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**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt about the contents of this document and what action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in Ireland, is authorised or exempted under the European Union (Markets in Financial Instruments) Regulations 2017 (S.I. No. 375 of 2017) or the Investment Intermediaries Act 1995 (as amended) or, if you are taking such advice in the United Kingdom, is authorised pursuant to the Financial Services and Markets Act 2000 of the United Kingdom or, if you are taking advice elsewhere, is an appropriately authorised independent financial adviser.

This document and the accompanying form of acceptance (the "**Acceptance Form**") should be read in conjunction with the Scheme Document dated 30 November 2021 (the "**Scheme Document**") setting out, amongst other things, the terms of the Acquisition and, unless the context otherwise requires, terms capitalised or otherwise defined in the Scheme Document shall have the same meaning when used in this document and in the Acceptance Form.

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

To the fullest extent permitted by applicable Law, the companies involved in the Acquisition disclaim any responsibility or liability for the violation of any such restrictions by any person.

Any action taken in relation to the Acquisition should be taken only on the basis of all of the information contained in this document, the Acceptance Form and the Scheme Document.

If you have any questions about this document, you should contact Charles Peach at Yew Grove; [cpeach@ygreit.com](mailto:cpeach@ygreit.com).

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**PROPOSAL TO THE YEW GROVE OPTIONHOLDERS**

in connection with the

Recommended Cash Acquisition of

**YEW GROVE REIT PLC**

by

**SLATE OFFICE IRELAND INVESTMENT LIMITED**

*an indirect wholly-owned subsidiary of*

**SLATE OFFICE REIT**

**to be implemented by way of a Scheme of Arrangement  
under Chapter 1 of Part 9 of the Companies Act 2014**

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The Yew Grove Directors accept responsibility for the information contained in this document other than information relating to Slate, Bidco, the Slate Group, the Slate Directors, the Bidco Directors and members of their immediate families, related trusts and persons connected with them for which the Slate Directors and the Bidco Directors accept responsibility. To the best of the knowledge and belief of the Yew Grove Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Slate Directors and the Bidco Directors accept responsibility for the information contained in this document relating to Slate, Bidco, the Slate Group, the Slate Directors, the Bidco Directors and members of their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the Slate Directors and Bidco Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

IBI Corporate Finance Limited (trading as "**IBI Corporate Finance**") is acting exclusively as financial adviser to Slate and Bidco and no one else in connection with the matters referred to in this document and will not be responsible to anyone other than Slate and Bidco for providing the protections afforded to its clients, or for providing advice in relation to the matters set out in this document. Neither IBI Corporate Finance nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of IBI Corporate Finance in connection with this document or any matter referred to herein.

Goodbody, which in Ireland is regulated by the Central Bank of Ireland and in the UK is authorised and subject to limited regulation by the Financial Conduct Authority, is acting exclusively for Yew Grove and no one else in connection with the matters referred to in this document and will not be responsible to anyone other than Yew Grove for providing the protections afforded to clients of Goodbody, or for providing advice in connection with the matters referred to in this document. Neither Goodbody nor any of its subsidiaries or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Goodbody in connection with this document or any matter referred to herein.

William Fry LLP is acting as legal adviser to Yew Grove and no one else. DLA Piper Ireland LLP is acting as legal adviser to Slate and Bidco and no one else.

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**PART 1:**  
**JOINT LETTER FROM BIDCO AND YEW GROVE**

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**Slate Office Ireland Investment Limited**

Registered office:  
2 Park Place  
City Gate Park  
Mahon  
Cork  
Ireland

Registered number: 699927

**Directors:**

Brady Welch  
Briain Morris

Company Secretary:  
Briain Morris

**Yew Grove REIT plc**

Registered office:  
57 Fitzwilliam Square North  
Dublin 2  
D02 CP02  
Ireland

Registered number: 623896

**Board:**

Barry O'Dowd (Chairperson)\*  
Jonathan Laredo  
Charles Peach  
Michael Gibbons  
Eimear Moloney\*  
Gearoid O'Dea\*  
Brian Owens\*

\*Denotes non-executive

**To: The Yew Grove Optionholders**

3 December 2021

Dear Yew Grove Optionholder

**1. Introduction**

On 19 November 2021, Yew Grove and Slate announced that they had reached agreement on the terms of a cash offer for Yew Grove by Slate, which has been unanimously recommended by the Yew Grove Board, pursuant to which Slate Office Ireland Investment Limited ("**Bidco**"), an indirect wholly-owned Subsidiary of Slate, will acquire the entire issued and to be issued share capital of Yew Grove.

