

INDUSTRIALS REIT LIMITED

(Registered in Guernsey with registration number 64865)

LSE share code: MLI JSE share code: MLI

ISIN: GG00BFWMR296

(“**Industrials REIT**” or the “**Company**”)

15 December 2022

NOTICE TO INDUSTRIALS REIT SHAREHOLDERS IN RESPECT OF AN ELECTION TO RECEIVE EITHER A CASH DIVIDEND OR A SCRIP DIVIDEND

CASH DIVIDEND OR SCRIP DIVIDEND

On 2 December 2022 it was announced that the board of directors of the Company (the “**board**”) had approved and declared an interim dividend of 3.50 pence per share (the “**dividend**”) in respect of the six months ended 30 September 2022. It was further announced that the board intended to offer shareholders the option to receive in respect of all or a part of their Industrials REIT shareholding either a scrip dividend by way of an issue of new Industrials REIT shares (of the same class as existing shares) credited as fully paid up (the “**scrip dividend**”), or a cash dividend (the “**cash dividend**”). The cash dividend will be paid to shareholders unless shareholders elect to receive the scrip dividend.

A circular in respect of the election being offered to Industrials REIT shareholders to receive either the cash dividend or the scrip dividend, together with an election form (the “**circular**”), will be posted to shareholders today. All the terms defined in the circular shall bear the same meaning in this announcement and any subsequent announcements relating to the dividend.

Should a shareholder validly elect to receive the scrip dividend in lieu of cash for all or part of its Industrials REIT shareholding, such shareholder will become entitled to a number of new Industrials REIT shares which value will be as near as possible to the cash dividend such shareholder would have otherwise received in respect of the elected shares. A shareholder’s entitlement to new Industrials REIT shares will be calculated by multiplying the number of elected shares held by that shareholder at the record date by the dividend of 3.50 pence per share (converted to Rand at the Sterling exchange rate for Industrials REIT shares on the SA share register) and dividing it by the scrip dividend reference price. The scrip dividend reference price will be the average closing price of Industrials REIT shares traded on the London Stock Exchange (“**LSE**”) over a period of five days less the amount of the cash dividend and will be announced on Tuesday, 10 January 2023.

Given the Company’s share price, which is currently at a discount relative to net asset value, the board may undertake a buyback of shares that would not exceed a level required to match the scrip dividend in order to mitigate the dilutive effect that would otherwise occur through the issuance of new Industrials REIT shares.

As a UK REIT, the Company may distribute dividends to shareholders either in the form of a property income distribution (“**PID**”) or as an ordinary dividend (“**non-PID**”). Both the cash dividend and new Industrials REIT shares received in lieu of a cash dividend under the scrip dividend may be paid as a PID, a non-PID or a mixture of the two. The Company will indicate whether the dividend will be paid as a PID, a non-PID or a mixture of the two along with the scrip reference price on Tuesday, 10 January 2023. The Sterling to Rand conversion rate will be determined on Monday, 9 January 2023 and announced on SENS on Tuesday, 10 January 2023.

The rationale for the scrip dividend is to afford shareholders the opportunity to increase their shareholding in Industrials REIT.

The cash dividend will be paid out of the Company's profits and the new Industrials REIT shares to be issued pursuant to the scrip dividend will also be funded from the Company's profits. If the Company elects to utilise already listed treasury shares to settle the scrip dividend, no new ordinary shares will be listed.

As at the date of this announcement, the Company had 298,775,175 ordinary shares in issue with a par value of EURO.000001258 each.

Electronic copies of the circular may be obtained from the company secretary by sending a request to Sarah.Bellilchi@industrials.co.uk. Hard copies of the circular may be obtained during business hours from the registered address of the Company from Thursday, 15 December 2022 to Friday, 27 January 2023. The circular is also available on the website of the Company (www.industrialsreit.com) from Thursday, 15 December 2022.

IMPORTANT DATES AND TIMES

For shareholders on the Guernsey share register:

2022	
Date on which shareholders must be recorded on the Guernsey share register to receive the circular	Friday, 9 December
Posting of the circular and announcement on RNS (declaration announcement)	Friday, 15 December
2023	
Announcement of scrip dividend reference price, Sterling to Rand conversion rates, cash payment applicable to fractional entitlement and whether the dividend will be paid as a PID, a non-PID or a mixture of the two released via RNS (finalisation announcement) before 09:00 (GMT) on	Tuesday, 10 January
Last day to trade on the LSE in order to be eligible for the cash dividend or alternatively the scrip dividend	Wednesday, 18 January
Shares commence trading ex the cash dividend or scrip dividend on the LSE	Thursday, 19 January
Record date for shareholders recorded on the Guernsey share register	Friday, 20 January
Closing date for receipt of completed election forms/Dividend Election Input Message via CREST by no later than 17:00 (GMT) on	Friday, 27 January
Announcement via RNS of the number of new Industrials REIT shares issued	Thursday, 9 February
Payment of cash dividend, CREST accounts credited/updated	Friday, 10 February
Listing and trading of new shares on the LSE commences (see note 7)	Friday, 10 February

