panel Waiver as he is a partner in ARC. Accordingly, Phillip Rose has taken no part in the recommendation of the Board in connection with these matters or the proposed amendment of the Articles. The Independent ARTL Directors comprise David Jeffreys, Jeff Chowdhry, Melanie Torode and William Simpson.

Further information on ARC and the ARC Concert Parties can be found in Appendix I to this document, and financial information for the past two years on ARC can be found in Part 1 of Appendix II to this document.

ARC and the ARC Concert Parties have indicated to the Company that they do not have any intentions for the Company to cease to be admitted to trading on the SFS or to amend the Investment Policy. ARC and the ARC Concert Parties have also indicated that they do not have any intention for any changes to be made to the Company's Board or to the location of the head office of the Company. The Company has no employees and no fixed assets.

#### 2.4 **The Code**

Under Rule 9 of the Takeover Code ("**Rule 9**") any person who acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company; or any person, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, such person shall extend offers, on the basis set out in Rules 9.3, 9.4 and 9.5, to the holders of any class of security whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights.

An offer under Rule 9 must be in cash and at the highest price paid within the twelve months prior to the announcement of the Offer for any interest in shares in the Company by the person required to make the offer or any person acting in concert with him.

Under Rule 37 of the Takeover Code, any increase in the percentage of shares carrying voting rights held by a shareholder or persons acting in concert with the shareholder resulting from the purchase by the Company of its own shares will be treated as an acquisition for the purpose of Rule 9. For the purposes of the Takeover Code, ARC and the ARC Concert Parties form the Concert Party. As ARC and the ARC Concert Parties beneficially own 40.20 per cent. of the Voting Share Capital, and the members of ARC and the ARC Concert Parties have previously been and are regarded by the Panel to be acting in concert, any exercise of the Share Purchase Authority to buyback issued Ordinary Shares and/or the issue of Ordinary Shares under the Scrip Dividend Alternative to ARC and the ARC Concert Parties could result in ARC and the ARC Concert Parties being obliged under Rule 9 of the Takeover Code to make an offer for the remaining Ordinary Shares and Class A Shares then in issue and not already owned by them.

**The aggregate Voting Share Capital held by ARC and the members of the ARC Concert Parties currently comprises 40.20 per cent. of the Voting Share Capital. If 16,718,895 of the issued Ordinary Shares (being the maximum number of Ordinary Shares which could be purchased by the Company pursuant to the Share Purchase Authority) were to be purchased by the Company, and a total of 1,991,903 Ordinary Shares are issued to ARC and the ARC Concert Parties under the Scrip Dividend Alternative (being the maximum number of Ordinary Shares that could be issued to ARC and the ARC Concert Parties under the Scrip Dividend Alternative, based on a maximum aggregate dividend of 9.0 pence per Voting Share for the four quarters ending on 30 September 2019 and a scrip calculation price of 121.5 pence, and assuming that no other Ordinary Shareholders elect to receive the Scrip Dividend Alternative), ARC and the ARC Concert Parties' resulting aggregate holding of 28,882,634 Ordinary Shares and nil Class A Shares would comprise 55.36 per cent. of the issued Voting Share Capital. In such a scenario, ARC and the ARC Concert Parties would be able to block and pass ordinary resolutions of the Company as they would control in excess of 50 per cent. of the voting rights of the Company.**

**Following exercise of the Share Purchase Authority and/or the issue of Ordinary Shares pursuant to elections made by ARC and/or the ARC Concert Parties under the Scrip Dividend Alternative, ARC and the ARC Concert Parties may between them hold more than 50 per cent. of the Voting Share Capital and for so long as they continue to be treated as acting in concert may accordingly increase their aggregate interest in Voting Shares**

**without incurring any obligation under Rule 9 to make a general offer, although individual members of ARC and the ARC Concert Parties will not be able to increase their percentage interests in Voting Shares through or between the Rule 9 threshold without Panel consent. However, should ARC and the ARC Concert Parties, following any subsequent exercise of the Share Purchase Authority and/or the issue of Ordinary Shares pursuant to the Scrip Dividend Alternative, hold shares which in the aggregate carry not less than 30 per cent. of the voting rights of the Company but do not hold shares carrying more than 50 per cent. of the voting rights of the Company and should any such persons then acquire an interest in additional shares carrying voting rights of the Company (other than further Ordinary Shares issued pursuant to the Scrip Dividend Alternative in accordance with the Panel Waiver) with the effect that their percentage holding of shares carrying voting rights is increased, that person will, except with the consent of the Panel, be required by the Panel to make a general offer to all Ordinary Shareholders and Class A Shareholders at the highest price paid by such a person for any interest in shares in the Company during the previous 12 months.**

Accordingly, if ARC and the ARC Concert Parties do not hold shares carrying more than 50 per cent. of the voting rights of the Company, whilst the obligations under Rule 9 would be waived in relation to any exercise of the Share Purchase Authority and/or the issue of Ordinary Shares pursuant to elections made by ARC and/or the ARC Concert Parties under the Scrip Dividend Alternative in accordance with the Panel Waiver, any other future share buybacks or purchases of any interest in shares in the Company by ARC or the ARC Concert Parties or the issue of Ordinary Shares to ARC or the ARC Concert Parties under a scrip dividend alternative after the expiry of the Panel Waiver would remain subject to Rule 9 and the other provisions of the Code.

The Panel has agreed to waive the obligation to make a general offer that would otherwise arise as a result of any exercise of the Share Purchase Authority and/or the issue of Ordinary Shares pursuant to elections made by ARC and/or the ARC Concert Parties under the Scrip Dividend Alternative (provided that the maximum aggregate dividend per Ordinary Share in respect of which ARC and/or the ARC Concert Parties may make elections under the Scrip Dividend Alternative in respect of the four quarters ending 30 September 2019 shall not exceed 9.0 pence per Voting Share), subject to the approval of the Independent Ordinary Shareholders and Independent Class A Shareholders voting on a poll. Accordingly, Resolution 1 is being proposed at the Extraordinary General Meeting and will be taken on a poll. Neither ARC nor the ARC Concert Parties will be entitled to vote on Resolution 1.

The duration of the Panel Waiver is the same as the duration of the Share Purchase Authority and will therefore expire on 7 January 2020 but the Company may (prior to such expiry) enter into a contract to acquire Ordinary Shares which will or may be completed or executed wholly or partially after such expiry and may make an acquisition of Ordinary Shares pursuant to such contract in reliance on the Share Purchase Authority and the Panel Waiver. The Company may also issue Ordinary Shares to ARC and the ARC Concert Parties in respect of any dividend declared in the quarter ending 30 September 2019 pursuant to the Scrip Dividend Alternative even if such issue occurs after the expiry of the Panel Waiver, subject to the limitations set out above.

In the event that the Panel Waiver is approved at the Extraordinary General Meeting, ARC and the ARC Concert Parties will not be restricted from making an offer for the Company.

If you approve the Panel Waiver, you will be waiving the requirement for ARC and the ARC Concert Parties to make a mandatory general offer under Rule 9 of the Code as a result of the exercise of the Share Purchase Authority and/or the issue of Ordinary Shares pursuant to elections made by ARC and/or the ARC Concert Parties under the Scrip Dividend Alternative in respect of the four quarters ending on 30 September 2019.

