

DEED OF IRREVOCABLE UNDERTAKING

To: Custodian REIT plc
1 New Walk Place
Leicester
LE1 6RU

3 September 2021

Dear Sirs

Proposed all-share acquisition of Drum Income Plus REIT plc (the "Target") by Custodian REIT plc (the "Offeror" or "you")

We refer to the proposed Acquisition (as defined below) of the Offeree by the Offeror. We understand that the announcement in relation to the Acquisition (as defined below) shall be made in accordance with Rule 2.7 of the City Code on Takeovers and Mergers (the "**Code**") and shall be not materially different from the draft announcement attached hereto in the Appendix (the "**2.7 Announcement**").

All references in this undertaking to the "**Acquisition**" shall mean the proposed all-share acquisition by the Offeror of the entire issued and to be issued share capital of the Offeree, which acquisition is anticipated to be effected by way of a scheme of arrangement under Part 26 of the Companies Act 2006 (referred to in this undertaking as the "**Scheme**", as further defined in paragraph 7) but may be by way of takeover offer within the meaning of section 974 of the Companies Act 2006 (referred to in this undertaking as the "**Offer**", as further defined in paragraph 7).

This undertaking, which has been executed by a director acting on behalf of Drum Property Investment Group Limited as a Deed, sets out the terms and conditions on which we will vote in favour of the Scheme (if the Acquisition proceeds by way of the Scheme) or accept the Offer when it is made (if the Acquisition proceeds by way of the Offer).

1. WARRANTIES AND UNDERTAKINGS

1.1. We warrant to the Offeror that:

- 1.1.1. we are the beneficial owner (and except where specified in the Schedule to this letter, we are also the registered holder) of the number of ordinary shares in the share capital of Target specified in the Schedule to this letter (the "**Offeree Shares**") and we are able to procure the exercise of all rights, including the voting rights, attaching to the Offeree Shares, free from all liens, charges, options, equities, third party rights and encumbrances of any nature whatsoever; and
- 1.1.2. we are able to procure the transfer of the Offeree Shares free from all liens, equities, charges, encumbrances, options, rights of pre-emption, and any other third party rights and interests and encumbrances of any nature;
- 1.1.3. we have full power, authority, discretion and the right (free from any legal or other restrictions), and will at all times up to the earlier of (i) the time at which the Scheme

becomes effective (or the Offer becomes or is declared unconditional in all respects, as the case may be); or (ii) our obligations in accordance with this letter terminate, continue to have all requisite power, authority, discretion and the right, to enter into and perform our obligations under this letter in accordance with its terms;

1.1.4. we have no other interests (as defined in the Code) in the shares or securities of the Offeree, other than as set out in the Schedule; and

1.2. We hereby irrevocably undertake to the Offeror that before the Court Order sanctioning the Scheme is filed with the Registrar of Companies (if the Acquisition is proceeding by way of the Scheme), or before the Offer becomes unconditional in all respects, lapses or is withdrawn (if the Acquisition is proceeding by way of the Offer), we undertake not to:

1.2.1. sell, transfer, charge, encumber, grant any option over or otherwise dispose of, or permit any of the foregoing in relation to, any Offeree Shares or any shares or securities in the Offeree shown in the Schedule or any other shares or securities in the Offeree issued or unconditionally allotted to us or otherwise acquired by us before then ("**Further Offeree Shares**"), other than pursuant to the Scheme or our acceptance of the Offer (as applicable);

1.2.2. accept or agree to accept any other offer in respect of the shares or securities referred to in paragraph 1.2.1;

1.2.3. convene any meeting of the members of the Offeree in our capacity as a shareholder, nor exercise nor permit the exercise of the voting rights attaching to the Offeree Shares and any Further Offeree Shares in any manner, in either case which would or might frustrate the Acquisition or prevent the Acquisition from completing;

1.2.4. other than in connection with the Acquisition, enter into any agreement or arrangement, permit any agreement or arrangement to be entered into, incur any obligation (other than any obligation imposed by law) or permit any obligation to arise or give any undertaking or indication of intent:

(a) to do any of the acts referred to in paragraphs 1.2.1 to 1.2.2 of this undertaking;

(b) in relation to, or operating by reference to, the Offeree Shares, any Further Offeree Shares or other securities of the Offeree; or

(c) which, in relation to the Offeree Shares and any Further Offeree Shares, would or might restrict or impede us voting in favour of the Scheme or, as the case may be, accepting the Offer, or which would otherwise preclude us from complying with our obligations in this undertaking,

and, for the avoidance of doubt, references in this paragraph 1.2.4 to any agreement, arrangement, obligation, undertaking or indication of intent includes any agreement, arrangement, obligation, undertaking or indication of intent whether or not legally binding or subject to any condition or which is to take effect upon or following the

lapsing of the Acquisition, this undertaking ceasing to be binding or following any other event; or

- 1.2.5. except with the prior written consent of the Offeror, buy, sell or otherwise deal in any shares or other securities of the Offeree or any interest therein (including any derivatives referenced to such securities).