You have received, by way of information, a copy of the Scheme Document which sets out the terms of the Acquisition. The Acquisition and the Scheme are subject to certain conditions which are set out in the Scheme Document. It is anticipated that, subject to the satisfaction or waiver of these conditions, approval of the Acquisition by the High Court will be sought in January 2022.

The purpose of this document is to:

- (a) give you information about how the Acquisition will affect the Yew Grove Options granted to you under the Yew Grove Share Plan ("**your Yew Grove Options**") all of which are currently unvested; and
- (b) tell you what action you need to take in order to realise the value of your Yew Grove Options that will vest on an accelerated basis and become exercisable in connection with the Acquisition.

You should read this letter in conjunction with the Scheme Document.

Unless otherwise defined in this letter, words and expressions defined in the Scheme Document have the same meaning in this letter as in the Scheme Document.

## 2. The Acquisition

Subject to the conditions and further terms set out in Part 5 (*Conditions and Further Terms of the Acquisition and the Scheme*) of the Scheme Document, under the terms of the Acquisition, Scheme Shareholders will be entitled to receive:

**for each Yew Grove Share €1.017 in cash (the "Consideration").**

The Acquisition is conditional upon, amongst other things, the sanction of the Scheme by the High Court and delivery to the Registrar of Companies of a copy of the Court Order and the minute required by Section 86 of the Act in respect of the Reduction of Capital, as further detailed in the Scheme Document. The time at which the Scheme becomes effective will be the "**Effective Time**" and the date on which that occurs will be the "**Effective Date**". Assuming this happens, Yew Grove will become a wholly owned subsidiary of Bidco.

## 3. What is a Yew Grove Option?

A Yew Grove Option, subject to it becoming vested and exercisable, gives you a right to acquire an ordinary share of €0.01 in the capital of Yew Grove ("**Yew Grove Share**") at a price of €0.01 per Yew Grove Share (the "**Exercise Price**"), subject to certain terms and conditions.

At the date of this letter, no Yew Grove Options are vested and exercisable.

## 4. Your Yew Grove Options

A schedule detailing your Yew Grove Options is enclosed. You should satisfy yourself that this information is accurate and up-to-date. **IMPORTANT: IF YOU BELIEVE THAT THE INFORMATION ABOUT YOUR YEW GROVE OPTIONS IS NOT CORRECT OR IS INCOMPLETE, PLEASE CONTACT CHARLES PEACH AS SOON AS POSSIBLE AT [cpeach@ygreit.com](mailto:cpeach@ygreit.com).**

In connection with the Acquisition the Yew Grove Remuneration Committee has resolved, in accordance with the rules of the Yew Grove Share Plan, as follows:

- Yew Grove Options granted in 2019 will automatically lapse on 31 December 2021, according to their terms. This is by reason of the fact that the performance conditions applicable to these Yew Grove Options, measured over the period of Yew Grove's 2019, 2020 and 2021 financial years, will not have been satisfied; and
- Immediately prior to the Effective Time, subject to the Scheme becoming Effective, each Yew Grove Option granted in 2020 will vest and become exercisable as to 62.93% of the total number of underlying Yew Grove Shares and each Yew Grove Option granted in 2021 will vest and become exercisable as to 30.44% of the total number of underlying Yew Grove Shares.

The Yew Grove Remuneration Committee has determined, in accordance with the rules of the Yew Grove Share Plan, that the above percentages represent the appropriate portion of the Yew Grove Options granted in 2020 and 2021 that should vest on an accelerated basis in connection with the Acquisition. This determination was made taking into account two factors; the extent to which the applicable performance conditions have been satisfied to date and the portion of the three-year performance period applicable to the Yew Grove Option that will have been completed as of 31 December 2021.

