

## Irrevocable undertaking

To: PP Bidco Limited (the **Bidder**)  
C/O Foresight Group LLP  
The Shard  
32 London Bridge Street  
London SE1 9SG

16 April 2025

## Offer for Harmony Energy Income Trust plc (the **Target**)

I understand that the Bidder is considering the Acquisition. Unless otherwise defined in this undertaking or unless the context requires otherwise, capitalised terms have the meaning given to them in the Announcement. References to paragraphs are to paragraphs in this undertaking.

### 1. **Warranties and undertakings**

1.1 I represent, warrant and undertake to the Bidder that:

- (a) I am the registered holder and/or the beneficial owner of (or am otherwise able to control the exercise of all rights attaching to, including voting rights and the ability to procure the transfer of) the Shares which are held free from any encumbrances which are inconsistent with the terms of this undertaking;
- (b) other than the Shares, I do not, and nor do any of the persons connected to me (within the meaning of section 253 of the Act), have any interest (as defined in the Code) in any securities of the Target, or any rights to subscribe for, purchase or otherwise acquire any such securities;
- (c) I have (and will at all relevant times continue to have) full power and authority to enter into this undertaking and to perform the obligations under it in accordance with its terms;
- (d) I will not, prior to the earlier of the Acquisition completing or lapsing, and will procure that any registered holder (if different) will not:
  - (i) except pursuant to the Acquisition, sell, transfer, charge, pledge, encumber, grant any options over or otherwise dispose of, or permit the sale, transfer, charging, pledge, encumbrance, granting of any option over or other disposal of any interest in the Shares or any other Target Shares issued or unconditionally allotted to, or acquired by me or on my behalf or on behalf of my nominee(s) after the date of this undertaking in respect of which I become the registered holder or beneficial owner before then (**Further Shares**);
  - (ii) accept or agree to accept or vote in favour of, in respect of all or any of the Shares and any Further Shares, any offer or other transaction made in competition with, or which might otherwise frustrate, impede or delay the Acquisition (each such transaction, an **Alternative Transaction**);
  - (iii) express my support publicly for any Alternative Transaction;
  - (iv) convene any meeting of the members of the Target in my capacity as a shareholder, nor exercise or permit the exercise of the voting rights attaching to the Shares and any Further Shares in any manner which would or might frustrate the Acquisition or prevent the Acquisition from completing;

- (v) vote in favour of or otherwise consent in respect of all or any of the Shares and any Further Shares to any matter for the purposes of Rule 21 of the Code;
- (vi) except pursuant to the Acquisition, enter into any agreement or arrangement, incur any obligation (other than any obligation imposed by law) or give any indication of intent:
  - (A) to do any of the acts referred to in paragraphs 1.1(d)(i) to (v); or
  - (B) which in relation to the Shares or any Further Shares would or might restrict or impede me accepting the Offer or voting in favour of the Scheme, or which would otherwise preclude me from complying with any obligations in this undertaking,

and, for the avoidance of doubt, references in this paragraph 1.1(d) to any agreement, arrangement, obligation or indication of intent include any agreement, arrangement, obligation 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, the ceasing of this undertaking to be binding or any other event;

- (e) other than anyone presumed to be acting in concert with me by virtue of the definition of "acting in concert" in the Code, I am not knowingly acting in concert with any person in relation to the Target for the purposes of Rule 9.1 of the Code disregarding for this purpose any person giving an irrevocable undertaking to implement the Acquisition and each of the Bidder and the Target and all persons acting in concert with any of them;
- (f) I will not and, where applicable, will procure that any registered holder of the Shares or any Further Shares will not, until the earlier of:
  - (i) this undertaking lapsing in accordance with paragraph 4 below; or
  - (ii) the Offer becoming or being declared unconditional or the Scheme becoming effective in accordance with its terms,

acquire any interest or otherwise deal or undertake any dealing in relevant securities of the Target unless the Panel determines, and confirms to you, that in respect of such acquisition or dealing, I am not acting in concert with you pursuant to Note 9 on the definition of "acting in concert" set out in the Code; and

- (g) I will take all steps in my power and, where applicable, will take all steps in my power to procure that any registered holder of the Shares or any Further Shares also takes all steps in their power, to comply with the obligations in this undertaking.

## 2. Undertaking to vote in favour of the Scheme

2.1 I hereby irrevocably and unconditionally undertake that for so long as the Bidder elects to implement the Acquisition by way of the Scheme I will and, where applicable, I will procure that any registered holder will in respect of all of my Shares and any Further Shares:

- (a) without prejudice to my right to attend and vote in person, return or procure the return of proxy votes (whether on a show of hands or via a poll) in accordance with the procedure set out in the formal document containing details of the Scheme (the **Scheme Document**) in favour of any resolutions at any shareholder or court meeting required for the implementation of the Acquisition and any matter ancillary thereto within fourteen days after posting of the Scheme Document or, if later,

within seven days of acquiring any Further Shares (including, without limitation, to approve the Scheme and amend the Target's articles of association); and

- (b) vote in person or by proxy (whether on a show of hands or via a poll) against any resolution at any general or court meeting of the Target shareholders (including any adjournment thereof) which might reasonably be expected to (i) result in a condition of the Acquisition not being fulfilled; or (ii) impede or frustrate the Acquisition (which will include any resolution to approve an alternative scheme of arrangement, merger or acquisition of any shares in the Target by a third party) or which would otherwise impact adversely on the success of the Acquisition,

and without prejudice to the foregoing, for the purpose of voting on any resolution referred to in this paragraph 2, I will or, where applicable, will procure that the registered holder will, if required by the Bidder, execute any form of proxy appointing any person nominated by the Bidder to attend and vote on my behalf at the relevant general or court meetings.

- 2.2 I further agree that the Bidder will acquire the Shares and any Further Shares with full title guarantee and free from any encumbrance of any nature whatsoever and together with all rights of any nature attaching to those shares.

### 3. **Undertaking to accept an Offer**

I hereby irrevocably and unconditionally undertake that if the Bidder elects to implement the Acquisition by way of the Offer I will and, where applicable, I will procure that any registered holder will in respect of all of my Shares and any Further Shares at the relevant time:

- (a) accept the Offer in respect of the Shares and any Further Shares in accordance with the procedure for acceptance set out in the formal document containing such Offer (the **Offer Document**) as soon as reasonably practicable and in any event no later than fourteen days after the Bidder posts the Offer Document to Target shareholders or, if later, within seven days of me or my nominee(s) becoming the registered holder of any Further Shares; and
- (b) notwithstanding the provision of the Code or any terms of the Offer regarding withdrawal, not withdraw such acceptance,

and I further agree that, if the Offer becomes or is declared unconditional, the Bidder will acquire the Shares and any Further Shares under the Offer with full title guarantee and free from any encumbrance of any nature whatsoever and together with all rights of any nature attaching to those shares.

### 4. **Lapse of undertaking**

- 4.1 Subject to paragraph 4.2, this undertaking will lapse and cease to have effect to the extent not already undertaken and without prejudice to any liability for antecedent breach if:

- (a) the Announcement is not released by 5.00 p.m. on the date of this undertaking or such later date as the Bidder and the Target may agree;
- (b) following the Announcement, the Bidder announces, with the consent of the Panel, that it does not intend to proceed with the Acquisition and no new, revised or replacement acquisition (to which this undertaking applies) is announced in accordance with Rule 2.7 of the Code at the same time;

- (c) following the Announcement, the Offer or Scheme lapses or is withdrawn and no new, revised or replacement acquisition (to which this undertaking applies) is announced in accordance with Rule 2.7 of the Code at the same time; or
- (d) the date on which any competing offer for the entire issued and to be issued share capital of the Target is declared unconditional or, if implemented by way of a scheme of arrangement, becomes effective.

4.2 Subject to this paragraph 4, this undertaking shall terminate and all obligations on me will cease to have effect on the date on which the Acquisition becomes effective in accordance with its terms if implemented as a Scheme, or becomes or is declared unconditional if implemented by way of an Offer.

4.3 If this undertaking lapses, I will have no claim against the Bidder.

## 5. **General**

5.1 The definitions in Appendix 2 to this undertaking apply throughout this undertaking unless the context requires otherwise.

5.2 Nothing in this undertaking obliges the Bidder to release the Announcement and/or make the Acquisition.

5.3 I accept, acknowledge and confirm that I have been given adequate opportunity to consider whether or not to enter into this undertaking and to obtain independent advice accordingly.

5.4 Prior to this undertaking being published as referred to in paragraph 5.5(c) below and save, following its release, to the extent included in the Announcement pursuant to paragraph 5.5(b), I agree not to disclose to any third party (other than my professional advisers) the existence or subject matter of this document or of any of the arrangements or proposed arrangements to which it relates unless such disclosure is required by law, the Panel, the London Stock Exchange, the Financial Conduct Authority or pursuant to any other legal or regulatory requirement in which case I will only make such disclosure following consultation with the Bidder.

5.5 I consent to:

- (a) this undertaking being disclosed to the Panel;
- (b) references to me and particulars of this undertaking and my interests being included in the Announcement and any Offer Document or Scheme Document as applicable, and any other announcement made, or related or ancillary document issued, by or on behalf of the Bidder and/or the Target in connection with the Acquisition, provided that any such reference is required by applicable law or regulation; and
- (c) this undertaking being published as required by the Code and any other applicable law or regulation.

5.6 I agree to provide you promptly with all such further information at my disposal in relation to my interests in the Shares and any Further Shares as you may require in order to comply with the Code and any other legal or regulatory requirement and to notify you in writing as soon as reasonably practicable of any material change in the accuracy or import of any such information previously supplied to you by me.

5.7 This undertaking will be binding on my estate and personal representatives.

- 5.8 I recognise and acknowledge that if I should fail to comply with my obligations in this undertaking, damages may not be an adequate remedy and that an order for specific performance or other equitable remedy may be the only adequate remedy for such breach.
- 5.9 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 extended, time is of the essence.
- 5.10 No variation of this undertaking will be effective except by mutual agreement.

6. **Governing law and jurisdiction**

This undertaking (and any dispute, controversy, proceedings of whatever nature arising out of or in any way relating to this undertaking or its formation or claim or any act performed or claimed to be performed under it) shall be governed by and construed in accordance with English law and I submit to the exclusive jurisdiction of the English courts for all purposes in connection with this undertaking.

7. **Third party rights**

A person who is not a party to this undertaking shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

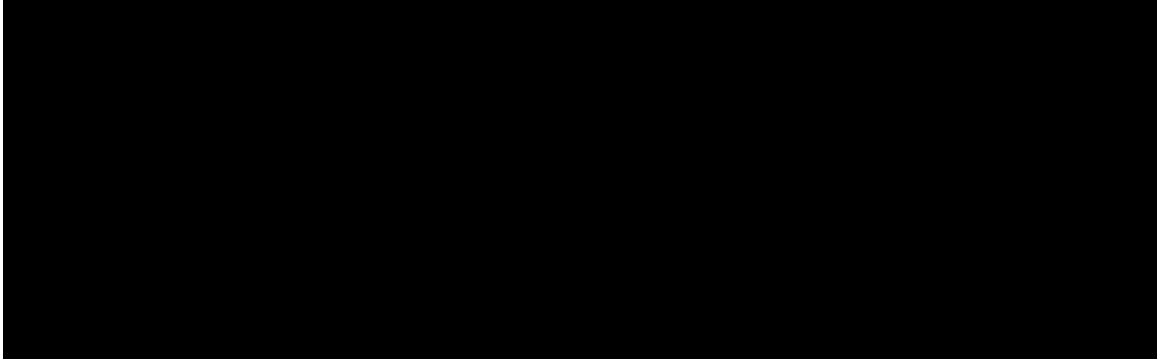
8. **Assignment**

Each party to this undertaking shall not assign, grant any security interest over, hold on trust or otherwise transfer the benefit of the whole or any part of this undertaking without the prior written consent of the respective other party.

**IN WITNESS** whereof this undertaking has been executed and delivered as a deed on the date first above written.

Signed and delivered as a deed by

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## Appendix 1

### Rule 2.7 Announcement

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION.**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**FOR IMMEDIATE RELEASE**

**16 April 2025**

**RECOMMENDED CASH ACQUISITION**

**of**

**Harmony Energy Income Trust plc ("HEIT")**

**by**

**PP Bidco Limited ("BidCo")**

**(a newly formed company indirectly and wholly controlled by two funds within the portfolio of funds managed by Foresight Group LLP)**

**to be effected by means of a scheme of arrangement  
under Part 26 of the Companies Act 2006**

**Summary**

- The boards of BidCo and HEIT are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition pursuant to which BidCo shall acquire the entire issued and to be issued ordinary share capital of HEIT (the "**Acquisition**"). The Acquisition is intended to be effected by means of a scheme of arrangement under Part 26 of the Companies Act.
- Under the terms of the Acquisition, HEIT Shareholders will be entitled to receive:  
  

**for each Scheme Share held: 92.4 pence in cash.**
- The Acquisition Price represents:
  - a 5 per cent. premium to the Drax Offer of 88.0 pence per HEIT Share;
  - a 42 per cent. premium to the Closing Price of 65.2 pence per HEIT Share on 14 March 2025 (being the last Business Day prior to the start of the Offer Period); and
  - a 94 per cent. premium to the Closing Price of 47.8 pence per HEIT Share on 29 May 2024 (being the last Business Day prior to the date of the announcement of HEIT's Asset Sale process).
- The Acquisition values the entire issued and to be issued ordinary share capital of HEIT at approximately £209.9 million.



