

Dear Linklease Noteholders,

We are receiving a number of emails from Noteholders concerning investments in the Linklease Series 2018-LL1, Linklease Series 2020-LL2, Linklease Series 2021-LL3, and Series 2022-LL4 notes (each a **'Series'** and together, the **'Notes'**).

Please see below our responses to common FAQs from Noteholders. As expressed in the various notices listed in section 2, Noteholders should take and rely on their own independent legal and financial advice.

1. **The role of the Trustee and its relationship to the Issuer**

Woodside Corporate Services Limited acts in its capacities as note trustee (the **'Note Trustee'**) and security trustee (the **'Security Trustee'**) (together, the **'Trustee'**) under the Notes structure. While we are appointed by the (special purpose vehicle) Issuer (a company incorporated in England) to act on behalf of the Noteholders in each Series of Notes, it is the Issuer that has a direct relationship with the underlying Borrowers incorporated in the United Arab Emirates.

The Trustee may correspond with Noteholders and it may act on instructions of the Noteholders, provided it is indemnified and/or pre-funded to its satisfaction by the Noteholders for such actions and that such instructions come from a sufficient proportion of the Noteholders, in accordance with the Trust Deed. Further details of the proportion required are set out in section 4.

There have been a number of queries with regard to the Issuer's status and obligations and the role of the Trustee. The Note Trustee and the Security Trustee each performs a very narrow role in this structure: respectively, (i) to act for and on behalf of the Noteholders to the programme; and (ii) to hold the security on behalf of Noteholders and other creditors and to enforce such security, if and to the extent instructed to do so by an appropriate majority of Noteholders. This role is set out in the Transaction Documents and, broadly, is supplemented by statute and common law principles of fiduciary duties.

The Transaction Documents afford the Trustee a number of protections in its capacity as trustee. In particular (but without prejudice to all other rights set out in the Transaction Documents, the Trustee:

- a. is not under a duty to (and does not) monitor the performance (financial or otherwise) of the Issuer or any other transaction party (including the underlying Borrower and assets);

- b. has no responsibility to request any report, certificate, advice or valuation relating to any party's assets or liabilities, nor does it have any responsibility to ensure disclosure to the Noteholders of such content; and
- c. acts on the instructions of Noteholders – it is not required (or expected) to negotiate the terms of a re-structuring or enforcement without having received instructions from the Noteholders on the specific terms thereof.

The Issuer's rights and obligations are set out in the Transaction Documents.

The Trustee is fully aware of its contractual obligations and fiduciary duties to Noteholders, has taken advice as appropriate and has acted, and will continue to act, in accordance with those contractual obligations and fiduciary duties.

The Trustee is not, as certain communications to us have indicated, instructed by the Issuer (or, for that matter, the underlying Borrowers). As Trustee we have acted in cooperation with the Issuer to review the various regulatory news service ('**RNS**') notices to Noteholders and documents in relation to the Borrower proposals for amendment to the terms of the Notes ('**Proposals**'), in each case, for the information and benefit of the Noteholders and in accordance with our role as set out in the transaction documents. In doing so, the Trustee has incurred its own (not insignificant) costs and expenses which, to date, remain unpaid.

2. Information available to Noteholders

Since December 2023, in accordance with the Transaction Documents, notices to Noteholders have been issued via RNS in relation to the following events. These notices contain important information for Noteholders, including information that can answer a number of the FAQs we receive. We strongly encourage Noteholders to review these notices and ensure that they understand the information set out therein.

Where relevant, two separate notices have been issued; initially regarding the event of default made by a Borrower's failure to pay the Issuer and later where the Issuer's failures to pay (as a result of defaults by the Borrowers) became events of default under the Terms and Conditions of the Notes (each an '**Event of Default**')