The schedule to this letter shows the number of your Yew Grove Options that will vest on an accelerated basis and that you may exercise in connection with the Acquisition (the "**Vested Yew Grove Options**") and the remainder of this document sets out the terms and conditions for the exercise of your Vested Yew Grove Options.

**Yew Grove Options granted in 2019 and, to the extent they do not vest on an accelerated basis in connection with the Acquisition and constitute Vested Yew Grove Options, Yew Grove Options granted in 2020 and 2021 will automatically lapse at the Effective Time, without payment to you.**

The Yew Grove Share Plan will terminate at the Effective Time.

## 5. The Optionholder Proposal

*Exercise your Vested Yew Grove Options and have your Yew Grove Shares acquired by Bidco on the same terms as apply under the Scheme*

You are invited to elect to exercise your Vested Yew Grove Options, conditional upon the Scheme becoming effective. If you do so, the exercise of your Vested Yew Grove Options will take effect immediately prior to the Effective Time, conditional upon the Scheme becoming Effective. The Yew Grove Shares issued to you upon such exercise will then be immediately acquired by Bidco under the Yew Grove Constitution (as amended in connection with the Acquisition) on the same basis as applies to Scheme Shareholders. You will be entitled to receive a cash payment for your Yew Grove Shares in the amount equal to the Consideration (without interest and less any applicable withholding taxes).

### *Cashless Exercise Facility*

If you elect to exercise your Vested Yew Grove Options, you will be required to avail of a cashless exercise facility (the "**Cashless Exercise Facility**"). You will undertake to pay Yew Grove the Exercise Price of your Vested Yew Grove Options, but you will direct Bidco to deduct that amount from the payment due to you for your Yew Grove Shares acquired on exercise of your Vested Yew Grove Options, and to pay that amount directly to Yew Grove on your behalf. You will then be entitled to a payment from Bidco in the amount equal to the Consideration for such Yew Grove Shares less the total amount of the Exercise Price of your Vested Yew Grove Options.

## 6. What do you need to do to accept the Optionholder Proposal?

To accept the Optionholder Proposal i.e. to exercise your Vested Yew Grove Options, using the Cashless Exercise Facility, and have your resulting Yew Grove Shares acquired by Bidco in the Acquisition, you must complete the enclosed Acceptance Form, according to the instructions on the form, and return a PDF copy of the signed, completed form to Charles Peach at Yew Grove, at [cpeach@ygreit.com](mailto:cpeach@ygreit.com), by no later than 5.00 pm (Dublin Time) on 13 January 2022 (the "**Latest Acceptance Date**").

By completing and returning a PDF copy of your completed Acceptance Form you will agree to accept the Optionholder Proposal, on the Terms of Acceptance attached to the Acceptance Form. They include conferring of irrevocable powers of attorney and confirming that the decisions which you have made on the Acceptance Form cannot be withdrawn or altered except with the agreement of Yew Grove. You should read these terms and conditions carefully.

You need to sign the Acceptance Form and have your signature witnessed by a person who is 18 years of age or older and who is not your spouse or civil partner.

**7. When will you receive your payment in respect of your exercised Vested Yew Grove Options?**

If the Scheme becomes Effective and you are subject to taxation in Ireland in respect of your employment, you will receive the payment due to you for your Yew Grove Shares (less the Exercise Price paid for your Vested Yew Grove Options under the Cashless Exercise Facility) within 14 days of the Effective Date. The payment will be made by electronic transfer to the bank account nominated by you in the Acceptance Form. See *Taxation* below for a summary of the tax arrangements that will apply in respect of this payment.

If the Scheme becomes Effective and you are subject to taxation in the UK in respect of your employment, the payment due to you for your Yew Grove Shares (less the Exercise Price paid for your Vested Yew Grove Options under the Cashless Exercise Facility) will be paid by Bidco to Yew Grove within 14 days of the Effective Date. It will then be paid to you via Yew Grove payroll on the earliest practicable date after receipt by Yew Grove of the funds and will be subject to deduction of applicable taxes and national insurance contributions (see *Taxation* below).