## Transaction Overview

- All-cash offer to acquire HEIT by BidCo, which currently is indirectly controlled by Foresight Energy Infrastructure Partners II S.C.Sp ("**FEIP II**"). The HEIT Board is unanimously recommending the Acquisition.
- BidCo has received irrevocable undertakings and a non-binding letter of intent in respect of a total of 125,994,915 HEIT Shares representing, in aggregate, approximately 55.47 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date.
- Ahead of completion of the Acquisition, Blackmead Infrastructure Limited ("**Blackmead**") will also make an equity investment in BidCo. Blackmead is a wholly owned subsidiary of Averon Park. Averon Park's principal activity is to acquire and invest in unquoted UK trading companies.
- Foresight Group LLP ("**Foresight**") is a leading investment manager in real assets and is an experienced and knowledgeable investor, through its many different funds, in UK and European battery storage assets. Foresight acts as portfolio manager to FEIP II's alternative investment fund manager in respect of FEIP II and is the discretionary investment manager of Averon Park.
- As detailed above, the Acquisition is being made by BidCo and not by Foresight, or its parent company, Foresight Group Holdings Limited.
- The Foresight Funds recognise HEIT's leading platform and consider HEIT's BESS portfolio to be highly complementary with their strategic mandates and Foresight's existing managed investments in renewable energy and storage.
- As previously announced, HEIT had made substantial progress through its Asset Sale process towards the conclusion of a definitive agreement to sell its entire portfolio to Drax. On 25 March 2025, following the publication on 17 March 2025 of a joint statement by the HEIT Board and Foresight (on behalf of one or more funds managed by Foresight and its affiliates) regarding a possible cash offer for HEIT, HEIT and Drax Bidco announced the Drax Offer and a scheme document was subsequently published in respect of the Drax Offer on 15 April 2025.
- However, having carefully considered the terms of the Acquisition with its advisers, the HEIT Board has concluded that the Acquisition, on balance, delivers a superior outcome in terms of both price and deliverability for HEIT Shareholders than the potential transaction with Drax under the Asset Sale process and in terms of price for HEIT Shareholders than the Drax Offer. Further, the HEIT Board believes the Acquisition provides HEIT Shareholders with the opportunity to realise the value of their holdings, in cash, at an attractive value which is a significant premium to the share price on 14 March 2025, particularly when viewed in the context of the substantial discount to net asset values at which companies in the UK BESS investment trust sector currently trade.
- The Acquisition represents a superior offer to the Drax Offer in terms of cash price per share to HEIT Shareholders.
- Therefore, and for the reasons set out in paragraph 5 (*Background to and reasons for the HEIT Board's recommendation*), after careful consideration together with its financial adviser, the

HEIT Board has concluded that the Acquisition is in the best interests of HEIT Shareholders and HEIT as a whole. Consequently, **the HEIT Board intends to adjourn the Drax Offer Shareholder Meetings. Accordingly, the HEIT Board urges HEIT Shareholders to take no action in respect of the Drax Offer.**

#### **HEIT Recommendation**

- The HEIT Directors, who have been so advised by Panmure Liberum as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the HEIT Directors, Panmure Liberum has taken into account the commercial assessments of the HEIT Directors. Panmure Liberum is providing independent financial advice to the HEIT Directors for the purposes of Rule 3 of the Takeover Code.
- Accordingly, the HEIT Directors recommend unanimously that HEIT Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting.
- In light of their recommendation of the Acquisition, the HEIT Board has unanimously withdrawn its recommendation of the Drax Offer and intends to adjourn the Drax Offer Shareholder Meetings which are due to be held on 7 May 2025. A separate announcement will be made by HEIT in this regard. The HEIT Board urges HEIT Shareholders to take no action in relation to the Drax Offer. It is noted that the HEIT Directors (who hold 101,116 HEIT Shares representing, in aggregate, approximately 0.04 per cent. of the ordinary share capital of HEIT in issue on 15 April 2025, being the latest practicable date prior to the date of this announcement ("**Latest Practicable Date**")) have provided irrevocable undertakings to vote in favour of the Drax Offer, which remain binding in the event of a higher competing offer as further described in the Drax 2.7 Announcement and therefore are unable to provide irrevocable undertakings in respect of the Scheme.

#### **Irrevocable Undertakings and Letter of Intent**

- Harmony Energy Limited, as well as certain directors of Harmony Energy Limited and Harmony Energy Advisors, have given irrevocable undertakings to vote, or procure a vote, in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting in respect of a total of 38,578,863 HEIT Shares representing, in aggregate, approximately 17.0 per cent. of the issued ordinary share capital of HEIT on the Latest Practicable Date. These irrevocable undertakings remain binding in the event of a higher competing offer for HEIT.
- In addition, BidCo has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting, and the resolutions to be proposed at the General Meeting, from:
  - PrimeStone Capital LLP in respect of a total of 25,986,450 HEIT Shares representing, in aggregate, approximately 11.44 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date;
  - Newton Investment Management Limited in respect of a total of 7,151,972 HEIT Shares representing, in aggregate, approximately 3.15 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date;

- Nicholas Norman Cournoyer in respect of a total of 6,855,830 HEIT Shares representing, in aggregate, approximately 3.02 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date;
- Church House Investments Limited in respect of a total of 3,400,000 HEIT Shares representing, in aggregate, approximately 1.50 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date;
- Trinitybridge Limited in respect of a total of 2,609,923 HEIT Shares representing, in aggregate, approximately 1.15 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date;
- Dowgate Wealth Limited in respect of a total of 2,546,000 HEIT Shares representing, in aggregate, approximately 1.12 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date; and
- Forest Nominees Limited in respect of a total of 155,000 HEIT Shares representing, in aggregate, approximately 0.07 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date.

These irrevocable undertakings remain binding in the event of a higher competing offer for HEIT unless such competing offer for HEIT represents a value per HEIT Share of not less than 5 per cent. above the Acquisition Price, and BidCo does not increase the consideration offered under the Scheme to an amount which is equal to or higher than the consideration offered by the third party competing offeror either within ten days of the date of the third party's announcement or offer, or prior to the date of the Court Meeting and the General Meeting (whichever is the earliest).

- BidCo has therefore received irrevocable undertakings in respect of a total of 87,284,038 HEIT Shares representing, in aggregate, approximately 38.43 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date.
- BidCo has also received a non-binding letter of intent to vote in favour of the Scheme at the Court Meeting, and the resolutions to be proposed at the General Meeting, from Schroder & Co Limited in respect of a total of 38,710,877 HEIT Shares representing, in aggregate, approximately 17.04 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date, subject to the irrevocable undertaking given by Schroder & Co Limited in respect of the Drax Offer lapsing.
- Further details of these irrevocable undertakings and the letter of intent are set out in Appendix III to this announcement.

### **Structure, conditions and timetable**

- It is intended that the Acquisition shall be effected by means of a scheme of arrangement between HEIT and HEIT Shareholders under Part 26 of the Companies Act, although BidCo reserves the right to implement the Acquisition by means of a Takeover Offer (subject to Panel consent and compliance with the Takeover Code).

- The Acquisition is conditional on the approval of HEIT Shareholders and subject to the further Conditions and terms set out in Appendix I to this announcement (which will be set out, in full, in the Scheme Document).
- The Acquisition shall be put to HEIT Shareholders at the Court Meeting and at the General Meeting. In order to become Effective, the Scheme must be approved by a majority in number of the HEIT Shareholders voting at the Court Meeting, either in person or by proxy, representing at least 75 per cent. in value of the HEIT Shares voted. In addition, a special resolution implementing the Scheme must be passed by HEIT Shareholders representing at least 75 per cent. of votes cast at the General Meeting. Following the Court Meeting, the Scheme must also be sanctioned by the Court.
- For the purposes of Rule 29.1(d) of the Takeover Code, a valuation of HEIT's Portfolio will be included in the Scheme Document (or, if applicable, the offer document).
- The Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and the General Meeting will be published as soon as reasonably practicable, and, in any event, within 28 days of this announcement.
- If, on or after the date of this announcement and on or prior to the Effective Date, any dividend, distribution, or other return of value is declared, made, or paid, or becomes payable by HEIT, BidCo reserves the right to reduce the Acquisition Price by an amount up to the amount of such dividend, distribution, or other return of value in which case any references to the Acquisition Price will be deemed to be a reference to the Acquisition Price as so reduced.
- The Acquisition is currently expected to complete during the second quarter of 2025, subject to the satisfaction or waiver of the Conditions. An expected timetable of key events relating to the Acquisition will be set out in the Scheme Document.

Commenting on the Acquisition, Norman Crighton, Chairman of HEIT, said:

*"Since its launch in 2021, HEIT has grown its portfolio of BESS assets in the UK, today consisting of eight 100 per cent. operational projects (790.8 MWh / 395.4 MW) across Great Britain. Despite positive progress in this regard, significant headwinds have curtailed HEIT's revenue growth opportunities, resulting in HEIT trading at a material and persistent discount to NAV.*

*The HEIT Board believes that value to HEIT Shareholders will be maximised through the terms of the Acquisition, with the Acquisition Price being at a premium to the previously announced Drax Offer. Further, the HEIT Board believes that the Acquisition will provide HEIT Shareholders with the opportunity to realise the value of their holdings, in cash, at an attractive value which is in excess of the reasonable medium-term prospects for HEIT on a standalone basis as a listed company."*

Commenting on the Acquisition, Richard Thompson, Partner at Foresight, said:

*"We believe that HEIT will be a highly complementary addition to our existing managed portfolio of high-quality UK battery storage assets and other investments in renewable energy, storage and grid infrastructure. Our offer provides meaningful value for HEIT shareholders. We encourage all HEIT shareholders to support our offer, in order to receive the investment liquidity and cash value for their shares we are offering today."*

***This summary should be read in conjunction with the full text of this announcement. The Acquisition shall be subject to the Conditions and further terms set out in Appendix I to this announcement and to the full terms and conditions which shall be set out in the Scheme Document. Appendix II to this announcement contains the sources of information and bases of calculations of certain information contained in this announcement, Appendix III contains a summary of the irrevocable undertakings received in relation to this Acquisition and Appendix IV contains definitions of certain expressions used in this summary and in this announcement.***

**Enquiries:**

**Foresight**

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**Harmony Energy Income Trust plc**

Norman Crighton, Chairman via Panmure Liberum Limited

**Panmure Liberum Limited (Sole Financial Adviser and Rule 3 Adviser and Joint Broker to HEIT)**

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Gowling WLG (UK) LLP is retained as legal adviser to HEIT.

Ashurst LLP is retained as legal adviser to Foresight and BidCo.

**Inside Information**

*This announcement contains inside information as defined in the Market Abuse Regulation. Upon the publication of this announcement via a Regulatory Information Service, such inside information will be considered to be in the public domain.*

*The person responsible for arranging the release of this announcement on behalf of HEIT is Susan Fadil of the Company Secretary, JTC (UK) Limited. The LEI of HEIT is 25490003X13CJNTKR453.*

**Important Notices**

*RBC Europe Limited (trading as RBC Capital Markets), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting exclusively as financial adviser to BidCo and Foresight and no one else in connection with the Acquisition and will not be responsible to anyone other than BidCo and Foresight for providing the protections afforded to its clients nor for providing advice in relation to the matters referred to in this announcement. Neither RBC Europe Limited nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, tort, in delict, under statute or otherwise) to any person who is not a client of RBC Europe Limited in connection with the Acquisition or any matter referred to herein.*

*Panmure Liberum Limited ("**Panmure Liberum**"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as financial adviser, Rule 3 adviser and joint broker to HEIT and no one else in connection with the Acquisition and the matters and arrangements set out in this announcement. Panmure Liberum will not regard any other person as its client in relation to the Acquisition or any other matter or arrangement set out in this announcement and will not be responsible to anyone other than HEIT for providing the protections afforded to clients of Panmure Liberum, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this announcement. Neither Panmure Liberum nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Panmure Liberum in connection with the Acquisition, this announcement, any statement contained herein or otherwise. No representation or warranty, express or implied, is made by Panmure Liberum as to the contents of this announcement.*

*Stifel Nicolaus Europe Limited ("**Stifel**"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as joint broker to HEIT and no one else in connection with the Acquisition and the matters and arrangements set out in this announcement. Stifel will not regard any other person as its client in relation to the Acquisition or any other matter or arrangement set out in this announcement and will not be responsible to anyone other than HEIT for*

*providing the protections afforded to clients of Stifel, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this announcement. Neither Stifel nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Stifel in connection with the Acquisition, this announcement, any statement contained herein or otherwise. No representation or warranty, express or implied, is made by Stifel as to the contents of this announcement.*

*This announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, pursuant to the Acquisition or otherwise, nor shall there be any purchase, sale, issuance or exchange of securities or such solicitation in any jurisdiction in which such offer, invitation, solicitation, purchase, sale, issuance or exchange is unlawful.*

*The Acquisition shall be made solely by means of the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, any document by which the Takeover Offer is made) which, together with the Forms of Proxy (or forms of acceptance, if applicable), shall contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the resolutions proposed in connection with the Acquisition. Any vote, approval, decision in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or if the Acquisition is to be implemented by way of a Takeover Offer, the offer document).*

*The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and the release of this announcement shall not give rise to any implication that there has been no change in the facts set out in this announcement since such date.*

*This announcement has been prepared for the purpose of complying with English law, the Takeover Code, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules, and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of any other jurisdictions.*

*HEIT and BidCo shall prepare the Scheme Document (or if the Acquisition is to be implemented by way of a Takeover Offer, the offer document) to be distributed to HEIT Shareholders. HEIT Shareholders should not make any investment decision in relation to the Acquisition except on the basis of the Scheme Document (or if the Acquisition is to be implemented by way of a Takeover Offer, the offer document). HEIT and BidCo urge HEIT Shareholders to read the Scheme Document in full when it becomes available because it shall contain important information relating to the Acquisition.*

*This announcement does not constitute a prospectus or prospectus equivalent document.*

*No person should construe the contents of this announcement as legal, financial or tax advice. If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or from an independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom, or another appropriately authorised independent financial adviser, if you are in a territory outside the United Kingdom.*

## **Overseas Shareholders**

*The release, publication or distribution of this announcement in or into certain jurisdictions other than the United Kingdom may be restricted by the laws and/or regulations of those jurisdictions. Persons into whose possession this announcement comes who are not resident in the United Kingdom or who are subject to the laws and/or regulations of any jurisdiction other than the United Kingdom should inform themselves of, and observe, any such applicable laws and/or regulations in their jurisdiction. In particular, the ability of persons who are not resident in the United Kingdom to vote their HEIT Shares with respect to the Scheme at the Court Meeting or the Resolution(s) at the General Meeting, or to appoint another person as proxy to vote at the Court Meeting or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located. Further details in relation to Overseas Shareholders will be contained in the Scheme Document. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.*

*Unless otherwise determined by BidCo or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition shall not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this announcement and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction. If the Acquisition is implemented by a Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national state or other securities exchange, of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from or within any Restricted Jurisdiction.*

*The Acquisition shall be subject to English law and the jurisdiction of the Court, and, among other things, the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the Financial Conduct Authority and the Registrar of Companies.*

## **Additional information for investors in the United States**

*The Acquisition relates to shares of an English company admitted to trading on the Specialist Fund Segment of the London Stock Exchange and is proposed to be effected by means of a scheme of arrangement under Part 26 of the Companies Act which will be governed by English law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act.*



*Accordingly, the Acquisition is subject to the disclosure and procedural requirements applicable in the United Kingdom to schemes of arrangement which differ from the requirements of United States tender offer and proxy solicitation rules.*

*However, if BidCo were to elect to implement the Acquisition by means of a Takeover Offer and determines to extend such Takeover Offer into the United States, such Takeover Offer shall be made in compliance with all applicable United States laws and regulations, including, without limitation, to the extent applicable, Section 14(e) of the US Exchange Act and Regulation 14E thereunder. Such a Takeover Offer would be made in the United States by BidCo and no one else.*

*In accordance with normal United Kingdom practice and pursuant to Rule 14(e)-5(b) of the US Exchange Act (if applicable), BidCo or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of HEIT outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. Were they to be made, these purchases or arrangements to purchase would occur either in the open market at prevailing prices or in private transactions at negotiated prices and would comply with applicable law, including the US Exchange Act. Any information about such purchases or arrangements to purchase shall be disclosed as required in the UK, shall be reported to a Regulatory Information Service and shall be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).*

*The receipt of consideration by a US holder for the transfer of its HEIT Shares pursuant to the Acquisition may have tax consequences in the US and such consequences, if any, are not described herein. US holders of HEIT Shares are urged to consult their independent professional adviser immediately regarding the legal, tax and financial consequences of the Acquisition applicable to them.*

*Neither the US Securities and Exchange Commission nor any securities commission of any state or other jurisdiction of the United States has approved the Acquisition, passed judgment upon the fairness or the merits of the Acquisition, or passed judgment upon the completeness, adequacy or accuracy of this announcement. Any representation to the contrary is a criminal offence in the United States.*

*Financial information relating to HEIT included in this announcement and that may be included in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the offer document) or any other documents relating to the Acquisition, has been or shall have been prepared in accordance with accounting standards applicable in the United Kingdom and may not be comparable to financial information of US companies or other companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States ("US GAAP"). US GAAP differs in certain significant respects from accounting standards applicable in the United Kingdom. None of the financial information in this announcement has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).*