Series 2018- LL1

- [Notice to Noteholders - 17:33:55 20 Dec 2023 - News article | London Stock Exchange](#)
- [Notice to Noteholders - 10:13:52 27 Dec 2023 - News article | London Stock Exchange](#)
- [Notice of Occurrence of Event of Default - 16:31:26 02 Jan 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders - 15:33:00 04 Jan 2024 - News article | London Stock Exchange](#)
- [NOTICE OF OCCURRENCE OF EVENT OF DEFAULT \(LL2 GBP\) - 14:02:27 31 Jan 2024 - News article | London Stock Exchange](#)
- [Voting for Proposal - Initial Steps - LL1 USD - 08:03:33 26 Feb 2024 - News article | London Stock Exchange](#)
- [Updated Proposal for LL1 USD - 10:05:46 03 Jun 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders – LL1 USD - 08:19:28 15 Jul 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders - LL1 - 12:35:38 22 Oct 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders LL1 - 14:10:04 06 Nov 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders - LL1 - 10:23:44 19 Nov 2024 - News article | London Stock Exchange](#)

Series 2020- LL2

- [Notice to Noteholders - 14:21:59 19 Jan 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders - 13:08:56 30 Jan 2024 - News article | London Stock Exchange](#)
- [NOTICE OF OCCURRENCE OF EVENT OF DEFAULT \(LL2 GBP\) - 14:02:27 31 Jan 2024 - News article | London Stock Exchange](#)

- [Linklease Finance PLC – Proposal for LL2 GBP - 17:12:06 31 Jan 2024 - News article | London Stock Exchange](#)
- [Voting for Proposal - Initial Steps - LL2 GBP - 08:03:37 26 Feb 2024 - News article | London Stock Exchange](#)
- [Updated Proposal for LL2 GBP - 10:08:07 03 Jun 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders – LL2 GBP - 08:20:44 15 Jul 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders – LL2 GBP - 15:23:28 19 Jul 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders – LL2 GBP - 10:00:11 31 Jul 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders LL2 - 14:14:51 06 Nov 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders- LL2 - 10:25:27 19 Nov 2024 - News article | London Stock Exchange](#)

Series 2021- LL3

- [Linklease Finance PLC – Proposal for LL3 EUR - 17:12:42 31 Jan 2024 - News article | London Stock Exchange](#)
- [Voting for Proposal - Initial Steps - LL3 EUR - 08:04:52 26 Feb 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders \(Series 2021 - LL3\) - 13:08:26 19 Apr 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders \(Series 2021 - LL3\) - 17:12:53 30 Apr 2024 - News article | London Stock Exchange](#)
- [Updated Proposal for LL3 EUR - 10:07:51 03 Jun 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders – LL3 EUR - 08:22:08 15 Jul 2024 - News article | London Stock Exchange](#)

- [Notice to Noteholders LL3 - 14:19:52 06 Nov 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders- LL3 - 12:34:39 08 Nov 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders- LL3 - 10:27:31 19 Nov 2024 - News article | London Stock Exchange](#)

Series 2022-LL4

- [Notice to Noteholders - 17:37:37 20 Dec 2023 - News article | London Stock Exchange](#)
- [Notice to Noteholders - 15:13:36 21 Dec 2023 - News article | London Stock Exchange](#)
- [Notice to Noteholders - 11:53:11 02 Jan 2024 - News article | London Stock Exchange](#)
- [Notice of Occurrence of Event of Default - 16:33:02 02 Jan 2024 - News article | London Stock Exchange](#)
- [Linklease Finance PLC – Proposal for LL4 USD - 17:15:15 31 Jan 2024 - News article | London Stock Exchange](#)
- [Voting for Proposal - Initial Steps - LL4 USD - 08:05:37 26 Feb 2024 - News article | London Stock Exchange](#)
- [Updated Proposal for LL4 USD - 10:09:18 03 Jun 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders - LL4 USD - 12:41:09 24 Jun 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders - LL4 USD - 08:36:45 03 Jul 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders - LL4 USD - 08:24:16 15 Jul 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders LL4 - 14:22:35 06 Nov 2024 - News article | London Stock Exchange](#)
- [Notice to Noteholders - LL4 - 10:29:43 19 Nov 2024 - News article | London Stock Exchange](#)

All Series

- [Notice to Noteholders- Linklease Finance PLC - 14:02:26 20 Jan 2025 - News article | London Stock Exchange](#)

The notices were published on the London Stock Exchange's Regulatory News Service.

3. Current status

The Borrowers have released Proposals, as set out in the notices referenced above. Noteholders have not agreed to the terms of the Proposals for any of the four Series of Notes. The Borrowers and the Issuer (as a result of the Borrowers' failure to pay) continue to be in default of their payments owed under the transactions.

