

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

If you are in any doubt about the contents of this document or about what action you should take, you should seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act, 2000 if you are resident in the United Kingdom or, if you reside elsewhere, another appropriately authorised financial adviser.

## **PRIMARY HEALTH PROPERTIES PLC**

(registered in England and Wales with registration number: 03033634)

### **SCRIP DIVIDEND SCHEME**

## **PART 1 – DESCRIPTION OF THE SCRIP DIVIDEND SCHEME**

### **1. THE SCRIP DIVIDEND SCHEME**

The optional Scrip Dividend Scheme enables eligible Shareholders to receive New Shares in Primary Health Properties PLC in respect of any interim or final dividend where a scrip dividend alternative is offered instead of the cash dividend you would otherwise receive. This makes it possible for you to build your shareholding in the Company without going to the market to buy additional shares in the capital of the Company. You will not incur any dealing costs, stamp duty, stamp duty reserve tax or STT in electing to take a scrip dividend instead of a cash dividend (however SA Shareholders that hold Ordinary Shares via the JSE may be subject to administrative fees). Please refer to the taxation information in Part 2 below.

However, you should bear in mind that the price of the New Shares can go down as well as up, and whether you elect to participate in the Scrip Dividend Scheme is your own decision depending on your individual circumstances. If you are in any doubt as to the action you should take, you are advised to consult your stockbroker, custodian, bank manager, legal adviser, accountant or other independent professional adviser.

The operation of the Scrip Dividend Scheme is subject always to the Directors' decision to make a scrip dividend alternative available in respect of any particular dividend or in respect of all or any dividends payable within a specified period. Should the Directors decide not to offer the scrip dividend alternative in respect of any particular dividend, cash will automatically be paid.

The Company is a UK REIT. The Directors may set different proportions of a dividend payable as a PID or Non-PID depending on whether the dividend is received as cash or shares. Please refer to the taxation information in Part 2 below for comment on the tax treatment of PIDs and Non-PIDs.

For your protection, the Directors may (and absent mitigating circumstances intend to) declare your Scrip Mandate, CREST Dividend Election Input Message or instructions to your CSDP, broker or custodian (in the case of SA Shareholders) void and pay a cash dividend instead in respect of a Relevant Dividend but only if the middle market quotation for the Company's Ordinary Shares by the final date for receipt of Scrip Mandate Forms, CREST Dividend Election Input Messages and instructions to your CSDP, broker or custodian (in the case of SA Shareholders) in respect of that Relevant Dividend falls by 10 per cent. or more from the Scrip Share Price.

It is proposed that at the 2026 AGM Shareholders approve the Scheme. The continued operation of the Scheme is subject both to renewal of that authority at the appropriate time and to the Directors' subsequent decision to make that scrip dividend alternative offer in respect of dividends declared or paid. If the authority is not renewed at the appropriate time or the Directors decide not to offer a scrip dividend alternative in respect of a particular dividend, the full cash dividend will be paid in the normal way together with any cash balance carried forward. The Scheme may be modified or terminated at any time by the Company without notice to participants individually, although advice of any such action will normally be sent to all Shareholders. In the case of any modification, existing Scrip Mandates will remain valid under the modified scheme unless and until the Company receives a valid revocation of the Scrip Mandate. Should the Scheme be terminated, all Scrip Mandates then in force will be deemed to have been revoked as at the date of such termination and any cash balances carried forward will be paid to Shareholders or carried forward until the next dividend.

## 2. JOINING THE SCHEME

All Shareholders resident in the UK or South Africa are entitled to participate in the Scrip Dividend Scheme. Shareholders resident in South Africa and who hold Ordinary Shares on the SA Register are, however subject to the requirements of local exchange control. Please see the section titled “Exchange Control” on page 16 of this document for details of the exchange control implications of participation in the Scrip Dividend Scheme. The right to join the Scrip Dividend Scheme is not transferable.