*Each of BidCo and HEIT is organised under the laws of England and Wales. Some or all of the officers and directors of BidCo and HEIT, respectively, are residents of countries other than the United States. In addition, all of the assets of BidCo and HEIT are located outside the United States. As a result, it may be difficult for US holders of HEIT Shares to effect service of process within the United States upon BidCo or HEIT or their respective officers or directors or to enforce against them a judgment of a US court predicated upon the federal or state securities laws of the United States, including judgments*

*based upon the civil liability provisions of the US federal securities laws. US shareholders of HEIT may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's jurisdiction or judgment.*

### **Forward looking statements**

*This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by HEIT, BidCo, any member of the Wider BidCo Group or any member of the Wider HEIT Group contain statements which are, or may be deemed to be, "forward looking statements" about BidCo, HEIT, the Wider BidCo Group and/or the Wider HEIT Group. Such forward looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which HEIT, BidCo or any member of the Wider BidCo Group or any member of the Wider HEIT Group shall operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements.*

*All statements other than statements of historical facts included in this announcement may be forward-looking statements. In some cases, these forward looking statements can be identified by the use of forward looking terminology, including the terms "believes", "estimates", "will look to", "would look to", "plans", "prepares", "anticipates", "expects", "is expected to", "is subject to", "budget", "scheduled", "forecasts", "synergy", "strategy", "goal", "cost-saving", "projects" "intends", "may", "will", "shall" or "should" or their negatives or other variations or comparable terminology. Forward-looking statements may include, but are not limited to, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of BidCo's, HEIT's, any member of the Wider BidCo Group's or any member of the Wider HEIT Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on BidCo's, HEIT's, any member of the Wider BidCo Group's or any member of the Wider HEIT Group's business.*

*By their nature, forward-looking statements involve risks and uncertainties and are made based on certain key assumptions, because they relate to events and depend on circumstances that shall occur in the future. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements, including but not limited to the satisfaction of or failure to satisfy all or any of the conditions to the Acquisition, as well as additional factors, such as changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates, future business combinations or disposals, and any epidemic, pandemic or disease outbreak. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions prove incorrect, actual results may differ materially from those expected, estimated or projected. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward looking statements should therefore be construed in the light of such factors.*

*Neither HEIT nor BidCo nor any member of the Wider BidCo Group, nor any member of the Wider HEIT Group nor any of their respective associates or directors, officers, members or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any*

*forward-looking statements in this announcement shall actually occur. Given these risks and uncertainties, potential investors should not place any reliance on forward looking statements.*

*The forward-looking statements speak only at the date of this announcement. All subsequent oral or written forward-looking statements attributable to BidCo, HEIT, any member of the Wider BidCo Group or any member of the Wider HEIT Group, or any of their respective associates, members, directors, officers, employees or advisers or any persons acting on their behalf, are expressly qualified in their entirety by the cautionary statement above.*

*HEIT, BidCo, the Wider HEIT Group and the Wider BidCo Group expressly disclaim any obligation to update or revise such statements (or any other statements) contained in this announcement other than as required by law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.*

### **No profit forecasts or estimates**

*No statement in this announcement is intended as a profit forecast, profit estimate or quantified financial benefit statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for BidCo, the Wider BidCo Group or HEIT, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for BidCo, the Wider BidCo Group or HEIT, as appropriate.*

### **Disclosure requirements of the Takeover Code**

*Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they shall be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at <http://www.thetakeoverpanel.org.uk/>, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

### **Electronic communications**

*Please be aware that addresses, electronic addresses and certain information provided by HEIT Shareholders, persons with information rights and other relevant persons for the receipt of communications from HEIT may be provided to BidCo during the Offer Period as requested under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.*

### **Publication on website and availability of hard copies**

*A copy of this announcement shall be made available, free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions on BidCo's website at [www.foresight.group/heit](http://www.foresight.group/heit) and on HEIT's website at [www.heitp.co.uk/investors/heit-offer/](http://www.heitp.co.uk/investors/heit-offer/) by no later than 12.00 noon (London time) on the first Business Day after the date of this announcement. For the avoidance of doubt, the contents of these websites and any websites accessible from hyperlinks on these websites are not incorporated into and do not form part of this announcement.*

*HEIT Shareholders and persons with information rights may request a hard copy of this announcement by contacting HEIT's registrar, Computershare Investor Services PLC, by writing to them at The Pavilions, Bridgwater Road, Bristol BS99 6ZZ or by calling them on +44 (0)370 703 6003 during business hours (9.30 a.m. to 5.30 p.m. (London time) Monday to Friday excluding public holidays in England and Wales). Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Please note that Computershare cannot provide any financial, legal or tax advice. Calls may be recorded and monitored for security and training purposes.*

*HEIT Shareholders and persons with information rights may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be sent to them in hard copy form, again by writing to the address set out above or by calling the telephone number above.*

### **Rounding**

*Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and*

*figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.*

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**FOR IMMEDIATE RELEASE**

**16 April 2025**

**RECOMMENDED CASH ACQUISITION**

**for**

**Harmony Energy Income Trust plc ("HEIT")**

**by**

**PP Bidco Limited ("BidCo")**

**(a newly formed company indirectly and wholly controlled by two funds within the portfolio of funds managed by Foresight Group LLP)**

**to be effected by means of a scheme of arrangement under Part 26 of the Companies Act 2006**

**1. Introduction**

The boards of BidCo and HEIT are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition pursuant to which BidCo shall acquire the entire issued and to be issued ordinary share capital of HEIT (the "**Acquisition**"). The Acquisition is intended to be effected by means of a scheme of arrangement under Part 26 of the Companies Act.

**2. The Acquisition**

Under the terms of the Acquisition, which shall be subject to the Conditions and further terms set out in Appendix I to this announcement and to be set out in the Scheme Document, HEIT Shareholders shall be entitled to receive:

**for each Scheme Share: 92.4 pence in cash.**

The Acquisition Price represents:

- a 5 per cent. premium to the Drax Offer of 88.0 pence per HEIT Share;
- a 42 per cent. premium to the Closing Price of 65.2 pence per HEIT Share on 14 March 2025 (being the last Business Day prior to the start of the Offer Period); and
- a 94 per cent. premium to the Closing Price of 47.8 pence per HEIT Share on 29 May 2024 (being the last Business Day prior to the date of the announcement of HEIT's Asset Sale process).

The Acquisition values the entire issued and to be issued ordinary share capital of HEIT at approximately £209.9 million.

If, on or after the date of this announcement and on or prior to the Effective Date, any dividend, distribution, or other return of value is declared, made, or paid, or becomes payable by HEIT, BidCo reserves the right to reduce the Acquisition Price by an amount up to the amount of such dividend, distribution, or other return of value in which case any references to the Acquisition Price will be deemed to be a reference to the Acquisition Price as so reduced. In such circumstances, HEIT Shareholders shall be entitled to retain any such dividend, distribution, or other return of value declared, made, or paid.

The Scheme Document containing further information about the Acquisition and the Scheme and notices of the Court Meeting and the General Meeting will be published as soon as reasonably practicable and, in any event, within 28 days of this announcement, unless BidCo and HEIT otherwise agree, and the Panel consents, to a later date. It is expected that the Court Meeting and the General Meeting will be held as soon as practicable thereafter, giving the required notice periods, and that, subject to the satisfaction or (where relevant) waiver of the Conditions, the Scheme is expected to become Effective during the second quarter of 2025.

BidCo reserves the right to elect (with the consent of the Panel and in compliance with the Takeover Code) to implement the Acquisition by way of a Takeover Offer for the HEIT Shares as an alternative to the Scheme.

### 3. **Background to and reasons for the Acquisition**

The Acquisition will be made by BidCo. At completion of the Acquisition, BidCo will be controlled by FEIP II and Avera Park, which are both funds managed by Foresight. Foresight is a leading investment manager in real assets and in providing capital for growth with extensive experience, through its many different funds, of investing in energy transition, renewables and infrastructure projects, and is an experienced and knowledgeable investor inter alia in UK and European battery storage assets.

Foresight has closely followed HEIT and its battery storage assets over a number of years, and believes the management team and Board of HEIT has established a high-quality portfolio of assets which fit well with Foresight's existing managed portfolio of UK battery storage assets. In particular, Foresight notes that HEIT operates the largest exclusively 2-hour duration battery energy storage systems ("**BESS**") portfolio in Great Britain across its eight projects. Foresight has actively monitored opportunities in the GB BESS market and believes strongly that the Acquisition represents a scarce opportunity to acquire a portfolio of assets which is highly complementary to its other investment activities and offers immediate cash yield underpinned by high quality technology choices and a robust operating track record. With a longstanding, substantial portfolio of managed renewable energy assets in the UK, Foresight considers that the rapid development of renewable energy platforms in the GB energy market will further enhance the importance of BESS within the industry, leading to a favourable shift in the market cycle and providing material revenue and growth opportunities in the sector.

#### ***Acquisition by BidCo and its funding***

The Acquisition will be made by BidCo, a newly formed company. At completion of the Acquisition, BidCo will be controlled by FEIP II and Avera Park. FEIP II invests in diversified and differentiated energy transition assets, and in particular in assets which assist with

eliminating bottlenecks to the energy transition. Ahead of completion of the Acquisition, Blackmead, a wholly owned subsidiary of Averon Park, will also make an equity investment in BidCo. Averon Park's principal activity is to acquire and investment in unquoted UK trading companies. The Foresight Funds recognise HEIT's leading platform and consider HEIT's BESS portfolio to be highly complementary with the Foresight Funds' strategic mandates and Foresight's existing managed investments in renewable energy and storage. Further, the acquisition of HEIT enhances the Foresight Funds' growth in the UK battery storage market, which is a core area of investment for the Foresight Funds.

The Foresight Funds, with access to capital and the benefit of a long-term investment approach, further believe HEIT's growth and development will be best served as a private business under BidCo's ownership. This will allow it to continue to deliver on its strategic objectives whilst enabling it to respond to the ongoing structural changes in its industry in the medium and long term.

#### 4. **Recommendation of the HEIT Board**

The HEIT Directors, who have been so advised by Panmure Liberum as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the HEIT Directors, Panmure Liberum has taken into account the commercial assessments of the HEIT Directors. Panmure Liberum is providing independent financial advice to the HEIT Directors for the purposes of Rule 3 of the Takeover Code.

**Accordingly, for the reasons set out below, the HEIT Directors recommend unanimously that HEIT Shareholders vote in favour of the Scheme at the Court Meeting and the Resolution(s) to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer). In light of their recommendation of the Acquisition, the HEIT Board has unanimously withdrawn its recommendation of the Drax Offer and intends to adjourn the Drax Offer Shareholder Meetings which are due to be held on 7 May 2025. A separate announcement will be made by HEIT in this regard. The HEIT Board urges HEIT Shareholders to take no action in relation to the Drax Offer.**

It is noted that the HEIT Directors (who hold 101,116 HEIT Shares representing, in aggregate, approximately 0.04 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date) have provided irrevocable undertakings to vote in favour of the Drax Offer, which remain binding in the event of a higher competing offer as further described in the Drax 2.7 Announcement and therefore are unable to provide irrevocable undertakings in respect of the Scheme.

#### 5. **Background to and reasons for the HEIT Board's recommendation**

##### ***Background***

HEIT was launched in November 2021 to invest in battery energy storage systems ("**BESS**") in Great Britain. HEIT, by way of a fundraising and issuance of shares at IPO, acquired an initial portfolio of five BESS development projects (the "**Seed Portfolio**") in accordance with HEIT's investment objective and policy. HEIT sought to deliver to HEIT Shareholders an 8 per cent. per annum quarterly dividend (based on the IPO issue price of 100p and once the



portfolio was fully operational) and an unlevered Net Asset Value total return of 10 per cent. per annum over the medium to long-term.

HEIT's Seed Portfolio was acquired from Harmony Energy and, at the same time, HEIT entered in a pipeline agreement giving it exclusive rights to acquire further BESS projects from Harmony Energy. The first such project (Bumpers, 198 MWh / 99 MW) was acquired by HEIT in August 2022. In October 2022, HEIT raised an additional £15 million to allow it to exercise its rights under the pipeline agreement and acquire three additional assets. The new projects increased HEIT's portfolio to nine BESS projects with a total capacity of approximately 1GWh / 500MW. One of these projects, Rye Common (99MW) was subsequently sold (pre-construction) in September 2023. The balance of the portfolio was built out on a staggered basis, with the first project commencing operations in November 2022. Following the completion of construction of the final project in October 2024, HEIT's portfolio of fully operational assets consists of eight 2-hour duration BESS projects totalling 790.8 MWh / 395.4 MW.

### ***Performance since IPO***

Despite positive progress on the construction of HEIT's portfolio, a more challenging environment for BESS assets emerged through 2023 which impacted revenue performance. This volatile environment led to a 4.5 per cent. fall in the NAV per share as at 31 October 2023, driven predominantly by a reduction in third party revenue assumptions. For the year ended 31 October 2023 ("**FY 2023**"), HEIT reported that actual revenues achieved had been below independent forecasts and this variance in revenue predictability, coupled with higher interest rates, negatively impacted the share price of HEIT.

BESS revenues for FY 2023 were markedly lower than revenue generated in the same period in 2022. Whilst a reduction from the highs of 2022 was expected and built into third party revenue forecasts, the scale and the speed of the reduction exceeded market expectations. There were multiple drivers of this reduction in revenue, both macro and sector-specific:

- **Saturation of ancillary service markets.** The high rate of build-out of BESS in Great Britain led to saturation of ancillary services and had driven clearing prices for such services to record low levels. This was widely anticipated and HEIT positioned its 2-hour duration portfolio specifically to protect against this event and take maximum advantage of the inevitable shift by BESS towards "arbitrage" strategies: wholesale market trading and the Balancing Mechanism ("**BM**").
- **Reduction in wholesale power price volatility and spreads.** As a 2-hour duration portfolio, this is more relevant to HEIT than ancillary services. Wholesale spreads narrowed in FY 2023 and the first quarter of FY 2024 primarily due to a reduction in natural gas prices. In addition, Great Britain was importing a large volume of energy from Europe (via interconnectors) and high consumer prices had encouraged a material reduction in consumer energy usage and demand.
- **Implementation issues with National Grid ESO** (subsequently re-branded as "**NESO**") Open Balancing Platform ("**OBP**"). Another key factor in revenue weakness was NESO's continued sporadic use of BESS in the BM. Despite a well-publicised

policy and comprehensive plan from NESO to increase BESS dispatch rates in the BM via process and software enhancements over 2024 and 2025, the December 2023 launch of the new "bulk dispatch" software was curtailed due to technical issues. Since its re-launch on 8 January 2024, NESO was noted to only be using OBP intermittently, with HEIT's portfolio having experienced some days of high BM volume, and some of zero. BESS projects utilise algorithms and AI software to execute revenue strategies, and so the inconsistent use of OBP by NESO not only limited BESS volumes in the BM, but also created uncertainty over how much daily capacity BESS can dedicate to other strategies and services.

The factors listed above caused HEIT to announce the postponement (and subsequent cancellation) of its first quarterly dividend for the financial year ended 31 October 2024 ("**FY 2024**"). The HEIT Board also announced that it had restructured HEIT's existing debt facilities (to reflect that 70 per cent. of the portfolio's MW capacity was then operational) in February 2024, and reviewed its dividend policy to be a proportion of operational free cash flow.

HEIT did experience an improvement in portfolio revenues during the course of 2024, due to a threefold increase in captured BM volumes in the spring versus the winter and as software and process enhancements at NESO began to take effect. As wind and solar generation increased their proportionate share of Great Britain's electricity "stack", wholesale power spreads become wider and more volatile, thereby increasing arbitrage opportunities for BESS. Ultimately, total net revenue generation for the period ending 31 October 2024 was £16.3 million (£58.2k/MW/Yr) based on a weighted average operational capacity of 280.4 MW.