**Before consenting to a waiver of the Code in relation to the Share Purchase Resolution and the Scrip Dividend Alternative you may want to take independent professional advice from an appropriate independent legal and/or financial adviser.**

### 3. Current and potential shareholding of ARC and the ARC Concert Parties

The aggregate shareholding of ARC and the ARC Concert Parties in the Company as at the Latest Practicable Date was 26,890,731 Ordinary Shares and nil Class A Shares, being 40.20 per cent. of the Voting Share Capital. This information is set out in the table below, together with details of the maximum number of Ordinary Shares and the percentage of Voting Share Capital of the Company which would be held by ARC and the ARC Concert Parties following (i) the exercise in full of the Share Purchase Authority, (ii) the exercise in full of the Scrip Dividend Alternative in respect of the four quarters ending on 30 September 2019 (assuming ARC and the ARC Concert Parties elect in full for the Scrip Dividend Alternative and no other Ordinary Shareholders elect to receive the Scrip Dividend Alternative) and (iii) the exercise in full of both the Share Purchase Authority and the Scrip Dividend Alternative in respect of the four quarters ending on 30 September 2019 (assuming ARC and the ARC Concert Parties elect in full for the Scrip Dividend Alternative, no other Ordinary Shareholders elect to receive the Scrip Dividend Alternative and no further Ordinary Shares are bought back under the Prior Share Purchase Authority after the date of this document). The below table assumes that the maximum scrip dividend for the four quarters ending 30 September 2019 will be for an amount in aggregate of 9.0 pence per Voting Share, that the scrip calculation price for all the Ordinary Shares issued under the Scrip Dividend Alternative will be 121.5 pence (being the lowest market price of the Ordinary Shares in the last 12 months) and that 1,991,903 Ordinary Shares in aggregate will be issued to ARC and the ARC Concert Parties under the Scrip Dividend Alternative. Any dividends declared in excess of the aggregate of 9.0 pence per Voting Share for the four quarters ending 30 September 2019 would be payable to ARC and the ARC Concert Parties in cash.

Shareholder	As at the Latest Practicable Date		In the event the Share Purchase Authority is exercised in full <sup>1</sup>		In the event the Scrip Dividend Alternative Authority is exercised in full <sup>2</sup>		In the event the Share Purchase Authority and the Scrip Dividend Alternative Authority are exercised in full <sup>3</sup>	
	Number of Ordinary Shares	% of Voting Share Capital	Number of Ordinary Shares	% of Voting Share Capital of the Company	Number of Ordinary Shares	% of Voting Share Capital of the Company	Number of Ordinary Shares	% of Voting Share Capital of the Company
ARC	22,550,000	33.71	22,550,000	44.94	24,220,370	35.16	24,220,370	46.42
<b>ARC Concert Parties</b>								
Rockmount	2,257,575	3.37	2,257,575	4.50	2,424,802	3.52	2,424,802	4.65
Arrco	10,930	0.02	10,930	0.02	11,739	0.02	11,739	0.02
Phillip Rose	892,220	1.33	892,220	1.78	958,310	1.39	958,310	1.84
Brad Bauman	55,006	0.08	55,006	0.11	59,080	0.09	59,080	0.11
IPGL Limited <sup>4</sup>	–	–	–	–	–	–	–	–
IPGL Property Funds Limited <sup>4</sup>	–	–	–	–	–	–	–	–
Brian Frith	1,125,000	1.68	1,125,000	2.24	1,208,333	1.75	1,208,333	2.32
Karl Devon Lowe	–	–	–	–	–	–	–	–
Mark Rattigan	–	–	–	–	–	–	–	–
Hugo James	–	–	–	–	–	–	–	–
Nicholas Friedlos	–	–	–	–	–	–	–	–
Nigel Ashfield	–	–	–	–	–	–	–	–
Patrick Grant	–	–	–	–	–	–	–	–
Scott Gardner	–	–	–	–	–	–	–	–
Tom Pissarro	–	–	–	–	–	–	–	–
<b>Total ARC Concert Parties</b>	<b>4,340,731</b>	<b>6.49</b>	<b>4,340,731</b>	<b>8.65</b>	<b>4,662,264</b>	<b>6.77</b>	<b>4,662,264</b>	<b>8.94</b>
<b>Total</b>	<b>26,890,731</b>	<b>40.20</b>	<b>26,890,731</b>	<b>53.58</b>	<b>28,882,634</b>	<b>41.93</b>	<b>28,882,634</b>	<b>55.36</b>

- 1 and no Ordinary Shares held by ARC and the ARC Concert Parties are acquired.
- 2 and ARC and the ARC Concert Parties are the only Ordinary Shareholders who elect to receive Ordinary Shares under the Scrip Dividend Alternative in respect of the four quarters ending on 30 September 2019.
- 3 and no Ordinary Shares held by ARC and the ARC Concert Parties are acquired and ARC and the ARC Concert Parties are the only Ordinary Shareholders who elect to receive Ordinary Shares under the Scrip Dividend Alternative in respect of the four quarters ending on 30 September 2019.
- 4 IPGL Limited and IPGL Property Funds Limited are no longer members of the Concert Party following the sale of Ordinary Shares they held in ARTL and the sale of their partnership interest in ARC.

#### **4. Notice of Extraordinary General Meeting**

At the end of this document, Ordinary Shareholders and Class A Shareholders will find a notice convening the Extraordinary General Meeting, such meeting to be held at 11.00 a.m. on 8 January 2019 at Old Bank Chambers, La Grande Rue, St Martin's, Guernsey GY4 6RT.

At this meeting an ordinary resolution, Resolution 1 (the Panel Waiver Resolution), will be proposed to approve the waiver conditionally granted by the Panel of any obligation which would otherwise be imposed on ARC and the ARC Concert Parties, either individually or collectively, to make a general offer to all Ordinary Shareholders and Class A Shareholders under Rule 9 of the City Code, as a result of the exercise of the Share Purchase Authority and/or the issue of Ordinary Shares pursuant to elections made by ARC and/or the ARC Concert Parties under the Scrip Dividend Alternative in respect of the four quarters ending on 30 September 2019. The shareholdings of ARC and the ARC Concert Parties (in respect of 26,890,731 Ordinary Shares and nil Class A Shares (representing 40.20 per cent. of the Voting Share Capital as at the Latest Practicable Date)) are disenfranchised for the purposes of the Panel Waiver Resolution. As a result, only Independent Ordinary Shareholders and Independent Class A Shareholders will be entitled to vote on the Panel Waiver Resolution and, as required by the Code, the Panel Waiver Resolution will be voted on by way of a poll.

Resolution 2 (the Share Purchase Resolution) is conditional upon the passing of Resolution 1 and will confer authority for the market purchase by the Company of up to 16,718,895 Ordinary Shares. This number represents 24.99 per cent. of the Voting Share Capital as the Latest Practicable Date. The Share Purchase Authority will expire on 7 January 2020, unless such authority is otherwise revoked or varied by the Company prior to the date of such expiry and save that the Company may (prior to such expiry) enter into a contract to acquire Ordinary Shares which will or may be completed or executed wholly or partially after such expiry and may make an acquisition of Ordinary Shares pursuant to such contract in reliance on the Share Purchase Authority and the Panel Waiver. The maximum price (exclusive of expenses) to be paid on any occasion shall (a) in relation to any tender offer, be 150 per cent. of the average of the middle market quotations as published by Datastream for the five business days immediately preceding the date on which a circular is posted to Shareholders notifying them of the terms and conditions of such tender offer; and (b) in relation to any share purchases effected otherwise than pursuant to a tender offer, the maximum price shall be the higher of (i) an amount equal to 105 per cent. of the average of the middle market quotations as published by Datastream for the five business days immediately preceding the date on which the Ordinary Shares are contracted to be purchased and (ii) the amount stipulated by Article 5(6) of MAR. The minimum price (exclusive of expenses) to be paid on any occasion shall be 1 pence.

Resolution 3 (the Amendment Resolution) is not conditional upon the passing of Resolution 1. However, ARC and the ARC Concert Parties will not be able to make any elections under the Scrip Dividend Alternative unless Resolution 1 is passed without incurring an obligation under Rule 9 to make a general offer.