Eligible Shareholders can join the Scheme by completing a Scrip Mandate Form, CREST Dividend Election Input Message or (in the case of SA Shareholders) instructing your CSDP, broker or custodian (as applicable). Please see below for further detail on how to join the Scheme. For details regarding overseas Shareholders, please see paragraph 10 in this Part 1 below.

### ***How do I join the Scrip Dividend Scheme if I hold Ordinary Shares in Certificated Form (not through CREST or via a CSDP or broker)?***

If you are a UK Certificated Shareholder, you may join the Scrip Dividend Scheme by either (i) completing the Scrip Mandate Form (as may be amended from time to time) provided to you or obtainable on request from Equiniti and return it to the Equiniti; or (ii) through [www.shareview.com](http://www.shareview.com) (for evergreen elections only), by 5:00 p.m. (UK time) on the date advised by the Company to be eligible for that Relevant Dividend. Scrip Mandate Forms will also be made available for download from the Company’s website at [www.phpgroup.co.uk/scrip](http://www.phpgroup.co.uk/scrip), for completion and return to Equiniti. No acknowledgement of receipt of Scrip Mandate Forms will be given.

If you are a UK Certificated Shareholder, your Scrip Mandate will remain in force in respect of your entire holding of Ordinary Shares for all future dividends in respect of which a scrip dividend alternative is offered and the Scrip Dividend Scheme applies until cancelled by you in writing.

If you are a SA Certificated Shareholder, you may join the Scrip Dividend Scheme by completing the Scrip Mandate Form (as may be amended from time to time) provided to you or obtainable on request from the SA Transfer Secretaries, and return it to the SA Transfer Secretaries by 5:00 p.m. (UK time) on the date advised by the Company to be eligible for that Relevant Dividend. Scrip Mandate Forms will also be made available for download from the Company’s website at [www.phpgroup.co.uk/scrip](http://www.phpgroup.co.uk/scrip), for completion and return to the SA Transfer Secretaries. No acknowledgement of receipt of Scrip Mandate Forms will be given.

Shareholders on the SA Register should note that any election by them to participate in the Scrip Dividend Scheme in respect of a Relevant Dividend is irrevocable. Notwithstanding previous participation in the Scrip Dividend Scheme, an election is required to be made as set out above in respect of each Relevant Dividend, failing which Shareholders will receive the cash dividend.

Any Scrip Mandate Form sent to an address that has not been specified by the Company as an address for that particular type of Shareholder to return a Scrip Mandate Form to will not be accepted or considered valid.

### ***How do I join the Scrip Dividend Scheme if I hold Ordinary Shares in Uncertificated Form on CREST?***

Shareholders who hold their Ordinary Shares in CREST can elect to receive dividends in the form of New Shares through the CREST Dividend Election Input Message which must be received by Equiniti by no later than 5:00 p.m. (UK time) on the date advised by the Company to be eligible for that Relevant Dividend. By doing so Shareholders confirm their election to participate in the Scrip Dividend Scheme and their acceptance of these terms and conditions, as may be amended from time to time. Other forms of election, including paper forms of election, will not be accepted.

The CREST Dividend Election Input Message must contain the number of Ordinary Shares in respect of which the election is made. If the number of Ordinary Shares elected is zero or left blank, the election will be rejected. If the number is greater than the number of Ordinary Shares held by the relevant Shareholder at the relevant Record Date, the election will be scaled back to the holding at the Record Date.

Once an election is made using the CREST Dividend Election Input Message system it cannot be amended. Therefore if a Shareholder wishes to change its election, such Shareholder would need to cancel their previous election and submit a new election.

If you wish to receive New Shares instead of cash in respect of a future Relevant Dividend, you must complete a CREST Dividend Election Input Message, otherwise you will receive your dividend in cash.

All elections will lapse automatically after the Relevant Dividend for which the election has been made.

***How do I join the Scrip Dividend Scheme if I hold Ordinary Shares in Dematerialised Form on the SA Register?***

SA Shareholders who hold their Ordinary Shares in Dematerialised Form and who wish to participate in the Scrip Dividend Scheme in respect of any Relevant Dividend should notify their CSDP, broker or custodian as such in the manner and the time stipulated in the agreement governing the relationship between such Shareholder and their CSDP, broker or custodian, failing which they will receive the cash dividend.