Post-FY 2024, revenue per MW remained strong as expected in the winter period. The first quarter of the financial year 2025 (ended 31 January 2025) saw average revenue of £97.8k / MW (97 per cent. higher than the same period during the previous financial year). As a result of higher operating capacity and stronger market conditions, HEIT's revenue for the period from 1 November 2024 to 31 January 2025 was approximately £9.7 million, equal to 63 per cent. of the total revenue earned by HEIT during FY 2024.

### ***Current Market Backdrop***

The HEIT Share price has traded at a material and persistent discount to NAV since early 2023. The HEIT Board believes that this has been driven by a number of factors, including:

- **Challenging macroeconomic conditions**, notably the rapid rise in interest rates which has resulted in a higher cost of capital for investors and persistent equity outflows from the UK, which has resulted in a general shift in market sentiment away from UK investment trusts. This has resulted in the UK investment trust sector, as a whole, trading at a material discount to NAV. The HEIT Board notes that these pressures persist, and the UK BESS investment trust sector (excluding HEIT) is currently trading at an approximate 46 per cent. discount to published NAV. This discount to NAV continues to restrict HEIT's ability to raise further capital and thus prevents HEIT from taking advantage of its right of first refusal over Harmony Energy's development pipeline and grow its asset base.

- **Volatility in revenues** caused by the Ukraine conflict and other geopolitical events, with periods where revenues have been both significantly higher and significantly lower than independent forecasts, which led to HEIT cancelling its dividend for FY 2024 in February 2024, as described above. Whilst the HEIT Board is encouraged by the recent high revenue levels of the portfolio and continues to believe in the strength of HEIT's asset base, the HEIT Board expects there will continue to be an element of seasonality to HEIT's revenues and there is no guarantee that these current revenue levels will persist.

### ***Asset Sale Process***

It was in this context, and in order to explore opportunities to maximise value for HEIT Shareholders, that the HEIT Board engaged Jones Lang LaSalle in May 2024 with a mandate to seek offers for some, or all, of the HEIT portfolio (the "**Asset Sale**"). The aim of this process was to demonstrate to the market the true value of the HEIT portfolio and the continuing disconnect with the share price. At the time, HEIT's shares were trading at an approximately 50 per cent. discount to the published Adjusted Net Asset Value per share.

This process attracted strong interest from multiple bidders, including several bids for all of the HEIT portfolio, and HEIT progressed to a final stage of negotiations with Drax on an exclusive basis in December 2024 in relation to a sale of the entire HEIT portfolio. Further updates were made on 26 February 2025 and 11 March 2025 confirming that both parties were continuing to progress towards conclusion of a definitive agreement of the Asset Sale.

### ***Offers from Drax and BidCo and factors considered by the HEIT Board***

It was against this backdrop of very substantial progress through the Asset Sale process that HEIT received a proposal made on behalf of one or more funds managed by Foresight to acquire 100 per cent. of the issued share capital of HEIT. On 17 March 2025, HEIT and Foresight (on behalf of one or more funds managed by Foresight and its affiliates) announced they had agreed the financial terms of an offer by one or more funds managed by Foresight and its affiliates for the entire issued share capital of HEIT at 84.0 pence per share. This announcement stated that the HEIT Board had indicated to Foresight that, should a firm offer be made by one of more of its managed funds on the financial terms set out above, it would be minded to recommend such an offer to HEIT Shareholders.

On 25 March 2025, HEIT and Drax Bidco, a wholly owned subsidiary of Drax, announced that they had agreed the terms of an acquisition of the entire issued and to be issued ordinary share capital of HEIT by Drax Bidco, intended to be implemented by way of a scheme of arrangement under Part 26 of the Companies Act (the "**Drax 2.7 Announcement**"). The Drax 2.7 Announcement (and the scheme document subsequently published on 15 April 2025 in respect of the Drax Offer) included a unanimous recommendation from the HEIT Board to the HEIT Shareholders to vote in favour of the Drax Offer at the Drax Offer Shareholder Meetings.

As set out in this announcement, the Boards of HEIT and BidCo have now reached agreement on the terms of a recommended cash Acquisition, following the receipt of a superior offer at 92.4 pence per share, pursuant to which BidCo shall acquire the entire issued and to be issued ordinary share capital of HEIT.

**The HEIT Board has carefully considered the terms of the Acquisition with its advisers and has concluded that, on balance, it delivers a superior outcome in terms of both price and deliverability for shareholders than the potential transaction with Drax under the Asset Sale process and in terms of price for shareholders than the Drax Offer.**

The financial terms of the Acquisition represent:

- a 5 per cent. premium to the Drax Offer of 88.0 pence per HEIT Share;
- a 42 per cent. premium to the Closing Price of 65.2 pence per HEIT Share on 14 March 2025 (being the last Business Day prior to the start of the Offer Period); and
- a 94 per cent. premium to the Closing Price of 47.8 pence per HEIT Share on 29 May 2024 (being the last Business Day prior to the date of the announcement of HEIT's Asset Sale process).

**Therefore, after careful consideration together with its financial adviser, the HEIT Board has concluded that the Acquisition is in the best interests of HEIT Shareholders and HEIT as a whole. Accordingly, the HEIT Directors recommend unanimously the Acquisition to HEIT Shareholders and consequently, the HEIT Board has unanimously withdrawn its recommendation of the Drax Offer and intends to adjourn the Drax Offer Shareholder Meetings. A separate announcement will be made by HEIT in this regard.**

## 6. Irrevocable undertakings and letter of intent

Harmony Energy Limited, as well as certain directors of Harmony Energy Limited and Harmony Energy Advisors, have given irrevocable undertakings to vote, or procure a vote, in favour of the Scheme at the Court Meeting and the Resolution(s) to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer) in respect of a total of 38,578,863 HEIT Shares representing, in aggregate, approximately 17.0 per cent. of the issued ordinary share capital of HEIT on the Latest Practicable Date. These irrevocable undertakings remain binding in the event of a higher competing offer for HEIT.

In addition, BidCo has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Resolution(s) to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer) from:

- PrimeStone Capital LLP in respect of a total of 25,986,450 HEIT Shares representing, in aggregate, approximately 11.44 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date;
- Newton Investment Management Limited in respect of a total of 7,151,972 HEIT Shares representing, in aggregate, approximately 3.15 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date;
- Nicholas Norman Cournoyer in respect of a total of 6,855,830 HEIT Shares representing, in aggregate, approximately 3.02 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date;

- Church House Investments Limited in respect of a total of 3,400,000 HEIT Shares representing, in aggregate, approximately 1.50 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date;
- Trinitybridge Limited in respect of a total of 2,609,923 HEIT Shares representing, in aggregate, approximately 1.15 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date;
- Dowgate Wealth Limited in respect of a total of 2,546,000 HEIT Shares representing, in aggregate, approximately 1.12 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date; and
- Forest Nominees Limited in respect of a total of 155,000 HEIT Shares representing, in aggregate, approximately 0.07 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date.

These irrevocable undertakings remain binding in the event of a higher competing offer for HEIT unless such competing offer for HEIT represents a value per HEIT Share of not less than 5 per cent. above the Acquisition Price, and BidCo does not increase the consideration offered under the Scheme to an amount which is equal to or higher than the consideration offered by the third party competing offeror either within ten days of the date of the third party's announcement or offer, or prior to the date of the Court Meeting and the General Meeting (whichever is the earliest).

BidCo has therefore received irrevocable undertakings in respect of a total of 87,284,038 HEIT Shares representing, in aggregate, approximately 38.43 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date.

- BidCo has also received a non-binding letter of intent to vote in favour of the Scheme at the Court Meeting, and the resolutions to be proposed at the General Meeting, from Schroder & Co Limited in respect of a total of 38,710,877 HEIT Shares representing, in aggregate, approximately 17.04 per cent. of the ordinary share capital of HEIT in issue on the Latest Practicable Date, subject to the irrevocable undertaking given by Schroder & Co Limited in respect of the Drax Offer lapsing.

Further details of these irrevocable undertakings and the letter of intent are set out in Appendix III to this announcement.

## 7. **Information on BidCo, FEIP II, Averaon Park and Foresight**

### ***Information on FEIP II***

FEIP II is an energy transition fund backed by a number of institutional investors. FEIP II is the successor fund to Foresight Energy Infrastructure Partners S.C.Sp, which raised and deployed more than €850 million across a range of energy transition technologies, including wind, solar, geothermal, battery storage, pumped hydro storage and grid infrastructure. Foresight acts as portfolio manager to FEIP II's alternative investment fund manager in respect of FEIP II.

### ***Information on Averaon Park and Blackmead***

Blackmead is a private company limited by shares, which was incorporated and registered in England and Wales on 7 March 2014 with company number 08928992. It is a wholly-owned direct subsidiary of Avero Park.

Avero Park's principal activity is to acquire and invest in unquoted UK trading companies.

The directors of Avero Park are Gary Fraser (chairman), Graham Ross Russell (independent non-executive director), Peter Dicks (independent non-executive director), Simon Jamieson (independent non-executive director) and Ian Gray (independent non-executive director).

The issued ordinary share capital of Avero Park is held by Foresight Fund Managers Limited as nominee for the underlying beneficial investors in Avero Park, which comprise over 9,000 investors. Foresight Fund Managers Limited is an indirect subsidiary of Foresight Group Holdings Limited, the London Stock Exchange-listed ultimate parent company of Foresight Group LLP.

Foresight acts as discretionary investment manager to Avero Park and also provides (or procures the provision of) company secretarial, administration and custodian services to Avero Park.

### ***Information on Foresight***

Through its many retail and institutional funds, Foresight is a leading investment manager in real assets and in providing capital for growth with approximately £13 billion<sup>1</sup> of assets under management (as of January 2025) and extensive experience of investing in energy transition, renewables and infrastructure projects. The company is headquartered in Guernsey with its principal office in London and international offices in Luxembourg, Rome, Madrid, and Sydney. Foresight's infrastructure arm employs over 182 professionals in the UK, Europe and Australia.

On behalf of its funds, Foresight manages 4.7 GW of green energy technology capacity globally through the ownership of 438 assets across battery storage, wind, solar PV, bioenergy / waste plants and reserve power assets.

Foresight has extensive experience in the acquisition, construction, and operation of battery storage assets, having acquired approximately 450 MW of projects in the United Kingdom. In addition, Foresight-managed funds have invested in battery storage developers in the UK and Spain.

Foresight is an experienced and well-resourced investor with substantial technical and commercial management expertise. Evidence of this can be seen in Foresight's track record of deploying capital through successful partnerships and acquisitions, both globally and in the UK.

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<sup>1</sup> The aggregate asset under management (AUM) figure of approximately £13 billion represents the sum of the £12.2 billion of AUM as announced in Foresight's trading update for the three months ended 31 December 2024 (released on 9 January 2025) and the additional £800 million to Foresight Group's AUM announced on 28 January 2025.

### ***Information on BidCo***

BidCo is a newly formed company that is, currently, indirectly owned by FEIP II. At completion of the Acquisition, BidCo will be controlled by FEIP II and Averon Park. BidCo was formed for the purposes of the Acquisition and has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Acquisition. BidCo is a private company incorporated under the laws of England and Wales on 21 March 2025 with company registration number 16332292.

## **8. Information on HEIT**

HEIT is a UK-based investment trust, investing in a diversified portfolio of utility-scale energy storage and renewable energy generation assets in Great Britain. HEIT primarily focuses on battery energy storage systems, which play a crucial role in the transition to a cleaner energy system. These systems store energy and release it when needed, helping to balance supply and demand on the grid, and facilitate the integration of renewable energy sources like wind and solar power.

HEIT's portfolio consists of 100 per cent operational BESS across eight projects (790.8 MWh / 395.4 MW) in Great Britain.

For FY 2024, HEIT reported revenue of £16.3 million (£58.2k/MW/Yr) and a NAV of £201.05 million (88.52 pence per HEIT Share), a reduction of 23.30% (a decrease of 26.89 pence per HEIT Share) from the NAV reported as at 31 October 2023. The NAV total return over FY 2024 was reported to be 21.57%. NAV total return since IPO was reported to be -2.43%.

On 26 February 2025, HEIT reported an unaudited NAV of £209.83 million (92.38 pence per HEIT Share) at 31 January 2025, an increase of 3.86 pence per HEIT Share (or an increase of 4.36%) compared to 31 October 2024.

## **9. Intentions of BidCo and the Foresight Funds**

### ***Existing management arrangements***

Following completion of the Acquisition, BidCo intends to engage with Harmony Energy Advisors to agree the terms of an Asset Management Agreement (the "**AMA**") for the provision of asset management services to HEIT. The AMA would replace the existing AIFM Agreement and Investment Advisory Agreement (together, the "**Existing Management Arrangements**"). Accordingly, subject to reaching agreement on the terms of the AMA, BidCo intends to terminate the Existing Management Arrangements following completion of the Acquisition in accordance with their terms.

### ***Current portfolio***

The Foresight Funds are supportive of HEIT's existing strategy for operating and managing its portfolio of BESS assets. Following the completion of the Acquisition, BidCo intends to retain the existing assets that constitute HEIT's BESS portfolio and maintain the current operation of these assets.

### ***Employees, fixed assets, research and development***

As HEIT is an externally managed investment trust, HEIT does not have any employees and therefore does not operate any pension schemes, nor does it have any arrangements in place for any employee involvement in its capital.

HEIT has no place of business, fixed assets (other than its BESS portfolio), research and development function, or headquarters.

Other than as set out above in relation to the Existing Management Arrangements and below in relation to the HEIT Directors, BidCo does not currently have any intentions that would result in any change to the balance of skills and functions required to operate the business.

### ***Board composition and governance arrangements***

As noted below, BidCo intends to cancel the trading of HEIT Shares on the London Stock Exchange immediately following the Effective Date. Consequently, HEIT will not require publicly traded company governance structures and, accordingly, it is intended that each of the HEIT Directors will resign from the HEIT Board with effect on and from the Effective Date.

### ***Trading facilities***

HEIT Shares are currently admitted to trading on the London Stock Exchange's Specialist Fund Segment. As set out in paragraph 13, application will be made for the cancellation of trading of HEIT Shares on the London Stock Exchange's Specialist Fund Segment and steps will be taken to re-register HEIT as a private company.

Following the Effective Date, HEIT will cease to have been an investment trust effective from the start of the accounting period in which the Acquisition takes place.

### ***No post-offer undertakings***

No statements in this paragraph 9 are "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

## **10. Financing**

The cash consideration payable by BidCo to HEIT Shareholders pursuant to the Acquisition will be funded from equity and debt contributed to BidCo by FEIP II and Blackmead.

FEIP II and BidCo entered into an Equity Commitment Letter on 16 April 2025 pursuant to which FEIP II has committed an amount of £102,834,607 to be used to partially fund the Acquisition.

Blackmead and BidCo entered into a Funding Agreement for £107,031,938 on 16 April 2025, pursuant to which Blackmead agreed to fund the balance of the Acquisition.

RBC Capital Markets, in its capacity as financial adviser to BidCo and Foresight, is satisfied that sufficient resources are available to BidCo to satisfy in full the cash consideration payable to HEIT Shareholders pursuant to the terms of the Acquisition.