Although the Share Purchase Authority will last until 7 January 2020, the Company may ask Ordinary Shareholders and Class A Shareholders to approve a new share purchase authority at the Company's next annual general meeting or at some other later date. However, since the Panel Waiver only relates to the Share Purchase Authority and the Scrip Dividend Alternative in respect of the four quarters ending 30 September 2019, the Company may seek a new waiver from the Panel in relation to any obligation which would otherwise be imposed on ARC or any of the ARC Concert Parties to make a general offer to all Ordinary Shareholders and Class A Shareholders under Rule 9 of the City Code as a result of the exercise of any share purchase authority subsequently obtained by the Company at a shareholder meeting and/or the issue of Ordinary Shares pursuant to elections made by ARC and/or the ARC Concert Parties under the Scrip Dividend Alternative in respect of any quarter ending after 30 September 2019 (any such waivers again being conditional upon the approval of Independent Ordinary Shareholders and Independent Class A Shareholders voting on a poll).

#### **5. Action to be taken**

You will find enclosed with this document a Form of Proxy for use in connection with the Extraordinary General Meeting. Whether or not you propose to attend the Extraordinary General Meeting in person, you are requested to complete and sign the Form of Proxy in accordance with the instructions printed thereon and return it to the Company's administrator, Estera Administration (Guernsey) Limited, at Old Bank Chambers, La Grande Rue, St Martin's, Guernsey GY4 6RT or by fax to +44 (0)1481 233319 or

email to [art@estera.com](mailto:art@estera.com), as soon as possible but, in any event, so as to arrive no later than 11.00 a.m. on 4 January 2019.

The completion and return of a Form of Proxy will not preclude you from attending the Extraordinary General Meeting and voting in person if you wish to do so.

## **6. Recommendation**

**The Independent ARTL Directors, who have been so advised by Panmure Gordon, consider that the Share Purchase Resolution, the Amendment Resolution and the Panel Waiver Resolution to be proposed at the Extraordinary General Meeting are fair and reasonable and in the best interests of Independent Ordinary Shareholders, Independent Class A Shareholders and the Company as a whole and therefore unanimously recommend that Independent Ordinary Shareholders and Independent Class A Shareholders vote in favour of such resolutions, as the Independent ARTL Directors intend to do in respect of their own beneficial holdings amounting to, in aggregate, 20,000 Ordinary Shares (representing 0.03 per cent. of the Voting Share Capital as the Latest Practicable Date). In providing advice to the Independent ARTL Directors, Panmure Gordon has taken into account the commercial assessments of the Independent ARTL Directors.**

**If you are in any doubt about the contents of this document or the action you should take, you should seek your own independent financial or legal advice immediately.**

Yours sincerely,

**David Jeffreys**  
*Chairman*

## PART 2

### ADDITIONAL INFORMATION

#### 1. Responsibility

- 1.1 The directors of ARTL, whose names are set out in paragraph 2.1 below, accept responsibility for the information contained in this document, other than information relating to ARC, to the ARC Concert Parties and to the Independent ARTL Directors' recommendations in relation to the Resolutions to be proposed at the Extraordinary General Meeting. To the best of the knowledge and belief of the directors of ARTL (who have taken all reasonable care to ensure that such is the case), the information contained in this document, for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Independent ARTL Directors accept responsibility for their recommendations in relation to the Resolutions to be proposed at the Extraordinary General Meeting. To the best of the knowledge and belief of the Independent ARTL Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document, for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 Phillip Rose and Brad Bauman (being the executive committee of ARC) accept responsibility for the information contained in this document relating to ARC and the ARC Concert Parties other than Rockmount, Arrco, IPGL Limited and IPGL Property Funds Limited. To the best of the knowledge and belief of Phillip Rose and Brad Bauman (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.4 The directors of Rockmount, whose names are set out in paragraph 2.5 below, accept responsibility for the information contained in this document relating to them, Rockmount and Arrco. To the best of the knowledge and belief of the directors of Rockmount (who have taken all reasonable care to ensure that such is the case), the information contained in this document, for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.5 The directors of IPGL Limited ("**IPGL**"), whose names are set out in paragraph 2.7 below, accept responsibility for the information contained in this document relating to them, IPGL and IPGL Property Funds Limited. To the best of the knowledge and belief of the directors of IPGL (who have taken all reasonable care to ensure that such is the case), the information contained in this document, for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2. Directors and Company information

- 2.1 The names of the directors of ARTL and their respective principal functions are as follows:

<i>Name</i>	<i>Function</i>
David Jeffreys	Non-executive Chairman
Jeff Chowdhry	Non-executive Director
Phillip Rose	Non-executive Director
Melanie Torode	Non-executive Director
William Simpson	Non-executive Director

Phillip Rose cannot be treated as an independent director of ARTL in relation to the proposed Share Purchase Authority and Panel Waiver as he is a partner in ARC. Accordingly, Phillip Rose has taken no part in the recommendation of the Board in connection with these matters or in relation to the proposed amendment of the Articles. The Independent ARTL Directors comprise David Jeffreys, Jeff Chowdhry, Melanie Torode and William Simpson.

2.2 Alpha Real Trust Limited is an authorised closed-ended investment scheme duly incorporated in Guernsey as a company limited by shares with registered number 44786. Its registered office is at Old Bank Chambers, La Grande Rue, St Martin's, Guernsey GY4 6RT.

2.3 The names of the partners of ARC are as set out in Appendix I on page 25.

2.4 ARC is a limited liability partnership incorporated under the laws of England and Wales with registered number OC312705. Its registered office is at 338 Euston Road, London, United Kingdom NW1 3BG.

2.5 The names of the directors of Rockmount and their respective principal functions are as follows:

<i>Name</i>	<i>Function</i>
Ascot Limited*	Director

\*Ascot Limited is a company whose sole purpose is to act as a corporate director. It is registered in Nevis with company number 33046. Its registered office is at Dixcart House, Fort Charles, Charlestown, Nevis. The names of the directors of Ascot Limited and their respective principal functions are as follows:

<i>Name</i>	<i>Function</i>
Adrian Relph	Director
Nicola McGall	Director
Paul O'Neill	Director
Simon Graham	Director

2.6 Rockmount is a limited company registered in Guernsey with registered number 50070. Its registered office is at Les Echelons Court, Les Echelons, St.Peter Port, Guernsey GY1 1AR.

2.7 The names of the directors of IPGL Limited and their respective principal functions are as follows:

<i>Name</i>	<i>Function</i>
Michael Alan Spencer	Chairman
David Jeremy Courtenay-Stamp	Non-executive Director
David Gelber	Non-executive Director

2.8 IPGL Limited is a private limited company registered in England and Wales with registered number 02011009. Its registered office is at 3rd Floor, 39 Sloane Street, Knightsbridge, London, SW1X 9LP.

### **3. Middle Market Quotations**

The following table shows the middle market closing price for Ordinary Shares as derived from Datastream for share prices for (i) the first dealing day in each of the six months immediately prior to the date of this document, and (ii) 17 December 2018 (being the Latest Practicable Date):

<i>Date</i>	<i>ARTL Share price (pence)</i>
2 July 2018	133
1 August 2018	128
3 September 2018	131
1 October 2018	135
1 November 2018	137.5
3 December 2018	135.5
17 December 2018	133

#### 4. Interests and Dealings

##### 4.1 *Interests of the Directors in the ARTL relevant securities*

As at the Latest Practicable Date, the interests of the Directors and their immediate families, related trusts and Connected Persons, all of which are beneficial unless otherwise stated, in the ARTL relevant securities were as follows:

<i>Name</i>	<i>Number of Ordinary Shares</i>
David Jeffreys	10,000
Jeff Chowdhry	10,000
Phillip Rose	892,220
Melanie Torode	–
William Simpson	–

##### 4.2 *Interests of the Directors in ARC relevant securities*

As at the Latest Practicable Date, the interests of the Directors, their immediate families, their related trusts and Connected Persons, in ARC relevant securities were as follows:

<i>Name</i>	<i>Partnership interest</i>
Phillip Rose	20.15%

##### 4.3 *Interests of ARC and the ARC Concert Parties in the ARTL relevant securities*

As at the Latest Practicable Date, the interests of ARC and the ARC Concert Parties, all of which are beneficial unless otherwise stated, in the ARTL relevant securities were as follows:

<i>Shareholder</i>	<i>ARTL shareholding</i>	
	<i>Number</i>	<i>%</i>
ARC <sup>1</sup>	22,550,000	33.71
<i>ARC partners</i>		
Rockmount	2,257,575	3.37
Arrco	10,930 <sup>2</sup>	0.02
Phillip Rose	892,220	1.33
Brad Bauman	55,006	0.08
IPGL Limited <sup>3</sup>	–	–
IPGL Property Funds Limited <sup>3</sup>	–	–
Brian Frith	1,125,000	1.68
Karl Devon Lowe	–	–
Mark Rattigan	–	–
Hugo James	–	–
Nicholas Friedlos	–	–
Nigel Ashfield	–	–
Patrick Grant	–	–
Scott Gardner	–	–
Tom Pissarro	–	–
<b>Total</b>	<b>26,890,731</b>	<b>40.20</b>

1 Note: All shares are held by ARC's wholly-owned subsidiary, Alpha Global Property Securities Fund Pte. Limited.

2 Note: Syd Taylor (formerly a director of Arrco) holds 10,930 Ordinary Shares in ARTL.

3 Note: IPGL Limited and IPGL Property Funds Limited are no longer members of the Concert Party following the sale of Ordinary Shares they held in ARTL and the sale of their partnership interest in ARC.

None of ARC, the ARC Concert Parties, the directors of ARC Concert Parties (where applicable) or the directors of Arrco holds any Class A Shares.

None of ARC, the ARC Concert Parties, the directors of ARC Concert Parties (where applicable) or the directors of Arrco has any rights to subscribe for the ARTL relevant securities or short positions.

#### 4.4 **Dealings by ARC and the ARC Concert Parties in the ARTL relevant securities**

On 13 July 2018, Rockmount acquired 2,257,575 Ordinary Shares from IPGL Limited at 133 pence per Ordinary Share.

On 13 July 2018, Phillip Rose acquired 752,525 Ordinary Shares from IPGL Limited at 133 pence per Ordinary Share.

On 13 July 2018, IPGL Limited sold its entire shareholding in the Company to Rockmount and Phillip Rose at a price of 133 pence per Ordinary Share.

Other than the above, there have been no dealings in Ordinary Shares by ARC, the ARC Concert Parties or any directors of the ARC Concert Parties (where applicable) in the 12 months preceding the date of this document. There have been no dealings by ARC and the ARC Concert Parties in the Class A Shares.

### 5. **Disclosure of interests and dealings**

5.1 For the purposes of paragraph 4 above and this paragraph 5:

- (a) "ARC relevant securities" means:
  - (i) partnership interests in ARC carrying voting rights; and
  - (ii) any securities of ARC carrying conversion or subscription rights into any securities listed in (i) above;
- (b) "ARTL relevant securities" means:
  - (i) Ordinary Shares and other securities of ARTL carrying voting rights;
  - (ii) equity share capital of ARTL; and
  - (iii) any securities of ARTL carrying conversion or subscription rights into any securities listed in (i) above;
- (c) "ARC Concert Parties relevant securities" means:
  - (i) ordinary shares and other securities of either IPGL Limited, IPGL Property Funds Limited, Arrco or Rockmount carrying voting rights;
  - (ii) equity share capital of either IPGL Limited, IPGL Property Funds Limited, Arrco or Rockmount; and
  - (iii) any securities of either IPGL Limited, IPGL Property Funds Limited, Arrco or Rockmount carrying conversion or subscription rights into any securities listed in (i) above;
- (d) "acting in concert" has the meaning attributed to it in the City Code;
- (e) "arrangement" has the meaning attributed to it in Note 11 of the definition of "acting in concert" in the City Code and includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;
- (f) "connected adviser" means:
  - (i) in relation to ARTL, or ARC (as the case may be):
    - (1) an organisation which is advising that company in relation to the Panel Waiver; and
    - (2) a corporate broker to that company;
  - (ii) in relation to a person who is acting in concert with ARTL, or ARC (as the case may be), an organisation which is advising that person either:

- (1) in relation to the Panel Waiver; or
  - (2) in relation to the matter which is the reason for that person being a member of the relevant concert party;
- (g) “control” means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether such interest or interests gives *de facto* control;
- (h) “dealing” or “dealt” includes:
- (i) acquiring or disposing of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities, or of general control of relevant securities;
  - (ii) taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising (by either party) or varying an option (including a trade option contract) in respect of any relevant securities;
  - (iii) subscribing or agreeing to subscribe for relevant securities;
  - (iv) exercising or converting, whether in respect of new or existing securities, any relevant securities carrying conversion or subscription rights;
  - (v) acquiring, disposing of, entering into, closing out (by either party), exercise of any rights under, or varying, a derivative referenced, directly or indirectly, to relevant securities;
  - (vi) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
  - (vii) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;
- (i) “derivative” includes any financial product whose value, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;
- (j) “exempt principal trader” or “exempt fund manager” have the meanings attributed to them in the City Code;
- (k) “relevant securities” means ARTL relevant securities or ARC Concert Parties relevant securities, as appropriate;
- (l) references to a person having an “interest” in relevant securities includes where a person:
- (i) owns relevant securities;
  - (ii) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or has general control of them;
  - (iii) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire relevant securities or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; and
  - (iv) is party to any derivative whose value is determined by reference to the price of securities and which results, or may result, in his having a long position in them.
- (m) references to directors having an interest in relevant securities includes details of all interests, short positions and borrowings of any other person whose interests in shares the director is taken to be interested in pursuant to Part 22 of the Companies Act and related regulations; and

- (n) “short position” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative or any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

5.2 As at the close of business on the Latest Practicable Date, save as disclosed in paragraph 4 above and in this paragraph 5:

- (a) ARTL had no interest in or right to subscribe for, or any short position in relation to, any ARC relevant securities or ARC Concert Parties relevant securities;
- (b) none of the Directors has any interest in or right to subscribe for, or had any short position in relation to, any ARC relevant securities, any ARC Concert Parties relevant securities or any ARTL relevant securities;
- (c) no other person acting in concert with ARTL had any interest in or right to subscribe for, or had any short position in relation to, any ARTL relevant securities;
- (d) no person with whom ARTL or any person acting in concert with ARTL has any arrangement of the kind referred to in Note 11 of the definition of “acting in concert” in the City Code;
- (e) neither ARC nor any person acting in concert with ARC (including the directors of Rockmount or IPGL) had borrowed or lent any ARTL relevant securities, save for any borrowed shares which have either been on-lent or sold;
- (f) neither ARTL nor any person acting in concert with ARTL had borrowed or lent any ARTL relevant securities, save for any borrowed shares which have either been on-lent or sold;
- (g) there is no agreement, arrangement or understanding between ARC or any person acting in concert with ARC and any of the Directors or Ordinary Shareholders or Class A Shareholders or any person having any connection with or dependence on, or which is conditional on, the outcome of the Share Purchase Authority or the Scrip Dividend Alternative; and
- (h) there is no agreement, arrangement or understanding by which the beneficial ownership of any Ordinary Shares acquired by the Company pursuant to the Share Purchase Authority will be transferred to any other person.