There has been no progress since the Issuer published an RNS announcement on 19th November 2024, describing the on-going issues between the Issuer and the Borrowers and outlining the options available to Noteholders. To summarise again here, the options are to either: 1) wait for the opportunity to vote on the proposals via an Extraordinary Resolution (ER), which would be put to the Noteholders by the Issuer; or 2) direct the Trustee to enforce the secured assets, which needs the support of holders of at least 25% of the relevant Notes, the settlement of our outstanding fees and the provision/pre-payment of the costs of the initial enforcement prior to any action. These are explained in greater detail in section 4.

4. Rights and options under the transaction documents and English law

We refer Noteholders to the Trust Deed, Security Trust Deed and Deed of Charge in connection with the Notes. Any Noteholders who do not have copies of these documents may request copies from us, provided that they supply satisfactory proof of holdings and agree to treat the documents as strictly confidential.

Extraordinary Resolution

Under the transaction documents, the amendments proposed under the Proposals amount to what is defined as a '**Reserved Matter**' as they concern changes to the dates fixed for payment of principal and interest on the Notes. In order to make a decision on a Reserved Matter, under Condition 17(a) of the Notes the Noteholders

must direct the Trustee by way of an extraordinary resolution of at least three-quarters of the aggregate principal amount of the Notes then outstanding of the relevant Series of Notes (an 'ER').

An ER would allow the Noteholders to direct the Trustee to execute amended transaction documents to effect the Borrowers' Proposals, for which holders of at least 75% of a series needs to vote in favour. However, before the Issuer is able to circulate the ER documentation to Noteholders, the Borrowers' approval to the amendments to the transaction documents is required, that approval has not been forthcoming despite the paperwork being shared with the Borrowers in March 2024. It was understood that the Borrowers withheld their approval then because they objected to the inclusion of additional conditions and safeguards in relation to the application of the sales proceeds. We understand that this remains an issue as the Issuer explained in the RNS notice of 19th November 2024 "*in their [the Borrowers'] proposal there is no guarantee that the Borrower, upon receipt of funds following the sale of the assets, would pay the outstanding amounts due under the Notes or related fees of the transaction*".

The new Proposal made by the Borrowers, while being very similar to the previous Proposal does not address the underlying issue of the safeguards required by the Issuer with regards to the sale proceeds nor addresses their failure to make any contractual payments to the transaction parties since December 2023, which at the 19th November 2024 notice owed circa \$860K, and would have inevitably increased further since. Until all outstanding sums have been paid the various transaction parties, including the Issuer and the Trustee, are not required under the transaction documents nor prepared to incur further costs and raise their exposure to the Borrowers and are not currently in a position to move forward with an ER.

Enforcement

Under Condition 13 of the Notes if an Event of Default has occurred and is continuing (which is the case), the Note Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter of the aggregate principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject to the Note Trustee having been indemnified and/or secured and/or prefunded to its satisfaction), give written notice to the Issuer (an '**Acceleration Notice**') declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their Early Redemption Amount together with accrued interest without further action or

formality. Security shall then become enforceable upon the service of an Acceleration Notice by the Note Trustee on the Issuer.

Despite the notices referenced above having been published through the RNS, the Trustee has not, to date, received any instructions from Noteholders to take any enforcement action.

Most of the security granted to the Trustee relates to the Issuer's rights against the Borrower. The Trustee does not have direct control of / security over any such assets but, through the provisions of the transaction documents, would be able to instruct the local Security Agent to take enforcement action should the Trustee be instructed to do so. The Trustee is not required to take control of the Issuer accounts held as security nor proceed with enforcement action absent instruction from the Noteholders to issue an Acceleration Notice and/or enforce the security.

Each enforcement throws up challenges which are often unknown and difficult to predict ahead of embarking on any action, making an assessment of the potential work involved and the associated costs extremely demanding. In the case of the Linklease programme, with 4 series each needing to be directed and indemnified/pre-funded separately, underpinned by separate packages and types of secured assets all held in UAE by local security agents, the considerations are further complicated. Our current expectations of the process and costs are:

- Following direction from the requisite proportion of noteholders to embark on enforcement (i.e. those holding an aggregate 25% of an individual series), the Trustee, would need to issue an Acceleration Notice to the Issuer demanding immediate payment of the outstanding sums due to the noteholders, this in itself should be relatively straightforward but we are not required to, nor will we, proceed until we have been suitably and acceptably indemnified and pre-paid by Noteholders to cover the costs of our enforcement actions. The negotiation of an indemnity would be required, and such negotiation could be protracted (depending on the number of Noteholders involved (the '**Instructing Noteholders**' and agreements between themselves as to how to apportion such an indemnity) and would incur additional costs, which would also need to be covered by the Noteholders. As part of the indemnity and pre-payment arrangements we would also expect all our outstanding costs to date, including those of our advisers, to be settled.