2. UNDERTAKINGS IN RELATION TO A SCHEME

- 2.1. If the Acquisition is implemented by way of a Scheme, we hereby irrevocably undertake to the Offeror that:

- 2.1.1. we shall exercise (or procure the exercise of) all voting rights (whether on a show of hands or a poll and whether in person or by proxy) attaching to the Offeree Shares and any Further Offeree Shares to vote in favour of the resolutions to approve the Scheme, and any related matters, proposed at any general or class meeting ("**GM**") and Court convened meeting ("**Court Meeting**") of the Offeree to be convened and held in connection with the Scheme, or at any adjournment of any such meeting;
- 2.1.2. we shall execute (or procure the execution of) any forms of proxy in respect of the Offeree Shares and any Further Offeree Shares required by the Offeror validly appointing any person nominated by the Offeror to attend and vote at any GM or Court Meeting (or any adjournment thereof) in respect of the resolutions to approve the Scheme, and any related matters, and shall ensure that any such executed forms of proxy are received by the Offeree's registrars not later than 12.00 p.m. on the date falling ten (10) Business Days after the Offeree sends the formal document setting out the terms and conditions of the Scheme (the "**Scheme Document**") to the Offeree's shareholders (or, in respect of any Further Offeree Shares, within five (5) Business Days of becoming the registered holder of such shares, if later);
- 2.1.3. we shall not revoke (or procure the revocation of) the terms of any proxy submitted in accordance with paragraph 2.1.2 of this undertaking, either in writing or by attendance at any GM or Court Meeting (or any adjournment thereof) or otherwise;
- 2.1.4. we shall exercise (or, where applicable, procure the exercise of) the voting rights attaching to the Offeree Shares and any Further Offeree Shares on any resolution which would assist the implementation of the Acquisition if it were passed or rejected at a general or other meeting of the members of the Offeree only in accordance with the Offeror's written instructions;
- 2.1.5. we shall, in accordance with the Offeror's written instructions, join in the requisition of any general or other meeting of the members of the Offeree for the purpose of considering any such resolution referred to in paragraph 2.1.4 above;

2.1.6. we shall exercise (or, where applicable, procure the exercise of) the voting rights attached to the Offeree Shares and any Further Offeree Shares against any resolution which might reasonably be expected to:

- (a) amend the text of the terms of the resolutions to be proposed at the Court Meeting and/or the GM;
- (b) adjourn the Court Meeting and/or the GM;
- (c) impede or frustrate the Acquisition in any way (which shall include any resolution to approve a scheme of arrangement in relation to, or other acquisition by a third party of, any shares in the Offeree or a merger of the Offeree with a third party);
- (d) have an adverse impact on the satisfaction or fulfilment of any condition of the Acquisition; or
- (e) otherwise have an adverse impact on the success of the Acquisition,

in each case, unless otherwise directed to do so in writing by the Offeror; and

2.1.7. the Offeror shall acquire the Offeree Shares and any Further Offeree Shares pursuant to the Scheme which provides for the transfer of such shares to the Offeror, free of any lien, charge, option, equity or encumbrance of any nature whatsoever and together with all rights of any nature attaching to those shares.

3. UNDERTAKINGS IN RELATION TO AN OFFER

3.1. We acknowledge that the Offeror shall have the right and may elect at any time (with the consent of the Panel on Takeovers and Mergers (the "**Panel**") and whether or not the Scheme Document has then been despatched) to implement the Acquisition by way of an Offer (as further defined in paragraph 7), as opposed to by way of a Scheme, provided that:

3.1.1. the Offeree has provided its prior written consent to the Offeror making that election; and

3.1.2. such Offer is made on terms at least as favourable as the terms of the Scheme.