## 6. Service contracts and other arrangements with the Directors

6.1 The Directors, all of whom are non-executive directors, do not have service agreements, but instead each has a letter of appointment setting out the terms and conditions of their appointment as follows:

### ***Non-Executive Directors***

<i>Director</i>	<i>Current annual fees</i>	<i>Notice period</i>	<i>Date of letter of appointment</i>
David Jeffreys	£33,000	–	26 March 2006
Jeff Chowdhry	£23,000	–	26 March 2006
Phillip Rose	£23,000	–	26 March 2006
Melanie Torode	£23,000	–	1 June 2018
William Simpson	£23,000	–	8 October 2018

6.2 Save as set out above in paragraph 6.1 above, there are no service contracts between ARTL and any director or proposed director of ARTL. No Directors’ service contracts or letters of appointment (other than for William Simpson as set out above) have been entered into or amended within the six months preceding the date of this document.

6.3 There will be no change to any of the above letters of appointment as a result of the passing of the Share Purchase Resolution, the Amendment Resolution, the Scrip Dividend Resolution or the Panel Waiver Resolution, the exercise by the Company of the Share Purchase Authority or the issue of any Ordinary Shares pursuant to the Scrip Dividend Alternative.

## **7. Material Contracts**

The following is a summary of the principal contents of any material contract (not being a contract entered into in the ordinary course of business) entered into by ARTL or any of its subsidiaries during the period beginning two years before the date of this document:

On 5 October 2018, the Company entered into a repurchase agreement with Panmure Gordon (the “**2018 Repurchase Agreement**”) in relation to a tender offer for up to 5,000,000 Ordinary Shares (the “**2018 Tender Offer**”). In accordance with the 2018 Repurchase Agreement, upon the 2018 Tender Offer becoming unconditional in accordance with its terms, Panmure Gordon agreed to sell to the Company at a fixed price of 138 pence per Ordinary Share, and the Company agreed to purchase all Ordinary Shares purchased by Panmure Gordon pursuant to the 2018 Tender Offer. A total of 1,584,564 Ordinary Shares were validly tendered under the 2018 Tender Offer, which were repurchased by the Company. Of the Ordinary Shares repurchased by the Company pursuant to the 2018 Tender Offer, 1,388,193 Ordinary Shares were cancelled and 196,371 Ordinary Shares are held in treasury.

On 1 September 2017, the Company entered into a repurchase agreement with Panmure Gordon (the “**2017 Repurchase Agreement**”) in relation to tender offer for up to 10,000,000 Ordinary Shares (the “**2017 Tender Offer**”). In accordance with the 2017 Repurchase Agreement, upon the 2017 Tender Offer becoming unconditional in accordance with its terms, Panmure Gordon agreed to sell to the Company at a fixed price of 123.1 pence per Ordinary Share, and the Company agreed to purchase all Ordinary Shares purchased by Panmure Gordon pursuant to the 2017 Tender Offer. A total of 826,311 Ordinary Shares were validly tendered under the Tender Offer, which were repurchased by the Company and cancelled.

## **8. Significant change**

There has been no significant change in the financial or trading position of ARTL since 30 September 2018 (the date of the end of the last financial period for which either audited financial information or interim financial information has been published).

## **9. Miscellaneous**

Panmure Gordon has given and not withdrawn its written consent to the issue of this document and the references herein to its name in the form and context in which it is included.

## **10. Documents available for inspection**

Copies of the following documents are available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of ARC at 338 Euston Road, London NW1 3BG until 8 January 2019:

- (a) form LLP2 and certificate of incorporation of ARC;
- (b) memorandum and articles of incorporation of ARTL;
- (c) the consent letter referred to in paragraph 9 above;
- (d) all letters of appointment of the ARTL Directors;
- (e) the material contracts referred to in paragraph 7 above; and
- (f) this document.

The above documents will be available for viewing only from the following internet address:

<http://www.alpharealtrustlimited.com/media/documentsavailableforinspection>

This internet address will remain valid until 8 January 2019.

Dated: 18 December 2018

## APPENDIX I

### ARC AND ITS CONCERT PARTIES

#### Alpha Real Capital LLP

ARC is a global real estate investment manager and has arms' length investment management agreements with ARTL and with other real estate funds.

The table below sets out: (a) the partnership interests of each of the partners in ARC; and (b) the shareholdings in ARTL of each of the partners in ARC.

<i>ARC partners</i>	<i>Partnership interest in ARC</i>	<i>ARTL shareholding</i>	
		<i>Number</i>	<i>%</i>
Rockmount	19.15	2,257,575	3.37
Arrco	56.82	10,930 <sup>1</sup>	0.02
Phillip Rose	20.44	892,220	1.33
Brad Bauman	2.75	55,006	0.08
IPGL Limited <sup>2</sup>	–	–	–
IPGL Property Funds Limited <sup>2</sup>	–	–	–
Brian Frith	0.76	1,125,000	1.68
Karl Devon Lowe	0.01	–	–
Mark Rattigan	0.01	–	–
Hugo James	0.01	–	–
Nicholas Friedlos	0.01	–	–
Nigel Ashfield	0.01	–	–
Patrick Grant	0.01	–	–
Scott Gardner	0.01	–	–
Tom Pissarro	0.01	–	–
<b>Total</b>	<b>100.00</b>	<b>4,329,801</b>	<b>6.47</b>

1 Note: Syd Taylor (formerly a director of Arrco) holds 10,930 Ordinary Shares in ARTL.

2 Note: IPGL Limited and IPGL Property Funds Limited are no longer members of the Concert Party following the sale of Ordinary Shares they held in ARTL and the sale of their partnership interest in ARC.

(correct as at the Latest Practicable Date)

#### Rockmount

Rockmount is the parent company of Arrco. Rockmount is an investment company whose sole investment is its partnership interest in ARC. Rockmount is ultimately owned by a trust of which Philip Gower is a discretionary beneficiary. Philip Gower is a UK and international commercial and residential real estate investor and developer.

#### Arrco

Arrco is a wholly-owned subsidiary of Rockmount. Arrco is an investment company whose sole investment is its partnership interest in ARC.

#### Further information in relation to each of the other partners in ARC

##### *Phillip Rose*

Phillip has over 30 years' experience in the real estate, funds management and banking industries in Europe, the USA and Australasia. He has been the Head of Real Estate for ABN AMRO Bank, Chief Operating Officer of investor and developer Brookfield and Managing Director of Lend Lease Global Investment.

Phillip has served as an independent member of the Management Committee of Hermes Property Unit Trust and as a non-executive director of Great Portland Estates plc.

### ***Brad Bauman***

Brad Bauman has over 20 years' experience in the real estate and finance industries in both Australasia and Europe in Investment Banks, Property Companies and Institutions, including 7 years with CB Richard Ellis where he was Managing Director of CBRE Financial Services.

Prior to joining Alpha Real Capital, Brad was Executive Director, Real Estate Investment Banking at Lehman Brothers.

### ***IPGL Limited***

IPGL Limited is a private holding company of a trading group with investments in a broad range of financial services companies as well as investments in other sectors. Michael Spencer, together with his family trusts, are majority shareholders of the company. IPGL Limited is the ultimate parent company of IPGL Property Funds Limited.

Michael Spencer is currently Group Chief Executive Officer of Nex Group plc. He was also the founder of IPGL in 1986, and is currently its Chairman. Through its wholly owned subsidiary IPGL Property Funds Limited, IPGL has an interest in the Investment Manager. IPGL's other interests include investments in a variety of companies. IPGL is also a substantial shareholder in Nex Group plc.

### ***IPGL Property Funds Limited***

IPGL Property Funds Limited is a private investment company. Its registered office is 39 Sloane Street, Knightsbridge, London, SW1X 9LP.

### ***Karl Devon-Lowe***

Karl Devon-Lowe is a Chartered Accountant with over 20 years' finance experience in the real estate and leisure sectors. He joined ARC in March 2007, having previously worked in group finance at Hammerson plc and at Heron International as financial controller for its European leisure portfolio. He is also an associate member of the Association of Corporate Treasurers.