Any paper elections relating to dematerialised holdings are submitted wholly at the risk of the submitting party and the SA Transfer Secretaries reserve the right to reject any paper elections received relating to these holdings.

Any election to participate in the Scrip Dividend Scheme in respect of a Relevant Dividend is irrevocable. Notwithstanding previous participation in the Scrip Dividend Scheme, an election is required to be notified as set out above in respect of each Relevant Dividend, failing which Shareholders will receive the cash dividend.

***What does it mean to make an election to participate in the Scrip Dividend Scheme?***

Upon making an election to participate in the Scrip Dividend Scheme, each Shareholder will be deemed (whether the election is made by them or on their behalf) to have:

- (a) agreed to participate in the Scrip Dividend Scheme pursuant to the terms and conditions set out in this document (as amended from time to time), such that the participating Shareholder receives New Shares in lieu of a cash dividend; and
- (b) authorised the Company or its agent: (i) in the case of holdings in Certificated Form, to send to the Shareholder at the Shareholder's registered address any definitive share certificate in respect of New Shares allotted; (ii) in the case of holdings in Uncertificated Form on CREST, to credit the New Shares to the Shareholder's CREST account on the relevant settlement date for the Relevant Dividend and (iii) in the case of holdings in Dematerialised Form, to credit the New Shares allotted to the Shareholder's CSDP account on the relevant settlement date for the Relevant Dividend.

**3. NUMBER OF NEW SHARES**

The number of New Shares that Shareholders will receive for each dividend will depend on the amount of the cash dividend, any residual cash balance brought forward from the last scrip dividend, the number of Ordinary Shares held, the Scrip Share Price to be used in calculating Shareholders' entitlements and,

for PIDs only, whether withholding tax applies. The Scrip Share Price will be the average of the middle market quotations for the Ordinary Shares on the Daily Official List for the five dealing days commencing on the ex-dividend date. The Scrip Share Price will be posted on the Company’s website [www.phpgroup.co.uk/scrip](http://www.phpgroup.co.uk/scrip). Absent any requirement to withhold tax, the formula used for calculating the maximum number of New Shares to be received for each dividend is set out below:

$$\frac{\text{(Number of Ordinary Shares held at the dividend record date x cash dividend rate) + Any fractional cash entitlement carried forward from last dividend*}}{\text{Scrip Share Price}}$$

Scrip Share Price

\* No fractional cash entitlements will be available for inclusion in respect of the first dividend for which you participate in the Scheme.

Where a dividend is a PID however, the number of New Shares received will be reduced if withholding tax applies. An example of this is shown in paragraph (B) below.

To calculate the cash value SA Shareholders would otherwise receive per New Share, the applicable Exchange Rate for the Rand equivalent of the Relevant Dividend in South Africa will be determined by the Company on the Currency Conversion Date, being the date following the five dealing days commencing on the ex-dividend date.

Once the New Shares have been issued, a statement, along with a new share certificate (where relevant), showing the number of New Shares allotted, the Scrip Share Price and the Cash Equivalent of the New Shares and any applicable withholding tax for tax purposes, will be sent to Shareholders. If your cash dividend entitlement is insufficient to acquire at least one New Share, the statement provided will explain that no New Shares have been issued and will show the total amount of cash to be carried forward.

**(A) Worked example of a scrip dividend alternative for a Non-PID**

**Assuming a relevant dividend with a cash value of 5.1 pence per Ordinary Share, a shareholding of 1,000 Ordinary Shares and a Scrip Share Price of £1.00**

- aggregate value of cash dividend: 1,000 x 5.1 pence = £51.00

This amount of £51.00 is the maximum amount available.

- **number of New Shares under the scrip dividend alternative: £51.00 ÷ £1.00 = 51 New Shares**
- value of New Shares at the Scrip Share Price: 51 x £1.00 = £51.00

Deducting this from the amount of the cash dividend (£51.00) leaves no cash balance to be carried forward to the next Relevant Dividend.