- The Instructing Noteholders would need to sign up to the indemnity and apportion the total pre-funding amounts amongst themselves. The indemnity agreement would specify that these amounts would be returned to the indemnifying Noteholders in priority to any enforcement proceeds that are paid out. In other words, Instructing Noteholders would not be able to obtain funding from any Noteholders who choose not to instruct and Instructing Noteholders would therefore need to bear the costs of any claims brought (this means that the Noteholders who do not instruct / pay can benefit without taking any risk) but Instructing Noteholders can take some comfort that any pre-payments or associated costs will be repaid in priority to distributions to other Noteholders, such that all Noteholders will ultimately share equally (or, share according to their proportion of holdings) in any recoveries.
- Assuming an acceptable indemnity could be arranged, the actual enforcement costs will depend on what security the Noteholders would like to enforce (i.e. the Borrower Share Mortgages, the Borrower Account Charges and/or the Borrower Asset Charges), which needs to be assessed and agreed by the Instructing Noteholders. The Trustee will need to liaise with various parties, likely including the local security agent to take the appropriate enforcement action. These parties will likely need to appoint their own legal counsel and incur additional costs that will also need to be covered by the Noteholders. We have been advised that USD 100,000 would be a ballpark figure per Series of Notes but this cannot be assumed to be particularly accurate as there may be local law quirks that need to be accommodated depending on the nature of the enforcement action taken. More accurate estimates would be able to be obtained when the decisions about enforcement are proposed.

The Enforcement Option is independent of the ER, and does not require the Borrowers' involvement in the same way that the ER does.

The numerous notices have set this out clearly for Noteholders and have reiterated that the Trustee will not act absent instruction from the requisite proportion of Noteholders. Each Series of Notes must be enforced separately.

The above notwithstanding, the Trustee is sympathetic to the position the Noteholders find themselves in. If it were to receive appropriate cost coverage from a

smaller proportion of Noteholders (whether across all Series of Notes or within a single Series) the Trustee would be open to a discussion with Noteholders as to whether it can proceed to enforcement without receiving the requisite proportion of Noteholders. However, to be clear, this is not something that the Trustee is required to do and is not something we would be prepared to do without certainty as to funding (both in respect of our costs to date and future costs associated with any such enforcement action).

5. Trustee costs

As highlighted above, the Trustee has incurred costs acting in accordance with its duties and the transaction documents (communicating the various Events of Default and Proposal details to Noteholders via notices, preparing reservation of rights letters to protect the position of the Noteholders and others with security interests in response to Events of Default, assisting in preparation of amendment documents in connection with the Proposals, following up with the Borrowers via the Issuer) and incurs further fees responding to individual Noteholder queries.

Currently the Trustee has not been instructed to pursue the Enforcement Option by the requisite level of Noteholders or been suitably indemnified.

6. Next steps for Noteholders

We have worked with the Issuer to facilitate contact between Noteholders of the same Series where consent is given to share such Noteholders' contact details and the proportion holdings being shared with others who consent to the same. In order to instruct the Trustee to take action, Noteholders who together have sufficient holdings must act together to provide the required funding and instruction. As mentioned above and in the notices, the Trustee is not in a position to (and not obligated to) take action absent such funding and instruction.

Noteholders should take and rely on their own independent legal and financial advice. They may opt to do so individually and/or as a group. Information included in notices issued by the Issuer is provided on a non-reliance basis and does not reflect advice given by, or the views of, the Trustee.

If you are not yet in contact with other Noteholders and wish to be connected, please inform us and (i) provide proof of your holdings and (ii) confirm your consent to being connected with other Noteholders. We can facilitate this with the Issuer, to allow you to consider next steps together.

Kind regards

Chris Powell