## 11. Offer-related arrangements

### ***Confidentiality Agreement***

Foresight and Harmony Energy Advisors entered into a confidentiality agreement dated 5 August 2024 pursuant to which Foresight agreed to keep confidential information relating to HEIT and its assets and, subject to certain exceptions, not to disclose it other than in relation to a transaction related to HEIT's assets, or to third parties (other than to certain permitted parties) unless required by applicable law or regulation, or any governmental or competent regulatory authority (including any relevant securities exchange). The confidentiality obligations remain in force until the earlier of (i) two years from the date of the Confidentiality Agreement; and (ii) the date the parties enter into a definitive written agreement in connection with a transaction related to HEIT's assets.

### ***Standstill Agreement***

FEIP II and HEIT entered into a standstill agreement on 5 November 2024 pursuant to which FEIP II agreed to certain standstill undertakings. All such undertakings ceased to apply upon the release of the Drax 2.7 Announcement.

## 12. Structure of and Conditions to the Acquisition

It is intended that the Acquisition will be effected by means of a scheme of arrangement between HEIT and HEIT Shareholders under Part 26 of the Companies Act, although BidCo reserves the right to implement the Acquisition by means of a Takeover Offer (subject to Panel consent and in compliance with the Takeover Code).

The Scheme of Arrangement is a formal arrangement between HEIT and its shareholders, which is governed by the Companies Act. The Scheme of Arrangement must be approved both by the HEIT Shareholders and the Court.

If sanctioned, upon becoming Effective, the Scheme will bind all HEIT Shareholders (regardless of whether or not they attended, or voted, at the Court Meeting or the General Meeting (and if they attended and voted, in what way they voted)). The purpose of the Scheme is to provide for BidCo to become the holder of the entire issued and to be issued ordinary share capital of HEIT as at the Effective Date. This is to be achieved by the transfer of the HEIT Shares to BidCo, in consideration for which the HEIT Shareholders shall receive the cash consideration on the basis set out in paragraph 2 of this announcement. The consideration payable under the terms of the Acquisition will be despatched to HEIT Shareholders no later than 14 days after the Effective Date.

The Acquisition shall be subject to the Conditions and further terms set out below and in Appendix I to this announcement and the full terms and conditions to be set out in the Scheme Document and shall only become Effective, if, among other things, the following events occur on or before 11.59 p.m. on the Long-Stop Date:

- (i) the approval of the Scheme by a majority in number of the HEIT Shareholders who are present and vote, whether in person or by proxy, at the Court Meeting and who represent 75 per cent. in value of the HEIT Shares voted by those HEIT Shareholders;

- (ii) the Resolution(s) required to implement the Scheme being duly passed by HEIT Shareholders representing the requisite majority or majorities of votes cast at the General Meeting (or any adjournment thereof);
- (iii) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to HEIT and BidCo); and
- (iv) the delivery of a copy of the Court Order to the Registrar of Companies.

The Scheme shall lapse if:

- the Court Meeting and the General Meeting are not held by the 22nd day after the expected date of such meetings to be set out in the Scheme Document in due course (or such later date as may be (i) agreed between BidCo and HEIT or (ii), in a competitive situation, specified by BidCo with the consent of the Panel);
- the Court Hearing is not held by the 22nd day after the expected date of such hearing to be set out in the Scheme Document (or such later date as may be agreed between BidCo and HEIT); or
- the Scheme does not become Effective by no later than 11.59 p.m. on the Long-Stop Date),

provided, however, that the deadlines for the timing of the Court Meeting, the General Meeting and the Court Hearing as set out above may be waived by BidCo, and the Long-Stop Date may be extended by agreement between HEIT and BidCo with the consent of the Panel and (where relevant) the Court.

Once the necessary approvals from HEIT Shareholders have been obtained and the other Conditions have been satisfied or (where applicable) waived, the Scheme must be sanctioned by the Court (with or without modification but with any such modification being acceptable to HEIT and BidCo). The Scheme will become Effective upon delivery to the Registrar of Companies of a copy of the Court Order.

Further details of the Scheme, including an indicative timetable for its implementation, shall be set out in the Scheme Document which, together with the Forms of Proxy, shall be published as soon as reasonably practicable and, in any event, within 28 days of this announcement, unless BidCo and HEIT otherwise agree, and the Panel consents, to a later date. It is expected that the Court Meeting and the General Meeting will be held as soon as practicable thereafter, giving the required notice periods, and, subject to the satisfaction or (where relevant) waiver of the Conditions, the Scheme is expected to become Effective during the second quarter of 2025. The Scheme Document and Forms of Proxy shall be made available to all HEIT Shareholders at no charge to them.

### 13. **De-listing**

Prior to the Scheme becoming Effective, HEIT shall make an application for the cancellation of trading of the HEIT Shares on the London Stock Exchange's Specialist Fund Segment to take effect on or shortly after the Effective Date. The last day of dealings in HEIT Shares on the London Stock Exchange's Specialist Fund Segment is expected to be the Business Day

immediately prior to the Effective Date and no transfers shall be registered after 6.00 p.m. on that date.

On the Effective Date, HEIT will become a wholly-owned subsidiary of BidCo and share certificates in respect of HEIT Shares shall cease to be valid and entitlements to HEIT Shares held within the CREST system shall be cancelled.

14. **Dividends**

If, on or after the date of this announcement and on or prior to the Effective Date, any dividend, distribution, or other return of value is declared, made or paid, or becomes payable by HEIT, BidCo reserves the right to reduce the Acquisition Price by an amount up to the amount of such dividend, distribution, or other return of value in which case references to the Acquisition Price will be deemed to be a reference to the Acquisition Price as so reduced. In such circumstances, HEIT Shareholders shall be entitled to retain any such dividend, distribution, or other return of value declared, made, or paid.

15. **Disclosure of interests in HEIT**

As at the close of business on the Latest Practicable Date, save as set out in the irrevocable undertakings referred to in paragraph 6 of this announcement, neither BidCo or any of its directors, nor, so far as BidCo is aware, any person acting in concert (within the meaning of the Takeover Code) with it has: (i) any interest in or right to subscribe for any relevant securities of HEIT; (ii) any short positions in respect of relevant HEIT Shares (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery; (iii) any Dealing Arrangement, in relation to HEIT Shares or in relation to any securities convertible or exchangeable into HEIT Shares; or (iv) borrowed or lent any relevant HEIT Shares (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 3 on Rule 4.6 of the Takeover Code), save for any borrowed shares which had been either on-lent or sold.

'Interests in securities' for these purposes arise, in summary, when a person has long economic exposure, whether absolute or conditional, to changes in the price of securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person shall be treated as having an 'interest' by virtue of the ownership, voting rights, or control of securities, or by virtue of any agreement to purchase, option in respect of, or derivative referenced to, securities and 'relevant securities of HEIT' are HEIT Shares or securities convertible or exchangeable into HEIT Shares.

16. **General**

BidCo reserves the right to elect (with the consent of the Panel and in compliance with the Takeover Code) to implement the Acquisition by way of a Takeover Offer for the HEIT Shares as an alternative to the Scheme. In such event, the Takeover Offer shall be implemented on the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments, including (without limitation) an acceptance condition set at a level permitted by the Panel.

The Acquisition shall be made subject to the Conditions and further terms set out in Appendix I to this announcement and to be set out in the Scheme Document. For the purposes of Rule 29.1(d) of the Takeover Code, a valuation of HEIT's portfolio will be included in the Scheme Document (or, if applicable, the offer document). The bases and sources of certain financial information contained in this announcement are set out in Appendix II to this announcement. A summary of the irrevocable undertakings given in relation to the Acquisition is contained in Appendix III to this announcement. Certain terms used in this announcement are defined in Appendix IV to this announcement.

RBC Capital Markets, Panmure Liberum and Stifel have each given and not withdrawn their consent to the publication of this announcement with the inclusion herein of the references to their names in the form and context in which they appear.

#### 17. **Documents available on website**

Copies of the following documents, to the extent not already published there, shall be made available on BidCo's website at [www.foresight.group/heit](http://www.foresight.group/heit) and on HEIT's website at [www.heitp.co.uk/investors/heit-offer](http://www.heitp.co.uk/investors/heit-offer) by no later than 12.00 noon on the Business Day following the date of this announcement until the Effective Date:

- this announcement;
- the irrevocable undertakings and letter of intent referred to in paragraph 6 above and summarised in Appendix III to this announcement;
- documents relating to the financing of the Scheme referred to in paragraph 10 above;
- the written consent letters from each of RBC Capital Markets, Panmure Liberum and Stifel referred to in paragraph 16 above; and
- the Confidentiality Agreement and the standstill agreement referred to in paragraph 11 above.

The contents of the websites referred to in this announcement and any websites accessible from hyperlinks on these websites are not incorporated into and do not form part of this announcement.

#### **Enquiries:**

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Gowling WLG (UK) LLP is retained as legal adviser to HEIT.

Ashurst LLP is retained as legal adviser to Foresight and BidCo.

***Inside Information***

*This announcement contains inside information as defined in the Market Abuse Regulation. Upon the publication of this announcement via a Regulatory Information Service, such inside information will be considered to be in the public domain.*

*The person responsible for arranging the release of this announcement on behalf of HEIT is Susan Fadil of the Company Secretary, JTC (UK) Limited. The LEI of HEIT is 25490003X13CJNTKR453.*

## **Important Notices**

*RBC Europe Limited (trading as RBC Capital Markets), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting exclusively as financial adviser to BidCo and Foresight and no one else in connection with the Acquisition and will not be responsible to anyone other than BidCo and Foresight for providing the protections afforded to its clients nor for providing advice in relation to the matters referred to in this announcement. Neither RBC Europe Limited nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, tort, in delict, under statute or otherwise) to any person who is not a client of RBC Europe Limited in connection with the Acquisition or any matter referred to herein.*

*Panmure Liberum Limited ("**Panmure Liberum**"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as financial adviser, Rule 3 adviser and joint broker to HEIT and no one else in connection with the Acquisition and the matters and arrangements set out in this announcement. Panmure Liberum will not regard any other person as its client in relation to the Acquisition or any other matter or arrangement set out in this announcement and will not be responsible to anyone other than HEIT for providing the protections afforded to clients of Panmure Liberum, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this announcement. Neither Panmure Liberum nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Panmure Liberum in connection with the Acquisition, this announcement, any statement contained herein or otherwise. No representation or warranty, express or implied, is made by Panmure Liberum as to the contents of this announcement.*

*Stifel Nicolaus Europe Limited ("**Stifel**"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as joint broker to HEIT and no one else in connection with the Acquisition and the matters and arrangements set out in this announcement. Stifel will not regard any other person as its client in relation to the Acquisition or any other matter or arrangement set out in this announcement and will not be responsible to anyone other than HEIT for providing the protections afforded to clients of Stifel, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this announcement. Neither Stifel nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Stifel in connection with the Acquisition, this announcement, any statement contained herein or otherwise. No representation or warranty, express or implied, is made by Stifel as to the contents of this announcement.*

*This announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, pursuant to the Acquisition or otherwise, nor shall there be any purchase, sale, issuance or exchange of securities or such solicitation in any jurisdiction in which such offer, invitation, solicitation, purchase, sale, issuance or exchange is unlawful.*

*The Acquisition shall be made solely by means of the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, any document by which the Takeover Offer is made) which,*

*together with the Forms of Proxy (or forms of acceptance, if applicable), shall contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the resolutions proposed in connection with the Acquisition. Any vote, approval, decision in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or if the Acquisition is to be implemented by way of a Takeover Offer, the offer document).*

*The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and the release of this announcement shall not give rise to any implication that there has been no change in the facts set out in this announcement since such date.*

*This announcement has been prepared for the purpose of complying with English law, the Takeover Code, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules, and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of any other jurisdictions.*

*HEIT and BidCo shall prepare the Scheme Document (or if the Acquisition is to be implemented by way of a Takeover Offer, the offer document) to be distributed to HEIT Shareholders. HEIT Shareholders should not make any investment decision in relation to the Acquisition except on the basis of the Scheme Document (or if the Acquisition is to be implemented by way of a Takeover Offer, the offer document). HEIT and BidCo urge HEIT Shareholders to read the Scheme Document in full when it becomes available because it shall contain important information relating to the Acquisition.*

*This announcement does not constitute a prospectus or prospectus equivalent document.*

*No person should construe the contents of this announcement as legal, financial or tax advice. If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or from an independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom, or another appropriately authorised independent financial adviser, if you are in a territory outside the United Kingdom.*

### **Overseas Shareholders**

*The release, publication or distribution of this announcement in or into certain jurisdictions other than the United Kingdom may be restricted by the laws and/or regulations of those jurisdictions. Persons into whose possession this announcement comes who are not resident in the United Kingdom or who are subject to the laws and/or regulations of any jurisdiction other than the United Kingdom should inform themselves of, and observe, any such applicable laws and/or regulations in their jurisdiction. In particular, the ability of persons who are not resident in the United Kingdom to vote their HEIT Shares with respect to the Scheme at the Court Meeting or the Resolution(s) at the General Meeting, or to appoint another person as proxy to vote at the Court Meeting or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located. Further details in relation to Overseas Shareholders will be contained in the Scheme Document. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.*

*Unless otherwise determined by BidCo or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition shall not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this announcement and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction. If the Acquisition is implemented by a Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national state or other securities exchange, of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from or within any Restricted Jurisdiction.*

*The Acquisition shall be subject to English law and the jurisdiction of the Court, and, among other things, the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the Financial Conduct Authority and the Registrar of Companies.*

#### **Additional information for investors in the United States**

*The Acquisition relates to shares of an English company admitted to trading on the Specialist Fund Segment of the London Stock Exchange and is proposed to be effected by means of a scheme of arrangement under Part 26 of the Companies Act which will be governed by English law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act.*

*Accordingly, the Acquisition is subject to the disclosure and procedural requirements applicable in the United Kingdom to schemes of arrangement which differ from the requirements of United States tender offer and proxy solicitation rules.*

*However, if BidCo were to elect to implement the Acquisition by means of a Takeover Offer and determines to extend such Takeover Offer into the United States, such Takeover Offer shall be made in compliance with all applicable United States laws and regulations, including, without limitation, to the extent applicable, Section 14(e) of the US Exchange Act and Regulation 14E thereunder. Such a Takeover Offer would be made in the United States by BidCo and no one else.*

*In accordance with normal United Kingdom practice and pursuant to Rule 14(e)-5(b) of the US Exchange Act (if applicable), BidCo or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of HEIT outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. Were they to be made, these purchases or arrangements to purchase would occur either in the open market at prevailing prices or in private transactions at negotiated prices and would comply with applicable law, including the US Exchange Act. Any information about such purchases or arrangements to purchase shall be disclosed as required in*



*the UK, shall be reported to a Regulatory Information Service and shall be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).*

*The receipt of consideration by a US holder for the transfer of its HEIT Shares pursuant to the Acquisition may have tax consequences in the US and such consequences, if any, are not described herein. US holders of HEIT Shares are urged to consult their independent professional adviser immediately regarding the legal, tax and financial consequences of the Acquisition applicable to them.*

*Neither the US Securities and Exchange Commission nor any securities commission of any state or other jurisdiction of the United States has approved the Acquisition, passed judgment upon the fairness or the merits of the Acquisition, or passed judgment upon the completeness, adequacy or accuracy of this announcement. Any representation to the contrary is a criminal offence in the United States.*

*Financial information relating to HEIT included in this announcement and that may be included in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the offer document) or any other documents relating to the Acquisition, has been or shall have been prepared in accordance with accounting standards applicable in the United Kingdom and may not be comparable to financial information of US companies or other companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States ("US GAAP"). US GAAP differs in certain significant respects from accounting standards applicable in the United Kingdom. None of the financial information in this announcement has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).*