**8. What if you do not accept the Optionholder Proposal?**

**If you do not accept the Optionholder Proposal by returning a PDF copy of your completed Acceptance Form by the Latest Acceptance Date, your Vested Yew Grove Options will lapse at the Effective Time, without payment to you, and you will lose the benefit of them. Accordingly, if you wish to accept the Optionholder Proposal, it is critically important that you complete the enclosed Acceptance Form and return a PDF copy of it to Yew Grove no later than 5.00 pm. (Dublin Time) on the Latest Acceptance Date.**

**9. Taxation**

Part 2 of this document contains general information about the tax treatment of share option transactions for employees who are subject to taxation in Ireland and the U.K. It is for general guidance only and does not take account of all factors that may be relevant to the taxation of the exercise of an individual's Vested Yew Grove Options and the disposal of their resulting Yew Grove Shares in the Acquisition.

**10. What happens if the Acquisition is not completed?**

The Acquisition will not be completed unless and until the Scheme becomes Effective. If the Scheme does not become Effective, then:

- Yew Grove Options that are not already vested and exercisable will not accelerate, and they will continue in effect in accordance with their existing terms and conditions, including the applicable performance conditions; and
- if you have submitted an Acceptance Form, it will have no effect.

**11. What happens to your Yew Grove Options if you resign from your employment with Yew Grove before the Effective Date?**

If you resign from your employment with Yew Grove before the Effective Date, your Yew Grove Options will immediately lapse on the date your employment with Yew Grove ends and you will not benefit from the Optionholder Proposal or the Acquisition in respect of your Yew Grove Options.

**12. Further Information**

If you have any queries about this Optionholder Proposal, please contact Charles Peach at [cpeach@ygreit.com](mailto:cpeach@ygreit.com). Yew Grove will not provide advice on the benefits of the Acquisition or the Scheme or the Optionholder Proposal described in Section 5 above or give financial advice or tax advice.

**13. Need for Action**

Part 2 of this document contains additional information which you should read before making a decision with respect to your Vested Yew Grove Options.

If you do not elect to accept the Optionholder Proposal by returning a PDF copy of your completed Acceptance Form by the Latest Acceptance Date, your Vested Yew Grove Options will lapse at the Effective Time, without any payment to you, and you will lose the benefit of them. Accordingly, you are strongly urged to make a prompt decision. You are advised to take independent tax and/or financial advice if you are in any doubt about your individual circumstances or as to what action you should take.

**14. Recommendation**

The Yew Grove Board, which has been so advised by Goodbody, considers the Optionholder Proposal described in this document to be fair and reasonable. In providing advice to the Yew Grove Board, Goodbody has taken account of the commercial assessments of the Yew Grove Board and considers the financial terms set out in this document to be fair and reasonable.

Yours faithfully

**Brady Welch**  
*Chairperson*  
Bidco

**Barry O'Dowd**  
*Chairperson of the Board*  
Yew Grove REIT plc



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**PART 2:  
ADDITIONAL INFORMATION**

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**1. Rules of the Yew Grove Share Plan**

A copy of the rules of the Yew Grove Share Plan is available for inspection at the registered office of Yew Grove during usual business hours prior to the Scheme taking effect. Alternatively, any Yew Grove Optionholder who requires a copy of the rules of the Yew Grove Share Plan should contact Charles Peach at Yew Grove; [cpeach@ygreit.com](mailto:cpeach@ygreit.com).

**2. Tax Consequences - Yew Grove Optionholders**

**2.1 Ireland**

The following summary is based on existing Irish tax law and our understanding of the practices of the Irish Revenue Commissioners as of the date of this document. Legislative, administrative or judicial changes may modify the tax consequences described in this summary, possibly with retroactive effect.