3.2. In the event that the Offeror so elects to implement the Acquisition by way of Offer, we undertake and warrant that:

3.2.1. we shall accept (or procure the acceptance of) the Offer in respect of the Offeree Shares (and any Further Offeree Shares issued to us as registered or beneficial holder before the Offeror posts the formal document containing the Offer (the "**Offer Document**") to the Offeree's shareholders (the "**Offer Posting**")) in accordance with the procedure for acceptance set out in the Offer Document not later than 12.00 p.m. on the date falling ten (10) Business Days after the Offer Posting;

- 3.2.2. we shall accept (or procure the acceptance of) the Offer in respect of any Further Offeree Shares issued to us as registered or beneficial holder after the Offer Posting in accordance with the procedure for acceptance set out in the Offer Document not later than five (5) Business Days after the date we become the registered or beneficial holder of the Further Offeree Shares;
- 3.2.3. although the terms of the Offer will confer a right of withdrawal on accepting shareholders, we shall not, without the prior written consent of the Offeror, withdraw or procure the withdrawal of any acceptances of the Offer in respect of the Offeree Shares and any Further Offeree Shares;
- 3.2.4. on completion of the Offer, the Offeror shall acquire the Offeree Shares and any Further Offeree Shares from us (as registered or beneficial holder) with full title guarantee, free of any lien, charge, option, equity or encumbrance and together with all rights of any nature attaching to those shares including the right to all dividends declared or paid after the date of this undertaking; and
- 3.2.5. if so required by the Offeror, we shall execute all such other documents as may be reasonably necessary for the purpose of giving the Offeror the full benefit of our obligations set out in this undertaking with respect to the Offer.

4. INFORMATION AND DOCUMENTATION

- 4.1. We consent to:
 - 4.1.1. the inclusion of references to us and details of this undertaking in the 2.7 Announcement; and
 - 4.1.2. details of our name and this undertaking being included in the Scheme Document or the Offer Document (as applicable) and any other related or ancillary document prepared in connection with the Acquisition that may be required by the Panel, the Code or any other applicable legal or regulatory requirement.
- 4.2. We undertake to provide to you all such further information in relation to our interest in the Offeree and that of any person connected with us as you may reasonably require in order to comply with the rules and requirements of the Panel, the Code, London Stock Exchange plc and the Companies Act 2006, and any other legal or regulatory requirements or for inclusion in any document required by applicable law or regulation in connection with the Acquisition. We will as soon as reasonably practicable notify you in writing of any material changes in the truth, accuracy or import of any information previously supplied to you by us in this regard.
- 4.3. We understand and agree that, in accordance with the Code, this undertaking may be disclosed to the Panel, particulars of this undertaking and our disclosable holdings of, and dealings in, relevant securities of the Offeree will need to be publicly disclosed and, in accordance with Rule 26 of the Code, copies of this undertaking will be available for viewing on a website until the end of the Offer Period (as defined in the Code).

5. **SECRECY**

Save as may be required by any competent regulatory body, we shall keep secret the possibility, terms and conditions of the Acquisition, the name of the Offeror and its involvement in the Acquisition and the existence and terms of this undertaking until the 2.7 Announcement is released. The obligations in this paragraph shall survive termination of this undertaking.

6. **TERMINATION**

6.1. This undertaking shall automatically terminate and be of no further effect in the event that:

6.1.1. the Acquisition terminates, lapses or is withdrawn in accordance with its terms; or

6.1.2. the Scheme has not become effective or the Offer announced has not been declared unconditional in all respects in accordance with the requirements of the Code by 6.00 p.m. on the Long Stop Date (as defined in the 2.7 Announcement) (or such later time or date as agreed between the Offeree and the Offeror, with the approval of the Court and/or the Panel if required).

6.2. If this undertaking lapses, no party shall have any claim against any other save in respect of any prior breach.

7. **INTERPRETATION**

In this undertaking:

7.1. "**Business Day**" means a day, other than a Saturday, Sunday, public holiday or bank holiday, on which banks are generally open for normal business in the City of London;

7.2. "**Offer**" means an offer made by or on behalf of the Offeror to acquire all the issued and to be issued ordinary share capital of the Offeree and any Further Offeree Shares substantially on the terms of a 2.7 Announcement or on such other terms as may be agreed between the Offeror and the Offeree or as may be required to comply with the requirements of the Panel, the Financial Conduct Authority or the London Stock Exchange (provided that such other terms and conditions do not result in a reduction of the value of the consideration receivable by the Offeree's shareholders under the Offer);

7.3. any reference to the Offer includes any new, increased, renewed or revised offer made by or on behalf of the Offeror to acquire shares in the Offeree, provided that the terms of such offer are no less favourable to the Offeree's shareholders than the terms set out in the Announcement;

7.4. "**Scheme**" means the proposed scheme of arrangement of the Offeree under section 895 of the Companies Act 2006 (including any new, increased, renewed or revised scheme of arrangement) for the acquisition by the Offeror of all the issued share capital of the Offeree other than that already owned by the Offeror (or any of its group undertakings, as construed in accordance with section 1161 of the Companies Act 2006); and

7.5. all references to time are to London time.