Notes:

1. Unless stated otherwise, all dates and times quoted above are local dates and times in Guernsey. The above dates and times are subject to change. Any changes will be announced via RNS.
2. Industrials REIT shareholders are referred to page 6 of the circular for information on the action required to be taken by them.
3. **Shareholders should note that new Industrials REIT shares should not be traded until the new Industrials REIT shares reflect in their CREST accounts on Friday, 10 February 2023.**
4. Share certificates may not be dematerialised or rematerialised between Wednesday, 18 January 2023 and Friday, 20 January 2023, both days inclusive.

5. No transfers of shares may take place between the registers in South Africa and Guernsey between Tuesday, 10 January 2023 and Friday, 20 January 2023, both days inclusive.
6. Shareholders on the Guernsey share register who do not elect to receive a scrip dividend will receive a cash dividend in Sterling on or about Friday, 10 February 2023.
7. In the event that the Company elects to utilise already listed treasury shares to settle the scrip dividend, no new ordinary shares will be listed.

For shareholders on the South African share register:

2022	
Date on which shareholders must be recorded on the SA share register to receive the circular	Friday, 9 December
Posting of the circular and announcement on SENS (declaration announcement)	Thursday, 15 December
2023	
Announcement of scrip dividend reference price, Sterling to Rand conversion rates, cash payment applicable to fractional entitlement and whether the dividend will be paid as a PID, a non-PID or a mixture of the two released on SENS (finalisation announcement) before 11:00 (SAST) on	Tuesday, 10 January
Last day to trade on the JSE in order to be eligible for the cash dividend or alternatively the scrip dividend	Tuesday, 17 January
Shares commence trading ex the cash dividend or scrip dividend on the JSE	Wednesday, 18 January
Record date for shareholders recorded on the SA share register	Friday, 20 January
Last day to elect to receive the scrip dividend instead of the cash dividend. Forms of election to reach the transfer secretaries by no later than 12:00 (SAST) on	Friday, 27 January
Announcement on SENS of the number of new Industrials shares issued	Thursday, 9 February
Dispatch of share certificates, payment of cash dividend, CSDP/broker accounts credited/updated	Friday, 10 February
Listing and trading of new shares on the JSE commences (see note 7)	Friday, 10 February

Notes:

1. All dates and times quoted above are local dates and times in South Africa. The above dates and times are subject to change. Any changes will be released on SENS.
2. Industrials REIT shareholders are referred to page 6 of the circular for information on the action required to be taken by them.
3. **Shareholders should note that new Industrials REIT shares should not be traded until the new Industrials REIT shares are issued or reflect in their accounts with their CSDP or broker on Friday, 10 February 2023.**
4. Share certificates may not be dematerialised or rematerialised between Wednesday, 18 January 2023 and Friday, 20 January 2023, both days inclusive.
5. No transfers of shares may take place between the registers in South Africa and Guernsey between Tuesday, 10 January 2023 and Friday, 20 January 2023, both days inclusive.
6. Shareholders on the SA share register who do not elect to receive a scrip dividend will receive a cash dividend in South African Rand, based on the exchange rate to be obtained by the Company on Monday, 9 January 2023. An announcement in this respect will be made on Tuesday, 10 January 2023.
7. In the event that the Company elects to utilise already listed treasury shares to settle the scrip dividend, no new ordinary shares will be listed.

TAX IMPLICATIONS

The receipt of the cash dividend or electing to receive the scrip dividend may have tax implications for shareholders. Shareholders are referred to the general summary of certain limited aspects of the taxation treatment of distributions paid by the Company for SA resident shareholders and UK resident

shareholders included in section 6 of the circular. Shareholders are advised to obtain appropriate advice from their professional advisors regarding the tax consequences of the cash dividend and the scrip dividend.

For further information:

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About Industrials REIT:

Industrials REIT is a UK REIT with a primary listing on the London Stock Exchange and a secondary listing on the Johannesburg Stock Exchange. The objective of the Company is to deliver a combination of sustainable growing income and growth in value to its investors. Industrials REIT focuses on owning and operating a diversified portfolio of UK purpose built multi-let industrial (MLI) estates across the UK. The Company aspires to be the leading MLI business in the UK. For further information, go to www.industrialsreit.com.