*Each of BidCo and HEIT is organised under the laws of England and Wales. Some or all of the officers and directors of BidCo and HEIT, respectively, are residents of countries other than the United States. In addition, all of the assets of BidCo and HEIT are located outside the United States. As a result, it may be difficult for US holders of HEIT Shares to effect service of process within the United States upon BidCo or HEIT or their respective officers or directors or to enforce against them a judgment of a US court predicated upon the federal or state securities laws of the United States, including judgments based upon the civil liability provisions of the US federal securities laws. US shareholders of HEIT may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's jurisdiction or judgment.*

### **Forward looking statements**

*This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by HEIT, BidCo, any member of the Wider BidCo Group or any member of the Wider HEIT Group contain statements which are, or may be deemed to be, "forward looking statements" about BidCo, HEIT, the Wider BidCo Group and/or the Wider HEIT Group. Such forward looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which HEIT, BidCo or any member of the Wider BidCo Group or any member of the Wider HEIT Group shall operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements.*

*All statements other than statements of historical facts included in this announcement may be forward-looking statements. In some cases, these forward looking statements can be identified by the use of forward looking terminology, including the terms "believes", "estimates", "will look to", "would look to", "plans", "prepares", "anticipates", "expects", "is expected to", "is subject to", "budget", "scheduled", "forecasts", "synergy", "strategy", "goal", "cost-saving", "projects" "intends", "may", "will", "shall" or "should" or their negatives or other variations or comparable terminology. Forward-looking statements may include, but are not limited to, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of BidCo's, HEIT's, any member of the Wider BidCo Group's or any member of the Wider HEIT Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on BidCo's, HEIT's, any member of the Wider BidCo Group's or any member of the Wider HEIT Group's business.*

*By their nature, forward-looking statements involve risks and uncertainties and are made based on certain key assumptions, because they relate to events and depend on circumstances that shall occur in the future. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements, including but not limited to the satisfaction of or failure to satisfy all or any of the conditions to the Acquisition, as well as additional factors, such as changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates, future business combinations or disposals, and any epidemic, pandemic or disease outbreak. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions prove incorrect, actual results may differ materially from those expected, estimated or projected. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward looking statements should therefore be construed in the light of such factors.*

*Neither HEIT nor BidCo nor any member of the Wider BidCo Group, nor any member of the Wider HEIT Group nor any of their respective associates or directors, officers, members or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement shall actually occur. Given these risks and uncertainties, potential investors should not place any reliance on forward looking statements.*

*The forward-looking statements speak only at the date of this announcement. All subsequent oral or written forward-looking statements attributable to BidCo, HEIT, any member of the Wider BidCo Group or any member of the Wider HEIT Group, or any of their respective associates, members, directors, officers, employees or advisers or any persons acting on their behalf, are expressly qualified in their entirety by the cautionary statement above.*

*HEIT, BidCo, the Wider HEIT Group and the Wider BidCo Group expressly disclaim any obligation to update or revise such statements (or any other statements) contained in this announcement other than as required by law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.*

**No profit forecasts or estimates**

*No statement in this announcement is intended as a profit forecast, profit estimate or quantified financial benefit statement for any period and no statement in this announcement should be interpreted to mean*

*that earnings or earnings per share for BidCo, the Wider BidCo Group or HEIT, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for BidCo, the Wider BidCo Group or HEIT, as appropriate.*

### **Disclosure requirements of the Takeover Code**

*Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they shall be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at <http://www.thetakeoverpanel.org.uk/>, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

### **Electronic communications**

*Please be aware that addresses, electronic addresses and certain information provided by HEIT Shareholders, persons with information rights and other relevant persons for the receipt of*

*communications from HEIT may be provided to BidCo during the Offer Period as requested under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.*

***Publication on website and availability of hard copies***

*A copy of this announcement shall be made available, free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions on BidCo's website at [www.foresight.group/heit](http://www.foresight.group/heit) and on HEIT's website at [www.heitp.co.uk/investors/heit-offer](http://www.heitp.co.uk/investors/heit-offer) by no later than 12.00 noon (London time) on the first Business Day after the date of this announcement. For the avoidance of doubt, the contents of these websites and any websites accessible from hyperlinks on these websites are not incorporated into and do not form part of this announcement.*

*HEIT Shareholders and persons with information rights may request a hard copy of this announcement by contacting HEIT's registrar, Computershare Investor Services PLC, by writing to them at The Pavilions, Bridgwater Road, Bristol BS99 6ZZ or by calling them on +44 (0)370 703 6003 during business hours (9.30 a.m. to 5.30 p.m. (London time) Monday to Friday excluding public holidays in England and Wales). Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Please note that Computershare cannot provide any financial, legal or tax advice. Calls may be recorded and monitored for security and training purposes.*

*HEIT Shareholders and persons with information rights may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be sent to them in hard copy form, again by writing to the address set out above or by calling the telephone number above.*

***Rounding***

*Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.*

## Appendix I

### Conditions to, and further Terms of, the Acquisition and the Scheme

#### Part A: Conditions to the Scheme and the Acquisition

1. The Acquisition will be conditional upon the Scheme becoming unconditional and Effective, subject to the Takeover Code, by no later than 11.59 p.m. on the Long-Stop Date.
2. The Scheme will be subject to the following conditions:
  - 2.1 (a) its approval by a majority in number of the Scheme Shareholders who are present and vote (and who are entitled to vote), whether in person or by proxy, at the Court Meeting and who represent 75 per cent. or more in value of the Scheme Shares voted by those Scheme Shareholders; and
  - (b) such Court Meeting being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as (A) may be agreed by BidCo and HEIT or (B), in a competitive situation, as may be specified by BidCo with the consent of the Panel (and, in each case, with the approval of the Court, if such approval is required));
  - 2.2 (a) the resolution(s) required to implement the Scheme being duly passed by the requisite majority or majorities of votes cast at the General Meeting; and
  - (b) such General Meeting being held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date as (A) may be agreed by BidCo and HEIT or (B), in a competitive situation, as may be specified by BidCo with the consent of the Panel (and, in each case, with the approval of the Court, if such approval is required));
  - 2.3 (a) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms reasonably acceptable to HEIT and BidCo);
  - (b) the Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing to be set out in the Scheme Document in due course (or such later date as (A) may be agreed by BidCo and HEIT or (B), in a competitive situation, as may be specified by BidCo with the consent of the Panel (and, in each case, with the approval of the Court, if such approval is required)); and
  - (c) the delivery of a copy of the Court Order to the Registrar of Companies for registration.
3. In addition, subject as stated in Part B below and to the requirements of the Panel, the Acquisition shall be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless such Conditions (as amended if appropriate) have been satisfied or (where relevant) waived:

#### General regulatory

- (a) in the event that a call-in notice under section 1(1) of the National Security and Investment Act 2021 ("**NSIA**") is given in relation to the Acquisition, the Secretary of State for the purposes of the NSIA either:

- (i) having given a final notification under section 26(1)(b) of the NSIA confirming that no further action will be taken in relation to the Acquisition under the NSIA; or
  - (ii) making a final order under section 26(3) of the NSIA permitting the Acquisition to proceed on terms reasonably satisfactory to BidCo, and such order not having been revoked or varied in a manner that is not reasonably satisfactory to BidCo, before the Scheme becomes unconditional and Effective;
- (b) all material notifications, filings or applications which are reasonably deemed necessary or appropriate by BidCo having been made in connection with the Acquisition and all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all material statutory and regulatory obligations in any jurisdiction having been complied with in each case in respect of the Acquisition and all Authorisations reasonably deemed necessary or appropriate by BidCo in any jurisdiction for or in respect of the Acquisition and, except pursuant to Chapter 3 of Part 28 of the Companies Act, the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, HEIT or any other member of the Wider HEIT Group by any member of the Wider BidCo Group having been obtained in terms and in a form reasonably satisfactory to BidCo from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider HEIT Group or the Wider BidCo Group has entered into contractual arrangements and all such Authorisations reasonably deemed necessary or appropriate to carry on the business of any member of the Wider HEIT Group in any jurisdiction which are material in the context of the Wider HEIT Group taken as a whole or in the context of the Acquisition having been obtained and all such Authorisations remaining in full force and effect at the time at which the Acquisition becomes otherwise unconditional and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;
- (c) no regulator or Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
- (i) require, prevent or delay the divestiture or alter the terms envisaged for any proposed divestiture by any member of the Wider BidCo Group or by any member of the Wider HEIT Group of all or any part of their respective businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their respective businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof) which, in any such case, is material in the context of the Wider BidCo Group or the Wider HEIT Group in either case taken as a whole or in the context of the Acquisition;
  - (ii) except pursuant to Chapter 3 of Part 28 of the Companies Act, require any member of the Wider BidCo Group or the Wider HEIT Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider HEIT Group or any asset owned by any Third Party (other than Scheme Shares in the implementation of the Acquisition);

- (iii) impose any limitation on, or result in a delay in, the ability of any member of the Wider BidCo Group directly or indirectly to acquire, hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in HEIT or on the ability of any member of the Wider HEIT Group or any member of the Wider BidCo Group directly or indirectly to hold or exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise voting or management control over, any member of the Wider HEIT Group to the extent which, in any such case, is material in the context of the Wider BidCo Group or the Wider HEIT Group in either case taken as a whole or in the context of the Acquisition;
- (iv) otherwise adversely affect any or all of the business, assets, profits or prospects of any member of the Wider HEIT Group or any member of the Wider BidCo Group to an extent which is material in the context of the Wider BidCo Group or the Wider HEIT Group taken as a whole or in the context of the Acquisition;
- (v) result in any member of the Wider HEIT Group or any member of the Wider BidCo Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (vi) make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, HEIT by any member of the Wider BidCo Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise, directly or indirectly prevent or prohibit, restrict, restrain, or delay, or otherwise interfere with the implementation of, or impose additional conditions or obligations with respect to, or otherwise challenge, impede, interfere or require amendment of the Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, HEIT by any member of the Wider BidCo Group to the extent which, in any such case, is material in the context of the Wider BidCo Group or the Wider HEIT Group in either case taken as a whole or in the context of the Acquisition;
- (vii) require, prevent or materially delay a divestiture by any member of the Wider BidCo Group of any shares or other securities (or the equivalent) in any member of the Wider HEIT Group or any member of the Wider BidCo Group; or
- (viii) impose any material limitation on the ability of any member of the Wider BidCo Group of any member of the Wider HEIT Group to conduct, integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the Wider BidCo Group and/or the Wider HEIT Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such regulator or Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition or the acquisition or proposed acquisition of any HEIT Shares or otherwise intervene having expired, lapsed or been terminated;

**Certain matters arising as a result of any arrangement, agreement, etc.**

- (d) except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider HEIT Group is a party or by or to which any such member or any of its assets is or may be

bound, entitled or be subject or any event or circumstance which, as a consequence of the Acquisition or the acquisition or the proposed acquisition by any member of the Wider BidCo Group of any shares or other securities (or the equivalent) in HEIT or because of a change in the control or management of any member of the Wider HEIT Group or otherwise, could or might, reasonably be expected to result in any of the following, in any case to an extent which is or would be material in the context of the Wider BidCo Group or the Wider HEIT Group in either case taken as a whole or in the context of the Acquisition:

- (i) any monies borrowed by, or any other indebtedness, actual or contingent, of, or any grant available to, any member of the Wider HEIT Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- (ii) the creation, save in the ordinary and usual course of business, or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider HEIT Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) having become enforceable;
- (iii) any such arrangement, agreement, lease, licence, franchise, permit or other instrument being terminated or the rights, liabilities, obligations or interests of any member of the Wider HEIT Group being adversely modified or adversely affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
- (iv) any liability of any member of the Wider HEIT Group to make any severance, termination, bonus or other payment to any of its directors, or other officers;
- (v) the rights, liabilities, obligations, interests or business of any member of the Wider HEIT Group or any member of the Wider BidCo Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider HEIT Group or any member of the Wider BidCo Group in or with any other person or body or firm or company (or any arrangement or arrangement relating to any such interests or business) being or becoming capable of being terminated, or adversely modified or adversely affected or any obligation or liability arising or any adverse action being taken thereunder;
- (vi) the value of, or the financial or trading position or prospects of, any member of the Wider HEIT Group being prejudiced or adversely affected; or
- (vii) the creation or acceleration of any liability (actual or contingent) by any member of the Wider HEIT Group other than trade creditors or other liabilities incurred in the ordinary course of business or in connection with the Acquisition,

and, except as Disclosed, no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider HEIT Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would or might result in any of the events or circumstances as are referred to in Conditions 3(d)(i) to (vii);



### Certain events occurring since 31 October 2024

- (e) except as Disclosed, no member of the Wider HEIT Group having since 31 October 2024:
- (i) issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue, of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of HEIT Shares out of treasury (except, where relevant, as between HEIT and wholly-owned subsidiaries of HEIT or between the wholly-owned subsidiaries of HEIT);
  - (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution (whether payable in cash or otherwise) other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly-owned subsidiary of HEIT to HEIT or any of its wholly-owned subsidiaries;
  - (iii) other than pursuant to the Acquisition (and except for transactions between HEIT and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of HEIT and transactions in the ordinary and usual course of business) implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment, or acquisition, or disposal of assets or shares, or loan capital (or the equivalent thereof) in any undertaking or undertakings in any such case to an extent which is material in the context of the Wider HEIT Group taken as a whole;
  - (iv) except for transactions between HEIT and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of HEIT and except for transactions in the ordinary course of business disposed of, or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any material asset or authorised, proposed or announced any intention to do so;
  - (v) (except for transactions between HEIT and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of HEIT) issued, authorised or proposed or announced an intention to authorise or propose, the issue of or made any change in or to the terms of any debentures or become subject to any contingent liability or incurred or increased any indebtedness which is material in the context of the Wider HEIT Group as a whole;
  - (vi) entered into or varied or authorised, proposed or announced its intention to enter into or vary any material contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) except in the ordinary course of business which is of a long term, unusual or onerous nature or magnitude or which is or which involves or could reasonably be expected to involve an obligation of a nature or magnitude which is likely to be materially restrictive on the business of any member of the Wider HEIT Group which, taken together with any other such material transaction, arrangement, agreement, contract or commitment, is material in the context of the Wider HEIT Group as a whole;

- (vii) entered into or materially varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of any contract, service agreement, commitment or arrangement with any director;
- (viii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, except in respect of the matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital, in each case, to the extent which is material in the context of the Wider HEIT Group taken as a whole or in the context of the Acquisition;
- (ix) other than with respect to claims between HEIT and its wholly-owned subsidiaries or between such wholly-owned subsidiaries or in the ordinary course of business, waived, compromised or settled any claim which is material in the context of the Wider HEIT Group as a whole;
- (x) (except as disclosed on publicly available registers or in connection with the Acquisition) made any alteration to its memorandum or articles of association or other incorporation documents which is material in the context of the Acquisition;
- (xi) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider HEIT Group taken as a whole;
- (xii) (other than in respect of a member of the Wider HEIT Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- (xiii) (except for transactions between HEIT and its wholly-owned subsidiaries or between the wholly-owned subsidiaries) made, authorised, proposed or announced an intention to propose any change in its loan capital other than in the ordinary course of business and, in each case, to the extent which is material in the context of the Wider HEIT Group taken as a whole or in the context of the Acquisition;
- (xiv) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merger of business or corporate entities (other than the Scheme);
- (xv) having taken (or agreed or proposed to take) any action which requires or would require, the consent of the Panel or the approval of HEIT Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code; or
- (xvi) entered into any agreement, arrangement, commitment or contract otherwise than in the ordinary course of business or passed any resolution or made any

offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition 3(e);