8. TIME OF THE ESSENCE

Any time, date or period mentioned in this undertaking may be extended by mutual agreement but as regards any time, date or period originally fixed or as extended, time shall be of the essence.

9. CONFIRMATION

We confirm by signing this undertaking that the Offeror's financial adviser, Numis Securities Limited, has clearly indicated to us that it is not acting for us and will not be responsible for providing the protections afforded to clients of Numis Securities Limited or advising us on any matters relating to the Acquisition howsoever implemented.

10. POWER OF ATTORNEY

10.1. In order to secure the performance of our obligations under this undertaking, we appoint (and, where applicable, shall procure that the registered holder of the Offeree Shares and any Further Offeree Shares shall appoint) any director of the Offeror as our (or their, as applicable) attorney to sign, execute and deliver all documents and do all such other acts and things as may be necessary for, or incidental to, the performance of our (or their, as applicable) obligations and undertakings under this undertaking within the specified period, provided that this appointment shall not take effect unless we fail, or it becomes reasonably likely that we will fail, to comply with any such obligation within the relevant time specified for compliance and we (and, where applicable, we shall procure that they) irrevocably undertake to ratify such acts and things if called upon to do so.

10.2. We agree that this power of attorney is (and, where applicable, the power of attorney granted by the registered holder of the Offeree Shares and any Further Offeree Shares shall be) given by way of security and is irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 until this undertaking lapses, or (if earlier) the Acquisition becomes effective in accordance with its terms or, as the case may be, unconditional in all respects, or lapses.

11. SPECIFIC PERFORMANCE

We agree that, if we fail to fulfil our obligations in accordance with this undertaking or breach any of our obligations, damages would not be an adequate remedy and accordingly the Offeror shall be at liberty to seek the remedies of specific performance, injunction or other equitable relief and no proof of special damages shall be necessary for the enforcement by the Offeror of its rights.

12. GENERAL

12.1. We acknowledge that the release of the 2.7 Announcement is at the Offeror's absolute discretion and, in particular, the Offeror reserves the right not to release the 2.7 Announcement unless the board of the Offeree agrees to recommend the Acquisition. For the avoidance of doubt, nothing in this undertaking shall oblige the Offeror to announce or effect the Acquisition.

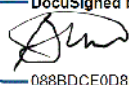
- 12.2. The covenants and undertakings contained in this undertaking and each part of them are entirely separate, severable and separately enforceable so that each covenant and undertaking and each part of them shall be deemed to be a separate covenant and undertaking.
- 12.3. Except to the extent otherwise specified, our obligations set out in this undertaking are unconditional and irrevocable.
- 12.4. The parties to this undertaking do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.
- 12.5. In the case where the Offeree Shares and any Further Offeree Shares are registered in the name of a nominee, we shall direct the nominee to act as if the nominee were bound by the terms of this undertaking and we shall use our best endeavours to do all acts and things necessary to procure that the terms hereof are carried into effect as if we had been the registered holder of the Offeree Shares and any Further Offeree Shares registered in the name of such nominee.
- 12.6. This undertaking may only be treated as having been executed and delivered as a deed if it has been dated.

13. GOVERNING LAW

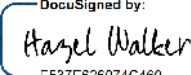
This undertaking and any non-contractual obligations arising out of or in relation to it or its formation, shall be governed by and construed in accordance with English law and we submit to the exclusive jurisdiction of the English courts for all purposes in connection with this undertaking.

IN WITNESS whereof this undertaking has been executed and delivered as a deed this third day of September 2021.

**EXECUTED as a DEED by
DRUM PROPERTY INVESTMENT GROUP LIMITED**
acting by a director in the presence of:

DocuSigned by:

088BDCE0D8E841C...

Director

DocuSigned by:

E537C626074C460... _____ Signature of Witness

Hazel walker _____
Name of Witness

12 Rubislaw Terrace Lane _____
Address

Aberdeen

AB10 1XF

SCHEDULE 1

INTERESTS IN THE OFFEREE

Offeree Shares

Name of beneficial owner	Name of registered holder, if different	Number of shares
Drum Property Investment Group Limited	-	2,560,000

APPENDIX

RULE 2.7 ANNOUNCEMENT

Draft as at 1 September attached separately.