**(B) Worked example of a scrip dividend alternative for a PID**

Subject to certain exceptions, the Company is required to withhold tax at source (currently at 20 per cent., but scheduled to increase to 22% from 6 April 2027) from its PIDs, whether paid in cash or in the form of New Shares pursuant to a scrip dividend alternative (see part 2 of this document for further details about the withholding tax). The Company will satisfy its obligation to withhold tax at source from a PID that is paid in the form of New Shares by not issuing the full number of New Shares to which a Shareholder would otherwise be entitled in respect of that PID and accounting to HM Revenue & Customs for withholding tax on the Cash Equivalent of the PID.

Where withholding tax applies, the formula used to calculate a Shareholder's entitlement to New Shares is therefore modified so that the number of New Shares issued is calculated by reference to 80 per cent. of the aggregate value of cash dividend forgone instead of the whole amount, together with any cash balance arising from a previous PID. If the withholding tax rate changes from 20 per cent. (as is scheduled from 6 April 2027), the 80 per cent. figure will be adjusted accordingly.

**Assuming a relevant dividend with a cash value of 5.1 pence per Ordinary Share, a withholding tax of 20 per cent, a shareholding of 1,000 Ordinary Shares and a Scrip Share Price of £1.00**

- aggregate value of cash dividend:  $1,000 \times 5.1 \text{ pence} = \text{£}51.00$
- **number of New Shares under the scrip dividend alternative:  $\text{£}51.00 \times 80 \text{ per cent.} (\text{£}40.80) \div \text{£}1.00 = 40.8$ , rounded down to 40 New Shares**
- value of New Shares at the Scrip Share Price:  $40 \times \text{£}1.00 = \text{£}40.00$

Deducting this from £40.80 (being £51.00 less withholding tax at 20 per cent.) leaves a cash balance of 80 pence which would be carried forward to the next Relevant Dividend.

**Fluctuation in market value of Ordinary Shares and amount of withholding tax**

The market value of the New Shares at the time of issue may differ from the Scrip Share Price, and accordingly the market value of those additional New Shares that would have been issued to the Shareholder absent any withholding tax requirement may not equate to the actual amount of withholding tax that the Company is required to account for to HM Revenue & Customs and in respect of which the Shareholder may be entitled to credit. No additional payment will be made to, or sought from, a Shareholder in respect of any such difference.

*Note: The examples above assume no cash balance has been brought forward in respect of a previous Relevant Dividend.*

**4. FRACTIONS AND CASH BALANCES**

No fraction of a New Share will be allotted and calculations of entitlements to New Shares will always be rounded down to the nearest whole New Share. Any residual cash balance will be carried forward to be included in the calculation for the next dividend. No interest will be paid on any residual cash balances.

**5. FUTURE DIVIDENDS**

Once a UK Certificated Shareholder has returned a valid Scrip Mandate Form this will apply for all successive dividends unless and until it is cancelled in writing by the Shareholder. Shareholders holding their Ordinary Shares in CREST must elect for each Relevant Dividend using a CREST Dividend Election Input Message. SA Certificated Shareholders must elect for each Relevant Dividend using a Scrip Mandate Form and SA Shareholders holding Ordinary Shares in Dematerialised Form must elect for each Relevant Dividend by notifying their CSDP, broker or custodian in the manner and time stipulated in the agreement governing the relationship between such Shareholder and their CSDP, broker or custodian. The Scheme is always subject to the Directors' decision to offer a scrip dividend alternative. The Directors may decide not to offer a scrip dividend alternative in respect of any future dividend.

All New Shares issued under the Scheme will automatically increase a Shareholder's shareholding on which the next entitlement to a scrip dividend will be calculated. Where the cash dividend is insufficient to acquire New Shares, funds representing Shareholders' fractional cash entitlement will be accumulated for their benefit. These funds will be added to the cash amount of any subsequent Relevant Dividends

(in respect of which a scrip dividend alternative is offered) and applied in calculating Shareholders' entitlements under those dividends.