**No adverse change, litigation, regulatory enquiry or similar**

- (f) except as Disclosed, since 31 October 2024 there having been:
- (i) no adverse change and no circumstance having arisen which would or might reasonably be expected to result in any adverse change in, the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider HEIT Group which is material in the context of the Wider HEIT Group taken as a whole;
  - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against or in respect of, any member of the Wider HEIT Group or to which any member of the Wider HEIT Group is or may become a party (whether as claimant, defendant or otherwise) having been threatened, announced, instituted or remaining outstanding by, against or in respect of, any member of the Wider HEIT Group, in each case which might reasonably be expected to have a material adverse effect on the Wider HEIT Group taken as a whole;
  - (iii) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider HEIT Group having been threatened, announced or instituted or remaining outstanding by, against or in respect of any member of the Wider HEIT Group, in each case which might reasonably be expected to have a material adverse effect on the Wider HEIT Group taken as a whole;
  - (iv) no contingent or other liability having arisen or become apparent to BidCo or increased other than in the ordinary course of business which has or is reasonably likely to affect adversely the business, assets, financial or trading position or profits or prospects of any member of the Wider HEIT Group to an extent which is material in the context of the Wider HEIT Group taken as a whole; and
  - (v) no steps having been taken and no omissions having been made which have or are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider HEIT Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which might reasonably be expected to have a material adverse effect on the Wider HEIT Group taken as a whole;

**No discovery of certain matters regarding information, liabilities and environmental issues**

- (g) except as Disclosed, BidCo not having discovered that:
- (i) any financial, business or other information concerning the Wider HEIT Group publicly announced prior to the date of this announcement or disclosed at any time to any member of the Wider BidCo Group by or on behalf of any member of the Wider HEIT Group prior to the date of this announcement is misleading, contains a material misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading and which was not

subsequently corrected before the date of this announcement by disclosure either publicly or otherwise to BidCo or its professional advisers, in any such case to an extent which is material in the context of the Wider HEIT Group taken as a whole or in the context of the Acquisition;

- (ii) any member of the Wider HEIT Group or any partnership, company or other entity in which any member of the Wider HEIT Group has a significant economic interest and which is not a subsidiary undertaking of HEIT is, otherwise than in the ordinary course of business, subject to any liability, contingent or otherwise and which is material in the context of the Wider HEIT Group taken as a whole;
- (iii) any past or present member of the Wider HEIT Group has not complied with all applicable legislation, regulations or other requirements of any jurisdiction or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance, or any substance likely to impair the environment (including property) or harm human or animal health, or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider HEIT Group and which is material in the context of the Wider HEIT Group taken as a whole or in the context of the Acquisition;
- (iv) there has been a disposal, discharge, spillage, accumulation, release, leak, emission or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or any substance likely to impair the environment (including any property) or harm human or animal health which (whether or not giving rise to non-compliance with any law or regulation), would be likely to give rise to any liability (whether actual or contingent) on the part of any member of the Wider HEIT Group and which is material in the context of the Wider HEIT Group taken as a whole or in the context of the Acquisition;
- (v) there is, or is reasonably likely to be, any obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, reinstate or clean up any property, asset or any controlled waters currently or previously owned, occupied, operated or made use of or controlled by any past or present member of the Wider HEIT Group (or on its behalf), or in which any such member may have or previously have had or be deemed to have had an interest, under any environmental legislation, common law, regulation, notice, circular, Authorisation or order of any Third Party in any jurisdiction or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto, in any case, to an extent which is material in the context of the Wider HEIT Group taken as a whole or in the context of the Acquisition; or
- (vi) circumstances exist (whether as a result of the Acquisition or otherwise) which would be reasonably likely to lead to any Third Party instituting (or whereby any member of the Wider HEIT Group would be likely to be required to institute), an environment audit or take any steps which would in any such case be reasonably likely to result in any actual or contingent liability to improve or install new plant or equipment or to make good, repair, reinstate or clean up any property of any description or any asset now or previously owned, occupied or made use of by any past or present member of the Wider HEIT Group (or on its behalf) or by any person for which a member of the Wider HEIT Group is or has been responsible, or in which any such member may have or previously have had or

be deemed to have had an interest, in any case, to an extent which is material in the context of the Wider HEIT Group taken as a whole or in the context of the Acquisition;

#### **Anti-corruption and sanctions**

- (vii) any member of the Wider HEIT Group or any person that performs or has performed services for or on behalf of any such company is or has engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010 or any other applicable anti-corruption legislation;
- (viii) any member of the Wider HEIT Group is ineligible to be awarded any contract or business under regulation 57 of the Public Contracts Regulations 2015 or regulation 80 of the Utilities Contracts Regulations 2015 (each as amended) to the extent reasonably deemed necessary in order for such member of the Wider HEIT Group to carry on its business as currently constituted; or
- (ix) any member of the Wider HEIT Group has engaged in any transaction which would cause any member of the Wider BidCo Group to be in breach of applicable law or regulation upon completion of the Acquisition, including the economic sanctions of the United States Office of Foreign Assets Control or HM Treasury & Customs, or with any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States, United Kingdom or the European Union or any of its member states, save that this shall not apply if and to the extent that it would result in a breach of any applicable Blocking Law; or

#### **No criminal property**

- (x) any asset of any member of the Wider HEIT Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

#### **Part B: Certain further terms of the Acquisition**

1. Subject to the requirements of the Panel and the Takeover Code, BidCo reserves the right, in its sole discretion, to waive, in whole or in part, all or any of the Conditions set out in Part A of Appendix I above, except Conditions 2.1(a), 2.2(a), 2.3(a) and 2.3(c), which cannot be waived. If any of Conditions 2.1(b), 2.2(b), and 2.3(b) is not satisfied by the relevant deadline specified in the relevant Condition, BidCo shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadlines, or agreed with HEIT (or, in a competitive situation, with the consent of the Panel) to extend the relevant deadline.
2. If BidCo is required by the Panel to make an offer for HEIT Shares under the provisions of Rule 9 of the Takeover Code, BidCo may make such alterations to any of the above Conditions and terms of the Acquisition as are necessary to comply with the provisions of that Rule.
3. BidCo shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions in Part A of Appendix I above that are capable of waiver by a date earlier than the latest date for the fulfilment or waiver of that Condition notwithstanding that the other Conditions of the Acquisition may at such earlier date

have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of satisfaction or fulfilment.

4. Under Rule 13.5(a) of the Takeover Code and subject to paragraph 5 below, BidCo may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse, or to be withdrawn with the consent of the Panel. The Panel shall normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to BidCo in the context of the Acquisition. This shall be judged by reference to the facts of each case at the time that the relevant circumstances arise.
5. Condition 1 (subject to Rule 12 of the Takeover Code), Conditions 2.1, 2.2 and 2.3 in Part A of Appendix I above, and, if applicable, any acceptance condition if the Acquisition is implemented by means of a Takeover Offer, are not subject to Rule 13.5(a) of the Takeover Code.
6. Any Condition that is subject to Rule 13.5(a) of the Takeover Code may be waived by BidCo.
7. The HEIT Shares acquired under the Acquisition shall be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of value (whether by reduction of share capital or share premium account or otherwise) made on or after the Effective Date.
8. If, on or after the date of this announcement and prior to or on the Effective Date, any dividend, distribution or other return of value is declared, paid or made, or becomes payable by HEIT, BidCo reserves the right to (without prejudice to any right of BidCo, with the consent of the Panel, to invoke Condition 3(e)(ii) in Part A of Appendix I above) reduce the consideration payable under the Acquisition to reflect the aggregate amount of such dividend, distribution, or other return of value. In such circumstances, HEIT Shareholders shall be entitled to retain any such dividend, distribution, or other return of value declared, made, or paid.

If on or after the date of this announcement, and to the extent that any such dividend, distribution or other return of value has been declared, paid, or made, or becomes payable by HEIT on or prior to the Effective Date and BidCo exercises its rights under this paragraph 8 to reduce the consideration payable under the terms of the Acquisition, any reference in this announcement to the consideration payable under the terms of the Acquisition shall be deemed to be a reference to the consideration as so reduced.

If and to the extent that such a dividend, distribution, or other return of value has been declared or announced, but not paid or made, or is not payable by reference to a record date on or prior to the Effective Date and is or shall be (i) transferred pursuant to the Acquisition on a basis which entitles BidCo to receive the dividend, distribution, or other return of value and to retain it; or (ii) cancelled, the consideration payable under the terms of the Acquisition shall not be subject to change in accordance with this paragraph 8.

BidCo shall also be entitled to reduce the consideration payable under the Acquisition in such circumstances as are, and by such amount as is, permitted by the Panel.

Any exercise by BidCo of its rights referred to in this paragraph 8 shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Acquisition.

9. BidCo reserves the right to elect (with the consent of the Panel and in compliance with the Takeover Code) to implement the Acquisition by way of a Takeover Offer for the HEIT Shares as an alternative to the Scheme. In such event, the Takeover Offer shall be implemented on the same terms, so far as applicable as those which would apply to the Scheme, subject to appropriate amendments, including (without limitation) an acceptance condition set at a level permitted by the Panel. Further, if sufficient acceptances of such offer are received and/or sufficient HEIT Shares are otherwise acquired, it is the intention of BidCo to apply the provisions of the Companies Act to acquire compulsorily any outstanding HEIT Shares to which such offer relates.
10. The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.
11. The Acquisition is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any jurisdiction where to do so would violate the laws of that jurisdiction.
12. The Acquisition and the Scheme are governed by English law and are subject to the jurisdiction of the Court and to the Conditions and further terms set out in this Appendix I and to be set out in the Scheme Document. The Acquisition shall be subject to the applicable requirements of the Companies Act, the Court, the Takeover Code, the Panel, the London Stock Exchange and the Financial Conduct Authority.
13. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

## Appendix II

### Sources of Information and Bases of Calculation

1. On 15 April 2025 (being the latest practicable date prior to the date of this announcement), there were 227,128,295 HEIT Shares in issue. HEIT does not hold any shares in treasury and has not issued or granted any options or other rights to subscribe for shares or other securities of HEIT. The International Securities Identification Number for HEIT Shares is GB00BLNNFY18.
2. Any references to the issued and to be issued share capital of HEIT are based on the 227,128,295 HEIT Shares referred to in paragraph 1 above.
3. The value of the Acquisition based on the Acquisition Price of 92.4 pence per HEIT Share is calculated on the basis of the issued and to be issued share capital of HEIT (as set out in paragraph 2 above).
4. The Closing Prices on 14 March 2025 and 29 May 2024 are taken from the Daily Official List.
5. Unless otherwise stated, the financial information relating to HEIT is prepared in accordance with accounting standards applicable in the United Kingdom and has been extracted or derived (without adjustment) from the audited consolidated financial statements of HEIT for the financial year to 31 October 2024.
6. Unless otherwise stated, information relating to HEIT's NAV has been sourced from HEIT's financial results.
7. Unless otherwise stated, portfolio information relating to HEIT has been derived from data provided by Harmony Energy Advisors.



## Appendix III

### Irrevocable Undertakings and Letter of Intent

The following holders or controllers of HEIT Shares have given irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Resolution(s) to be proposed at the General Meeting and, if BidCo exercises its right to implement the Acquisition by way of a Takeover Offer, to accept or procure acceptance of such offer:

#### Part A: Harmony Energy and certain directors of Harmony Energy and Harmony Energy Advisors irrevocable undertakings

Name of HEIT Shareholder giving undertaking	Number of HEIT Shares in respect of which undertaking is given	Percentage of HEIT issued share capital
Harmony Energy	27,338,696	12.04%
Ritchie-Bland Energy (Number 2) Ltd <sup>(1)</sup>	5,976,314	2.63%
Peter Kavanagh <sup>(2),(3)</sup>	2,706,990	1.19%
Alexander Maxwell Slade <sup>(2)</sup>	1,079,994	0.48%
Peter Grogan <sup>(3)</sup>	976,869	0.43%
Alexander Thornton <sup>(3)</sup>	500,000	0.22%
<b>TOTAL</b>	<b>38,578,863</b>	<b>16.99%</b>

*(1) James Ritchie-Bland, a director of Harmony Energy Advisors Limited and Harmony Energy Limited, is a controller of Ritchie-Bland Energy (Number 2) Ltd.*

*(2) Director of Harmony Energy Advisors Limited*

*(3) Director of Harmony Energy Limited*

These irrevocable undertakings will cease to be binding if:

- BidCo announces (with the consent of the Panel) that it does not intend to proceed with the Acquisition and no new, revised or replacement offer is announced in accordance with Rule 2.7 of the Takeover Code at the same time;
- the Scheme (or Takeover Offer) lapses or is withdrawn and no new, revised or replacement offer is announced in accordance with Rule 2.7 of the Takeover Code at the same time; or
- any competing offer for the entire issued and to be issued share capital of HEIT is declared unconditional or, if implemented by way of a scheme of arrangement, becomes effective.

## Part B: Other HEIT Shareholder irrevocable undertakings

Name of HEIT Shareholder giving undertaking	Number of HEIT Shares in respect of which undertaking is given	Percentage of HEIT issued share capital
PrimeStone Capital LLC	25,986,450	11.44%
Newton Investment Management Limited	7,151,972	3.15%
Nicholas Norman Cournoyer	6,855,830	3.02%
Church House Investments Limited	3,400,000	1.50%
Trinitybridge Limited	2,609,923	1.15%
Dowgate Wealth Limited	2,546,000	1.12%
Forest Nominees Limited	155,000	0.07%
<b>TOTAL</b>	<b>48,705,175</b>	<b>21.44%</b>

The irrevocable undertakings will cease to be binding if:

- BidCo announces (with the consent of the Panel) that it does not intend to proceed with the Acquisition and no new, revised or replacement offer is announced in accordance with Rule 2.7 of the Takeover Code at the same time;
- the Scheme (or Takeover Offer) lapses or is withdrawn and no new, revised or replacement offer is announced in accordance with Rule 2.7 of the Takeover Code at the same time; or
- any competing offer for HEIT is announced provided that such offer represents a value per HEIT Share of not less than 5 per cent. above the Acquisition Price, and BidCo does not increase the consideration offered under the Scheme to an amount which is equal to or higher than the consideration offered by the third party competing offeror either within ten days of the date of the third party's announcement or offer, or prior to the date of the Court Meeting and the General Meeting (whichever is the earliest).

The irrevocable undertaking given by Nicholas Norman Cournoyer will also cease to be binding in the event a competing offer for HEIT is declared unconditional, or, if implemented by way of scheme of arrangement, becomes effective.

## Part C: Letter of intent:

BidCo has also received a non-binding letter of intent to vote in favour of the Scheme at the Court Meeting, and the resolutions to be proposed at the General Meeting, from Schroder & Co Limited in respect of a total of 38,710,877 HEIT Shares representing, in aggregate, approximately 17.04 per cent. of the HEIT issued share capital.

The letter of intent remains subject to the irrevocable undertaking given by Schroder & Co Limited in relation to the Drax Offer lapsing prior to Schroder & Co Limited taking any of the actions referred to in the letter of intent.