### ***Hugo James***

Hugo James has 20 years of financial services experience across investment banking, fixed income, insurance and principal finance as both principal and adviser. Prior to joining ARC, Hugo worked in pension de-risking across investments, liability hedging and bulk annuities. He was previously CEO of PensionsFirst Capital, a managing director at Credit Suisse and director responsible for sales and structuring of bulk annuities at Legal & General and a member of the annuities management team. In addition, Hugo has nearly 10 years of M&A experience and helped start, and was subsequently CEO, of a UK leasing business.

### ***Nigel Ashfield***

Nigel Ashfield is managing director of Alpha Real Property Investment Advisers LLP which is a subsidiary of ARC. Nigel is the fund manager of The Freehold Income Trust. Previously he was Managing Director of Close Brothers' Property Division where he worked for ten years. Nigel qualified as a chartered accountant with PricewaterhouseCoopers in London after studying law at university.

### ***Nicholas Friedlos***

Nick Friedlos has 30 years of real estate, financial and operational experience. Prior to joining ARC he was Chief Executive of Mapeley Limited, a real estate investment and management business, and prior to that was CFO of London Merchant Securities PLC and Land Securities Trillium Limited. Earlier in his career he was a partner in PricewaterhouseCoopers. Nick is a Chartered Accountant and holds a Bachelor of Law degree.

**Brian Frith**

Brian Frith has over 40 years' experience in the finance industry. He is currently non-executive director of Mothercare (Jersey) Limited. He is also Chairman of Macmillan Cancer Support (Jersey) Limited and a director of a Private Trustee Company established and licensed in the Bahamas.

**Patrick Grant**

Patrick Grant joined as a partner of ARC in January 2015 from CBRE. He is a Chartered Surveyor focussing primarily on growing ARC's ground rent and other long income property businesses. Patrick has 20 years' experience in the property market, the majority which has been spent in the alternative asset sectors (including hotels, healthcare, pubs and leisure). Prior to CBRE, he was with Gerald Eve, Christie & Co and St Martins Property Corporation.

**Mark Rattigan**

Mark Rattigan has previously been Chief Operating Officer and Director – Finance and Operations at RREEF (Deutsche Bank's real estate funds management group) based in London. He has over 25 years' experience in real estate, funds management and investment banking. Mark has also served as Fund Manager of Rubicon Europe Trust Group, an Australian real estate investment trust which holds a portfolio of European properties and commercial real estate loan assets. His experience includes 13 years in real estate investment banking with Deutsche Bank, HSBC Investment Bank and Macquarie Bank in both London and Sydney and five years as a property development manager at Lend Lease. Mark holds a Bachelor of Civil Engineering (Honours) from the University of Sydney and an Investment Management Certificate from the UK Society of Investment Professionals.

**Scott Gardner**

Scott Gardner has over 24 years' experience in the real estate and funds management industries across Australia, Asia and Europe. Scott has worked in financial institutions, property companies and real estate agencies. Scott was previously a director of Colliers International and joined Alpha Real Capital following a period as the Head of Real Estate Fund Management at AUB where he was responsible for c.£1.5bn AUM. Scott has an MBA from the Australian Graduate School of Management.

**Tom Pissarro**

Tom Pissarro has over 25 years of UK commercial property experience and has acquired/managed over £1 billion of UK properties. Tom was previously a main Board Director of Antler Property, where he was responsible for investment, finance and asset management, and prior to that he was a Director with Fletcher King where he qualified as a Chartered Surveyor.

## APPENDIX II

### PART 1

#### Financial information for the last two years on ARC

The information listed below relating to ARC is hereby incorporated by reference into this document.

<i>Information</i>	<i>Source of Information</i>
1. Consolidated profit and loss account for ARC for the two years ended 31 March 2017 and 31 March 2018	<p>ARC Annual Report and Accounts 2017, Consolidated profit and loss account on page 23.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="http://www.alpharealcapital.com/2017ARCaccounts">www.alpharealcapital.com/2017ARCaccounts</a></p> <p>ARC Annual Report and Accounts 2018, Consolidated profit and loss account on page 25.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="http://www.alpharealcapital.com/2018ARCaccounts">www.alpharealcapital.com/2018ARCaccounts</a></p>
2. Consolidated balance sheet for ARC for the years ended 31 March 2017 and 31 March 2018	<p>ARC Annual Report and Accounts 2017, Consolidated balance sheet on page 25.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="http://www.alpharealcapital.com/2017ARCaccounts">www.alpharealcapital.com/2017ARCaccounts</a></p> <p>ARC Annual Report and Accounts 2018, Consolidated balance sheet on page 27.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="http://www.alpharealcapital.com/2018ARCaccounts">www.alpharealcapital.com/2018ARCaccounts</a></p>
3. Consolidated cash flow statement for ARC for the years ended 31 March 2017 and 31 March 2018	<p>ARC Annual Report and Accounts 2017, Consolidated cash flow statement on page 28.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="http://www.alpharealcapital.com/2017ARCaccounts">www.alpharealcapital.com/2017ARCaccounts</a></p> <p>ARC Annual Report and Accounts 2018, Consolidated cash flow statement on page 30.</p>

	<p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="http://www.alpharealcapital.com/2018ARCaccounts">www.alpharealcapital.com/2018ARCaccounts</a></p>
<p>4. Notes to the consolidated financial statements for ARC for the years ended 31 March 2017 and 31 March 2018</p>	<p>ARC Annual Report and Accounts 2017, Notes to the Financial Statements on pages 31 to 43.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="http://www.alpharealcapital.com/2017ARCaccounts">www.alpharealcapital.com/2017ARCaccounts</a></p> <p>ARC Annual Report and Accounts 2018, Notes to the Financial Statements on pages 33 to 49.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="http://www.alpharealcapital.com/2018ARCaccounts">www.alpharealcapital.com/2018ARCaccounts</a></p>

The annual report and financial statements of ARC for the years ended 31 March 2017 and 31 March 2018 will be available free of charge at the website addresses below from the date of this document.

<i>Document</i>	<i>Website</i>
Annual report and financial statements of ARC for the year ended 31 March 2017	<a href="http://www.alpharealcapital.com/2017ARCaccounts">www.alpharealcapital.com/2017ARCaccounts</a>
Annual report and financial statements of ARC for the year ended 31 March 2018	<a href="http://www.alpharealcapital.com/2018ARCaccounts">www.alpharealcapital.com/2018ARCaccounts</a>

These documents will also be available for inspection at the offices of ARC at 338 Euston Road, London NW1 3BG until 8 January 2019.

Any Ordinary Shareholder or Class A Shareholder, person with information rights or other person to whom this document is sent may request a copy of each of the documents set out above in hard copy form. Hard copies will only be sent where valid requests are received from such persons. Requests for hard copies are to be submitted to ARC at 338 Euston Road, London NW1 3BG or by calling +44 (0) 20 7391 4700 (calls to this number are charged at standard call rates). Lines are open 9.30 a.m. to 5.00 p.m.

## PART 2

### Financial information for the last two years on the Company

The information listed below relating to ARTL is hereby incorporated by reference into this document.