This summary does not constitute tax advice and is intended only as a general guide. This summary is not exhaustive and does not consider the application of any Double Taxation Agreement (DTA) relief that may be available to individuals resident in a country with which Ireland has concluded a DTA. You should consult your own tax adviser about the Irish tax consequences (and the tax consequences under the laws of other relevant jurisdictions and any applicable DTA), which may arise as a result of the Acquisition and your Yew Grove Options.

*Exercise of Yew Grove Options – Self-Assessment Taxes*

On exercise of your Vested Yew Grove Options under the Optionholder Proposal you will have an income tax liability at the rate of 40 per cent (unless you have agreed in advance with the Revenue Commissioners that a rate of 20 per cent will apply to you), an employee PRSI liability of 4 per cent and a USC liability of up to 8 per cent on the excess of the market value of a Yew Grove Share on the date of exercise over the per share Exercise Price of your Vested Yew Grove Options, multiplied by the number of Yew Grove Shares in respect of which you exercise your Vested Yew Grove Options.

You must account for these liabilities to the Revenue Commissioners within 30 days after exercise of your Yew Grove Options and your payment must be accompanied by a completed Form RTSO1. Please note that payment of the tax due and filing form RTSO1 and an annual self-assessment tax return will be your responsibility, but Yew Grove is obliged to return details of all options exercised to the Revenue Commissioners annually.

*Capital Gains Tax*

If your resulting Yew Grove Shares are transferred to Bidco immediately after the exercise of your Yew Grove Options under the Yew Grove Constitution, as provided for in the Acquisition, no Capital Gains Tax should arise on this sale of these Yew Grove Shares. However, you may need to return details of the share option exercise and the disposal to the Revenue Commissioners on a Form 11 (tax return), including detail of the sales proceeds.

This summary is based on existing Irish tax law and our understanding of the practices of the Irish Revenue Commissioners as of the date of this document. Legislative, administrative or judicial changes may modify the tax consequences described in this summary, possibly with retroactive effect.

## **2.2 Yew Grove Optionholders tax resident in the UK**

### *Exercise of Options – Payroll Taxes*

On exercise of your Vested Yew Grove Options under the Optionholder Proposal, you will be subject to income tax (currently at up to 45%) and employees' national insurance contributions (currently 2% (for higher/additional rate taxpayers)) on the taxable amount which is equal to the fair market value of the Yew Grove Shares acquired on exercise less the Exercise Price paid for your Vested Yew Grove Options under the Cashless Exercise Facility.

Yew Grove is required to deduct these taxes and contributions from the payment you will receive for your Yew Grove Shares. Your payment will be processed through payroll so that these deductions can be made.

Yew Grove is obliged to return the details of all options exercised to HMRC annually.

### *Capital Gains Tax*

If your resulting Yew Grove Shares are transferred to Bidco immediately following the exercise of your Vested Yew Grove Options under the Yew Grove Constitution as provided for in the Acquisition, no Capital Gains Tax should arise on this sale of your Yew Grove Shares. However, you may need to return details of the share option exercise and the disposal to the HMRC on an annual tax return through the self-assessment system, including detail of the sales proceeds.

The tax information above is a summary based on the laws and practices currently in force in the UK regarding the tax position of Yew Grove Optionholders and should be treated with appropriate caution. Particular rules may apply depending on your individual circumstances if you have not been resident in the UK over the life of the option and/or exercised all of your employment duties in the UK.

The summary does not constitute tax or legal advice and the comments are of a general nature only. If you are in any doubt as to your tax position, you should seek independent professional advice.

## **2.3 Yew Grove Optionholders tax resident in other Jurisdictions**

Summaries of the tax consequences in jurisdictions other than Ireland and the UK of the exercise of share options are not provided with this document. You are advised to seek independent professional advice.

## **3. Miscellaneous Information**

Accidental omission to dispatch this document to, or any failure to receive the same by, any person to whom the choices set out in this document apply, or should apply, shall not invalidate the choices set out in this document in any way.

IBI Corporate Finance has given and not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which it appears in this document.

Goodbody has given and not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which it appears in this document.

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**SCHEDULE:  
DETAILS OF YOUR YEW GROVE OPTIONS (ATTACHED)**

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