A copy of each of the irrevocable undertakings and letter of intent will be available on HEIT's website at [www.heitp.co.uk/investors/heit-offer](http://www.heitp.co.uk/investors/heit-offer) and on BidCo's website at [www.foresight.group/heit](http://www.foresight.group/heit) by no later than 12 noon (London time) on the Business Day following this announcement.

## Appendix IV

### Definitions

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

<b>"Acquisition"</b>	the recommended cash acquisition by BidCo of the entire issued and to be issued share capital of HEIT to be effected by means of the Scheme (or by way of Takeover Offer under certain circumstances described in this announcement) and, where the context admits, any subsequent revision, variation, extension or renewal thereof
<b>"Acquisition Price"</b>	92.4 pence per HEIT Share
<b>"Amended HEIT Articles"</b>	the articles of association of HEIT, as amended to include provisions, in terms approved by BidCo, that avoid any person (other than BidCo or its nominee) remaining as a holder of HEIT Shares after the Effective Date, such proposed amendment to be set out in full in the notice of the General Meeting
<b>"AIFM Agreement"</b>	the alternative investment fund management agreement dated 14 October 2021 between HEIT and JTC Global AIFM Solutions Limited
<b>"Asset Sale"</b>	has the meaning given in paragraph 5 of this announcement
<b>"Authorisations"</b>	regulatory authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions or approvals
<b>"Averon Park"</b>	Averon Park Limited, a private limited company incorporated and registered in England and Wales with registered number 08669482, the registered office of which is at C/O Foresight Group LLP, The Shard, 32 London Bridge Street, London SE1 9SG
<b>"BESS"</b>	battery energy storage systems
<b>"BidCo"</b>	PP Bidco Limited, a private company incorporated in England and Wales with registered number 16332292
<b>"Blackmead"</b>	Blackmead Infrastructure Limited, a private limited company incorporated and registered in England and Wales with registered number 08928992, the registered office of which is at C/O Foresight Group LLP, The Shard, 32 London Bridge Street, London SE1 9SG

<b>"Blocking Law"</b>	means (i) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996, as amended from time to time (or any law or regulation implementing such Regulation in any member state of the European Union); or (ii) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996, as amended from time to time, as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018
<b>"Business Day"</b>	a day (other than Saturdays, Sundays and public holidays in the UK) on which banks are open for business in London
<b>"Closing Price"</b>	the closing middle market price of a HEIT Share on a particular trading day as derived from the Daily Official List
<b>"Companies Act"</b>	the Companies Act 2006, as amended from time to time
<b>"Conditions"</b>	the conditions to the implementation of the Scheme and the Acquisition, as set out in Appendix I to this announcement and to be set out in the Scheme Document
<b>"Confidentiality Agreement"</b>	the confidentiality agreement dated 5 August 2024 between Foresight and Harmony Energy Advisors as described in paragraph 11 of this announcement
<b>"Court"</b>	the High Court of Justice in England and Wales
<b>"Court Hearing"</b>	the hearing by the Court of the application to sanction the Scheme under Part 26 of the Companies Act
<b>"Court Meeting"</b>	the meeting of Scheme Shareholders to be convened pursuant to an order of the Court under the Companies Act for the purpose of considering and, if thought fit, approving the Scheme, including any adjournment thereof, notice of which is to be contained in the Scheme Document
<b>"Court Order"</b>	the order of the Court sanctioning the Scheme under section 899 of the Companies Act
<b>"CREST"</b>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear
<b>"Daily Official List"</b>	the Daily Official List published by the London Stock Exchange
<b>"Dealing Arrangement"</b>	an arrangement of the kind referred to in Note 11(a) on the definition of acting in concert in the Takeover Code
<b>"Dealing Disclosure"</b>	has the same meaning as in Rule 8 of the Takeover Code

<b>"Disclosed"</b>	<p>the information disclosed by, or on behalf of HEIT:</p> <ul style="list-style-type: none"> <li>(a) in the annual report and accounts of the HEIT Group for the financial year ended 31 October 2024;</li> <li>(b) to BidCo or its affiliates (or its or their respective officers, employees, agents or advisers) at the management meeting held on 13 March 2025;</li> <li>(c) in this announcement;</li> <li>(d) in any other announcement to a Regulatory Information Service by, or on behalf of HEIT prior to the publication of this announcement; or</li> <li>(e) as otherwise fairly disclosed to BidCo or its affiliates (or its or their respective officers, employees, agents or advisers) prior to the date of this announcement</li> </ul>
<b>"Disclosure Guidance and Transparency Rules"</b>	<p>the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA</p>
<b>"Drax"</b>	<p>Drax Group plc, a public limited company incorporated in England and Wales with registered number 05562053 and whose registered office is at Drax Power Station, Selby, North Yorkshire, YO8 8PH</p>
<b>"Drax 2.7 Announcement"</b>	<p>the announcement by HEIT and Drax on 25 March 2025, pursuant to Rule 2.7 of the Takeover Code, of an agreement of the terms of an acquisition of the entire issued and to be issued ordinary share capital of HEIT by Drax Bidco</p>
<b>"Drax Bidco"</b>	<p>Drax BESS Holdco Limited a private limited company incorporated in England and Wales with registered number 16152612 and whose registered office is at Drax Power Station, Selby, North Yorkshire, United Kingdom, YO8 8PH</p>
<b>"Drax Offer"</b>	<p>88.0 pence per HEIT Share in cash as set out in the Drax 2.7 Announcement</p>
<b>"Drax Offer Shareholder Meetings"</b>	<p>the court meeting and the general meeting convened in connection with the Drax Offer for 10:00 a.m. and 10:15 a.m., respectively, on 7 May 2025</p>
<b>"Effective"</b>	<p>in the context of the Acquisition:</p> <ul style="list-style-type: none"> <li>(a) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective in accordance with its terms upon the delivery of a copy of the Court Order to the Registrar of Companies; or</li> <li>(b) if the Acquisition is implemented by way of a Takeover Offer, such Takeover Offer having become or been</li> </ul>

declared unconditional in all respects in accordance with the Takeover Code

<b>"Effective Date"</b>	the date on which either the Scheme becomes effective in accordance with its terms or, if BidCo elects, and the Panel consents, to implement the Acquisition by way of a Takeover Offer, the date on which such Takeover Offer becomes or is declared unconditional in all respects
<b>"Equity Commitment Letter"</b>	the equity commitment letter dated 16 April 2025 between FEIP II and BidCo as described in paragraph 10 of this announcement
<b>"Euroclear"</b>	Euroclear UK & International Limited
<b>"Excluded Shares"</b>	<p>any HEIT Shares at the Scheme Record Time which (if any) are:</p> <ul style="list-style-type: none"><li>(a) registered in the name of, or beneficially owned by, BidCo or any other member of the BidCo Group or any of their respective nominees; or</li><li>(b) held by HEIT as treasury shares (within the meaning of the Companies Act),</li></ul> <p>in each case at the relevant time;</p>
<b>"Existing Management Arrangements"</b>	the AIFM Agreement and Investment Advisory Agreement
<b>"FCA" or "Financial Conduct Authority"</b>	the Financial Conduct Authority or any successor regulatory body
<b>"FEIP II"</b>	Foresight Energy Infrastructure Partners II S.C.Sp
<b>"Foresight"</b>	Foresight Group LLP
<b>"Foresight Funds"</b>	FEIP II and Averon Park
<b>"Forms of Proxy"</b>	the forms of proxy in connection with each of the Court Meeting and the General Meeting, which shall accompany the Scheme Document
<b>"FSMA"</b>	the Financial Services and Markets Act 2000, as amended from time to time
<b>"Funding Agreement"</b>	the funding agreement dated 16 April 2025 between Blackmead and BidCo as described in paragraph 10 of this announcement
<b>"FY 2023"</b>	the financial year ended 31 October 2023

<b>"FY 2024"</b>	the financial year ended 31 October 2024
<b>"General Meeting"</b>	the general meeting of HEIT Shareholders to be convened in connection with the Scheme to consider and, if thought fit, to approve the Resolution(s) (with or without amendment), and including any adjournment, postponement or reconvening thereof, notice of which is to be contained in the Scheme Document
<b>"GW"</b>	gigawatt
<b>"GWh"</b>	gigawatt hour
<b>"Harmony Energy"</b>	Harmony Energy Limited
<b>"Harmony Energy Advisors" or "Investment Advisor"</b>	Harmony Energy Advisors Limited, HEIT's investment adviser
<b>"HEIT"</b>	Harmony Energy Income Trust plc
<b>"HEIT Directors" or "HEIT Board"</b>	the directors of HEIT at the time of this announcement or, where the context so requires, the directors of HEIT from time to time
<b>"HEIT Group"</b>	HEIT and its subsidiary undertakings and, where the context permits, each of them
<b>"HEIT Shareholders" or "Shareholders"</b>	the holders of HEIT Shares
<b>"HEIT Shares"</b>	the ordinary shares of £0.01 each in the capital of HEIT from time to time
<b>"Investment Advisory Agreement"</b>	the investment advisory agreement dated 14 October 2021 between HEIT, the Investment Advisor and JTC Global AIFM Solutions Limited
<b>"IPO"</b>	initial public offering
<b>"Latest Practicable Date"</b>	15 April 2025, being the latest practicable date prior to the date of this announcement
<b>"London Stock Exchange"</b>	London Stock Exchange plc
<b>"Long-Stop Date"</b>	30 September 2025, or such later date as may be agreed by BidCo and HEIT (with the Panel's consent and as the Court may approve (if such approval(s) are required))
<b>"Market Abuse Regulation"</b>	the Market Abuse Regulation (EU) No 596/2014 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018



<b>"MW"</b>	megawatt
<b>"MWh"</b>	megawatt hour
<b>"NAV"</b>	net asset value
<b>"Offer Period"</b>	the offer period (as defined by the Takeover Code) relating to HEIT, which commenced on 17 March 2025
<b>"Opening Position Disclosure"</b>	has the same meaning as in Rule 8 of the Takeover Code
<b>"Overseas Shareholders"</b>	HEIT Shareholders (or nominees of, or custodians or trustees for HEIT Shareholders) not resident in, or nationals or citizens, of the United Kingdom
<b>"Panel"</b>	the Panel on Takeovers and Mergers
<b>"Panmure Liberum"</b>	Panmure Liberum Limited
<b>"RBC Capital Markets"</b>	RBC Europe Limited, trading as RBC Capital Markets
<b>"Registrar of Companies"</b>	the Registrar of Companies in England and Wales
<b>"Regulatory Information Service"</b>	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements
<b>"Resolution(s)"</b>	the resolution(s) to be proposed to be passed at the General Meeting in connection with the adoption of the Amended HEIT Articles and such other matters as may be necessary to implement the Scheme
<b>"Restricted Jurisdiction"</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to HEIT Shareholders in that jurisdiction
<b>"Scheme" or "Scheme of Arrangement"</b>	the proposed scheme of arrangement under Part 26 of the Companies Act between HEIT and the HEIT Shareholders in connection with the Acquisition, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by HEIT and BidCo
<b>"Scheme Document"</b>	the document to be sent to HEIT Shareholders containing, amongst other things, the Scheme and the notices convening the Court Meeting and the General Meeting
<b>"Scheme Record Time"</b>	the time and date to be specified in the Scheme Document by reference to which the entitlements of Scheme Shareholders under the Scheme will be determined, expected to be 6.00

	p.m. on the Business Day immediately prior to the Effective Date
<b>"Scheme Shareholders"</b>	the holders of Scheme Shares from time to time
<b>"Scheme Shares"</b>	all HEIT Shares: <ul style="list-style-type: none"> <li>(a) in issue as at the date of the Scheme Document and which remain in issue at the Scheme Record Time;</li> <li>(b) (if any) issued after the date the Scheme Document, but at or before the Voting Record Time and which remain in issue at the Scheme Record Time; and</li> <li>(c) (if any) issued at or after the Voting Record Time but at or before the Scheme Record Time, either on terms that the original or any subsequent holder thereof is bound by the Scheme, or in respect of which such holders are, or shall have agreed in writing to be, so bound, and which remain in issue at the Scheme Record Time,</li> </ul> <p>in each case, other than any Excluded Shares</p>
<b>"SEC"</b>	the US Securities and Exchange Commission
<b>"Seed Portfolio"</b>	the initial portfolio of five BESS development projects acquired by HEIT at IPO
<b>"Significant Interest"</b>	a direct or indirect interest in 30 per cent or more of the voting equity share capital of an undertaking
<b>"solar PV"</b>	solar photovoltaic
<b>"Takeover Code"</b>	the City Code on Takeovers and Mergers, as amended from time to time
<b>"Takeover Offer"</b>	should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of BidCo to acquire the entire issued and to be issued ordinary share capital of HEIT and, where the context admits, any subsequent revision, variation, extension or renewal of such takeover offer
<b>"Third Party"</b>	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction
<b>"United Kingdom" or "UK"</b>	the United Kingdom of Great Britain and Northern Ireland

<b>"United States" or "US"</b>	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction and any political sub-division thereof
<b>"US Exchange Act"</b>	the United States Securities Exchange Act 1934, as amended from time to time
<b>"Voting Record Time"</b>	the time and date to be specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined
<b>"Wider BidCo Group"</b>	BidCo, its parent undertakings, including for the avoidance of doubt FEIP II, Blackmead and Averon Park, subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which BidCo and all such undertakings (aggregating their interests) have a Significant Interest
<b>"Wider HEIT Group"</b>	HEIT and associated undertakings and any other body corporate, partnership, joint venture or person in which HEIT and such undertakings (aggregating their interests) have a Significant Interest

For the purposes of this announcement, **"subsidiary"**, **"subsidiary undertaking"**, **"undertaking"** and **"associated undertaking"** have the respective meanings given thereto by the Companies Act.

All references to **"pounds"**, **"pounds sterling"**, **"Sterling"**, **"£"**, **"pence"**, **"penny"** and **"p"** are to the lawful currency of the United Kingdom.

All references to **"Euro"**, **"EUR"** and **"€"** are to the lawful currency of the member states of the European Union that adopt a single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on the European Union.

All the times referred to in this announcement are London times unless otherwise stated.

References to the singular include the plural and vice versa.

All references to statutory provisions or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and order from time to time made thereunder or deriving validity therefrom.

## Appendix 2

### Interpretation

In this undertaking, a reference to:

- (a) **Act** means the Companies Act 2006 as amended from time to time;
- (b) **Acquisition** means the proposed acquisition on substantially the terms set out in the Announcement and/or such other terms and conditions as required by any applicable law or regulation and the Code by or on behalf of the Bidder of the issued and to be issued ordinary share capital of the Target at a price per share of 92.4 pence, howsoever structured and includes any renewal, revision, variation or extension of the terms of any such acquisition;
- (c) **Announcement** means the announcement of a firm intention to make an offer for the Target in accordance with Rule 2.7 of the Code in substantially the form attached in Appendix 1 to this undertaking;
- (d) the **Code** means the UK Takeover Code;
- (e) the **Offer** means the Acquisition implemented by contractual takeover offer in accordance with English law;
- (f) the **Panel** means the UK Panel on Takeovers and Mergers;
- (g) the **Scheme** means the Acquisition implemented by scheme of arrangement pursuant to Part 26 of the Act;
- (h) **Shares** means the number of Target Shares set out in Appendix 3; and
- (i) **Target Shares** means the ordinary shares of £0.01 each in the capital of the Target.

References to times are to London time.

### Appendix 3

<b>No. of Target Shares</b>	<b>Name and address of registered holder of the Shares as appearing on the register of members of the Target</b>	<b>Name and address of beneficial owner of the Shares</b>
5,976,314	