<i>Information</i>	<i>Source of Information</i>
<p>1. Consolidated income statement for the Company for the two years ended 31 March 2017 and 31 March 2018 and for the six months ended 30 September 2018</p>	<p>ARTL Annual Report and Accounts 2017, Consolidated income statement on page 31.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202017.pdf">https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202017.pdf</a></p> <p>ARTL Annual Report and Accounts 2018, Consolidated income statement on page 34.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202018.pdf">https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202018.pdf</a></p> <p>ARTL Half Year Report for the six months ended 30 September 2018, Consolidated income statement on page 25.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="http://www.alpharealtrustlimited.com/investor-relations/financial-reports.html">http://www.alpharealtrustlimited.com/investor-relations/financial-reports.html</a></p> <p>and select “Half Year Report for the six months to 30 September 2018” from the document list to be brought to the relevant document.</p>
<p>2. Consolidated balance sheet of the Company as at 31 March 2017 and 31 March 2018 and 30 September 2018</p>	<p>ARTL Annual Report and Accounts 2017, Consolidated balance sheet on page 32.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202017.pdf">https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202017.pdf</a></p> <p>ARTL Annual Report and Accounts 2018, Consolidated balance sheet on page 35.</p>

	<p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202018.pdf">https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202018.pdf</a></p> <p>ARTL Half Year Report for the six months ended 30 September 2018, Consolidated balance sheet on page 26.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="http://www.alpharealtrustlimited.com/investor-relations/financial-reports.html">http://www.alpharealtrustlimited.com/investor-relations/financial-reports.html</a></p> <p>and select “Half Year Report for the six months to 30 September 2018” from the document list to be brought to the relevant document.</p>
<p>3. Consolidated cash flow statement for the Company for the years ended 31 March 2017 and 31 March 2018 and for the six months ended 30 September 2018</p>	<p>ARTL Annual Report and Accounts 2017, Consolidated cash flow statement on page 33.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202017.pdf">https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202017.pdf</a></p> <p>ARTL Annual Report and Accounts 2018, Consolidated cash flow statement on page 36.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202018.pdf">https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202018.pdf</a></p> <p>ARTL Half Year Report for the six months ended 30 September 2018, Consolidated cash flow statement on page 27.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="http://www.alpharealtrustlimited.com/investor-relations/financial-reports.html">http://www.alpharealtrustlimited.com/investor-relations/financial-reports.html</a></p> <p>and select “Half Year Report for the six months to 30 September 2018” from the document list to be brought to the relevant document.</p>

<p>4. Notes to the consolidated financial statements for the Company for the years ended 31 March 2017 and 31 March 2018 and for the six months ended 30 September 2018</p>	<p>ARTL Annual Report and Accounts 2017, Notes to the financial statements on pages 35 to 58.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202018.pdf">https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202018.pdf</a></p> <p>ARTL Annual Report and Accounts 2018, Notes to the financial statements on pages 38 to 66.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202018.pdf">https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202018.pdf</a></p> <p>ARTL Half Year Report for the six months ended 30 September 2018, Notes to the financial statements on pages 29 to 42.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below:</p> <p><a href="http://www.alpharealtrustlimited.com/investor-relations/financial-reports.html">http://www.alpharealtrustlimited.com/investor-relations/financial-reports.html</a></p> <p>and select “Half Year Report for the six months to 30 September 2018” from the document list to be brought to the relevant document</p>
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The annual reports and financial statements of ARTL for the years ended 31 March 2017 and 31 March 2018 will be available free of charge at the website addresses below from the date of this document.

<i>Document</i>	<i>Website</i>
Annual report and financial statements of ARTL for the year ended 31 March 2017	<a href="https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202017.pdf">https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202017.pdf</a>
Annual report and financial statements of ARTL for the year ended 31 March 2018	<a href="https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202018.pdf">https://alpharealtrustlimited.com/investor-relations/financial-reports/ART%20Annual%20Report%20to%2031%20March%202018.pdf</a>
Half yearly report of ARTL for the six months ended 30 September 2018	<a href="http://www.alpharealtrustlimited.com/investor-relations/financial-reports.html">www.alpharealtrustlimited.com/investor-relations/financial-reports.html</a> (select “Half Year Report for the six months to 30 September 2018” from the document list to be brought to the relevant document.)

These documents will also be available for inspection at the offices of ARC at 338 Euston Road, London NW1 3BG until 8 January 2019.

Any Ordinary Shareholder or Class A Shareholder, person with information rights or other person to whom this document is sent may request a copy of each of the documents set out above in hard copy form. Hard copies will only be sent where valid requests are received from such persons. Requests for hard copies are to be submitted to ARC at 338 Euston Road, London NW1 3BG by +44 (0) 207 7391 4700 (calls to this number are charged at standard call rates). Lines are open 9.30 a.m. to 5.00 p.m.

## **APPENDIX III**

### **THE GENERAL PRINCIPLES OF THE CODE**

1. All holders of the securities of an offeree company of the same class must be afforded equivalent treatment; moreover, if a person acquires control of a company, the other holders of securities must be protected.
2. The holders of the securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on the bid; where it advises the holders of securities, the board of the offeree company must give its views on the effects of implementation of the bid on employment, conditions of employment and the locations of the company's places of business.
3. The board of an offeree company must act in the interests of the company as a whole and must not deny the holders of securities the opportunity to decide on the merits of the bid.
4. False markets must not be created in the securities of the offeree company, of the offeror company or of any other company concerned by the bid in such a way that the rise or fall of the prices of the securities becomes artificial and the normal functioning of the markets is distorted.
5. An offeror must announce a bid only after ensuring that he/she can fulfil in full any cash consideration, if such is offered, and after taking all reasonable measures to secure the implementation of any other type of consideration.
6. An offeree company must not be hindered in the conduct of its affairs for longer than is reasonable by a bid for its securities.

# ALPHA REAL TRUST LIMITED

(an authorised closed-ended investment scheme duly incorporated as a company with Guernsey registered number 44786)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting of Alpha Real Trust Limited (the “**Company**”) will be held at Old Bank Chambers, La Grande Rue, St Martin’s, Guernsey GY4 6RT at 11.00 a.m. on 8 January 2019 to consider and, if thought fit, pass the following resolutions, which in the case of resolutions 1 and 2 will be proposed as ordinary resolutions and in the case of resolution 3 will be proposed as a special resolution. All capitalised terms used in this notice shall have the meaning given in the circular to shareholders dated 18 December 2018 (the “**Circular**”).

### ORDINARY RESOLUTIONS:

1. THAT the waiver granted by the Panel on Takeovers and Mergers, described in the Circular, of the obligation that would otherwise arise on ARC and/or any member of the ARC Concert Party (each as defined in the Circular) individually or collectively to make a general offer to the Ordinary Shareholders and Class A Shareholders of the Company pursuant to Rule 9 of the City Code on Takeovers and Mergers as a result of either (or a combination of) the exercise by the Company of the powers conferred by resolution 2 below and/or the issue of Ordinary Shares pursuant to powers conferred by resolution 3 below be and is hereby approved.

*Note: In order to comply with the City Code, resolution 1 will be taken on a poll and ARC and each member of the ARC Concert Party has undertaken not to vote on the resolution.*

2. THAT, subject to the passing of resolution 1 above, the Company be and is hereby generally and unconditionally authorised in accordance with section 315 of the Companies (Guernsey) Law, 2008 (as amended) (the “**Law**”) to make one or more market acquisitions (within the meaning of section 316 of the Law) of ordinary shares of no par value in the capital of the Company (“**Ordinary Shares**”), whether pursuant to tenders made in relation to any tender offer effected by (or on behalf of) the Company or otherwise (and, to the extent permitted by the Law, to hold such shares in treasury), provided that:
  - (a) the maximum aggregate number of Ordinary Shares hereby authorised to be acquired is 16,718,895 (representing a maximum of 24.99 per cent. of the Voting Share Capital as at the Latest Practicable Date);
  - (b) where such acquisition is to be effected pursuant to tenders made in relation to any tender offer effected by (or on behalf of) the Company, the maximum price (exclusive of expenses) which shall be paid for an Ordinary Share pursuant to this authority shall be 150 per cent. of the average of the middle market quotations as published by Datastream for the five business days immediately preceding the date on which a circular is posted to Ordinary Shareholders and Class A Shareholders notifying such Shareholders of the terms and conditions of the tender offer;
  - (c) where such acquisition is to be effected otherwise than pursuant to tenders made in relation to any tender offer effected by (or on behalf of) the Company, the maximum price (exclusive of expenses) which shall be paid for an Ordinary Share pursuant to this authority shall be the higher of (i) an amount equal to 105 per cent. of an average of the middle market quotations as published by Datastream for the five business days immediately preceding the date on which the Ordinary Shares are contracted to be purchased and (ii) the amount stipulated by Article 5(6) of MAR);
  - (d) the minimum price (exclusive of expenses) which shall be paid for an Ordinary Share pursuant to this authority shall be 1 pence; and
  - (e) the authority hereby conferred shall expire on 7 January 2020, unless such authority is otherwise revoked or varied prior to the date of such expiry, save that the Company may (prior to such expiry) enter into a contract to acquire Ordinary Shares which will or may be

completed or executed wholly or partly after such expiry and make an acquisition of such Ordinary Shares pursuant to any such contract.

**SPECIAL RESOLUTION:**

3. THAT the articles of incorporation of the Company be and are hereby amended as follows:
- (a) New article being inserted as a new Article 4.2.1 as follows: “exercise the power of the Company for an unlimited duration to issue an unlimited number of shares or grant rights to subscribe for, or convert any security into, shares”;
  - (b) Article 4C be deleted;
  - (c) New article being inserted as a new Article 4.5 as follows: “The amount payable on application on each share which is not issued pursuant to Article 29.17 shall not be less than the net asset value per share of the shares in issue at the relevant time.”
  - (d) New article being inserted as a new Article 29.17:
    - 29.17 “The Board may offer any holders of shares (excluding any Member holding shares as treasury shares) the right to elect to receive shares instead of cash in respect of the whole or part of any dividend declared by the Board and to which such right of election is stated by the Board to apply. The following provisions shall apply:-
      - 29.17.1 the entitlement of each holder of shares to new shares (or shares transferred out of treasury, as the case may be) shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit, if any) of the dividend that such holder elects to forgo. For this purpose “relevant value” shall be calculated by reference to the average of the middle market quotations for the relevant class of the Company’s shares on the London Stock Exchange as derived from the Official List (or any other publication of a Recognised Investment Exchange showing quotations for the Company’s shares) on such five consecutive dealing days as the Board shall determine, provided that the first of such days shall be on or after the day on which the shares are first quoted “ex” the relevant dividend, or in such other manner as may be approved by ordinary resolution. If considered appropriate by the Board, a certificate or report by the Auditor as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount and in giving such a certificate or report the Auditor may rely on advice or information from brokers or other sources of information as they think fit;
      - 29.17.2 no fraction of any share shall be issued. The Board may make such provisions as it thinks fit for any fractional entitlements including provisions whereby, in whole or in part, the benefit thereof accrues to the Company and/or under which fractional entitlements are accrued and/or retained without interest and in each case accumulated on behalf of any holder of shares and such accruals or retentions are applied to the issue by way of bonus to or cash subscription on behalf of such holder of shares and/or provisions whereby cash payments may be made to such holders in respect of their fractional entitlements;
      - 29.17.3 the Board, if it intends to offer an election in respect of any dividend, shall give notice to the holders of shares of the right of election offered to them, and specify the procedure to be followed which, for the avoidance of doubt, may include an election by means of an Uncertificated System and the place at which, and the latest time by which, elections must be lodged in order for elections to be effective; no such notice need be given to holders of shares who have previously given election mandates in accordance with this Article and whose mandates have not been revoked; the accidental omission to give notice of any right of election to, or the non

- receipt (even if the Company becomes aware of such non-receipt) of any such notice by, any holder of shares entitled to the same shall neither invalidate any offer of an election nor give rise to any claim, suit or action;
- 29.17.4 the Board shall not proceed with any election unless the Company is solvent;
- 29.17.5 in addition to the authority conferred by Article 4.2, the Board shall have authority to issue sufficient shares to give effect to any election in respect of any dividend declared by the Board after the basis of issue is determined;
- 29.17.6 the Board may exclude from any offer or make other arrangement in relation to any holders of shares where the Board believes that such exclusion or arrangement is necessary or expedient in relation to legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside the UK and/or Guernsey, or the Board believes that for any other reason the offer should not be made to them;
- 29.17.7 the dividend in respect of which a right of election has been stated by the Board to apply shall not be payable on shares in respect of which an election has been made (for the purposes of this Article the “**Elected Shares**”) and instead additional shares shall be issued to the holders of the Elected Shares on the basis of issue calculated as stated. For such purpose the Board shall capitalise, out of any amount standing to the credit of any reserve or fund (including retained earnings) at the relevant time, whether or not the same is available for distribution, a sum equal to the relevant value per share determined by the Board and apply it in paying up in full the appropriate number of shares for issue and distribution to the holders of the Elected Shares on that basis. The Board may do all acts and things considered necessary or expedient to give effect to any such capitalisation;
- 29.17.8 the additional shares when issued (or transferred out of treasury, as the case may be) shall rank *pari passu* in all respects with the relevant class of shares then in issue except that they will not be entitled to participation in the relevant dividend;
- 29.17.9 unless the Board otherwise determines, or unless the CREST Guernsey Regulations otherwise require, the new share or shares (or the share or shares transferred out of treasury, as the case may be) which a Member has elected to receive instead of cash in respect of the whole (or some part) of the specified dividend declared or paid in respect of his Elected Shares shall be in Uncertificated form (in respect of the Member’s Elected Shares which were in Uncertificated form on the date of the Member’s election) and in Certificated form (in respect of the Member’s Elected Shares which were in Certificated form on the date of the Member’s election);
- 29.17.10 the Board may also from time to time establish or vary a procedure for election mandates, which, for the avoidance of doubt, may include an election by means of an Uncertificated System, under which a holder of shares may elect in respect of future rights of election offered to that holder under this Article until the election mandate is revoked or deemed to be revoked in accordance with the procedure;
- 29.17.11 the Board may decide how any costs relating to making new shares (or treasury shares, as the case may be) available in place of a cash dividend will be met, including deciding to deduct an amount from the entitlement of a shareholder under this Article; and

29.17.12 at any time before new shares are issued (or shares transferred out of treasury) instead of cash in respect of any part of a dividend, the Board may determine that such new shares will not be issued (or shares will not be transferred out of treasury). Any such determination may be made before or after any election has been made by holders of shares in respect of the relevant dividend.”

Dated: 18 December 2018

*Registered office:*

*By order of the Board*  
Estera Administration (Guernsey) Limited  
*Company Secretary*

Old Bank Chambers  
La Grande Rue  
St Martin's  
Guernsey  
GY4 6RT

**Notes:**

1. Ordinary Shareholders and Class A Shareholders entitled to attend and vote at the meeting may appoint one or more proxies (who need not be Ordinary Shareholders or Class A Shareholders) to attend and vote on their behalf.
2. To have the right to attend and vote at the meeting you must hold Ordinary Shares or Class A Shares in the Company and your name must be entered on the register of members of the Company in accordance with note 4 below.
3. To be valid, Forms of Proxy (and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof) must be received by the Company's administrator, Estera Administration (Guernsey) Limited, at Old Bank Chambers, La Grande Rue, St Martin's, Guernsey GY4 6RT or by fax to +44 (0)1481 233319 or email to [art@estera.com](mailto:art@estera.com), as soon as possible but, in any event, so as to arrive no later than 11.00 a.m. on 8 January 2019. A Form of Proxy accompanies this notice. Completion and return of a Form of Proxy will not preclude members from attending and voting at the meeting should they wish to do so.
4. The time by which a person must be entered on the register of members in order to have the right to attend or vote at the meeting is 11.00 a.m. on 8 January 2019. If the meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend or vote at the adjourned meeting is 48 hours before the date fixed for the adjourned meeting. Changes to entries on the register of members of the Company after such times shall be disregarded in determining the rights of any person to attend or vote at the meeting.
5. As at 18 December 2018, the latest practicable date prior to publication of this document, the Company had 69,285,942 Ordinary Shares in issue (of which 6,908,957 Ordinary Shares were held in treasury) and 4,525,357 Class A Shares in issue with a total of 66,902,342 voting rights.