If you withdraw from the Scheme or sell or transfer your entire holding of Ordinary Shares or if the Company terminates the Scheme any cash balance of less than £5 will be paid to a charity of the Company's choice.

## **6. LISTING AND RANKING OF THE NEW SHARES**

Application will be made to (i) the London Stock Exchange for admission of New Shares to trading; and (ii) to the main board of the JSE for the listing of New Shares issued under the Scrip Dividend Scheme (as applicable). The New Shares will be credited as fully paid and will rank equally in all respects with the existing Ordinary Shares (including the same voting rights). If for any reason the New Shares are not admitted to trading in a jurisdiction, the Company will pay the Relevant Dividend in cash in the usual way as soon as practicable.

## **7. SHARE CERTIFICATES AND DEALINGS IN THE NEW SHARES**

Subject to the New Shares being admitted to trading on the London Stock Exchange and the JSE, your new share certificate (if applicable) will be posted to you, at your own risk, on or about the same date as dividend warrants are posted to Shareholders who are taking the dividends in cash (see the Company's website [www.phpgroup.co.uk](http://www.phpgroup.co.uk) for the expected dates in respect of each Relevant Dividend). CREST holders will have their member accounts credited directly with the New Shares on the dividend payment date or as soon as practicable thereafter. SA Shareholders who hold their Ordinary Shares in Dematerialised Form on the SA Register will have their CSDP accounts credited directly with the relevant New Shares on the dividend payment date or as soon as practicable thereafter. Shareholders electing for a scrip dividend will, in addition, receive a statement showing the number of New Shares allotted, the Scrip Share Price and the Cash Equivalent of the New Shares and any applicable withholding tax for tax purposes. Dealings in the New Shares are expected to begin on the Relevant Dividend Payment Date.

## **8. MULTIPLE AND JOINT SHAREHOLDINGS**

If a Shareholder's Ordinary Shares are registered in more than one holding, then unless such multiple shareholdings are consolidated before the date for final receipt of the Scrip Mandate Forms they will be treated as separate. As a result, separate Scrip Mandate Forms will need to be completed for each holding if Shareholders wish to receive New Shares under the Scheme in respect of each holding.

Shareholders who hold some of their Ordinary Shares in Certificated Form and some in Uncertificated Form or Dematerialised Form will be required to elect to participate in the Scrip Dividend Scheme for each of their certificated, uncertificated or dematerialised holdings separately.

In respect of shareholdings held in joint names all joint Shareholders must sign the Scrip Mandate Form or notify their election via CREST or their CSDP or broker, as applicable.

## **9. PARTIAL ELECTIONS**

Scrip Mandate Forms will only be accepted in relation to the whole shareholding. The Directors may, at their discretion, allow a Shareholder to take up a lesser number of New Shares where they are acting on behalf of more than one beneficial holder that is, through a nominee shareholding held in CREST or through a nominee shareholding on the SA Register held via a CSDP or broker. The CREST Dividend Election Input Message submitted to CREST must contain the number of Ordinary Shares for which the election is being made. For nominee shareholdings on the SA Register held via a CSDP or broker, the

dividend election instruction to the SA Transfer Secretaries must contain the number of Ordinary Shares for which the election is being made. Such elections must be renewed for each dividend. A cash dividend will be paid on any remaining Ordinary Shares not included in the CREST Dividend Election Input Message or other form of instruction.

#### **10. OVERSEAS SHAREHOLDERS**

Shareholders who are resident outside the UK or South Africa, may elect to join the Scrip Dividend Scheme unless such an election could not lawfully be made by such Shareholders without compliance with any further obligation on the part of the Company or your participation would not be in compliance with any registration or other legal or regulatory requirements. It is the responsibility of any person resident outside the UK or South Africa wishing to elect to receive New Shares under the Scheme (if offered) to be satisfied that such a decision can validly be made without any further obligation on the part of the Company, and to be satisfied as to full observance of the laws of the relevant territory, including obtaining any governmental, regulatory or other consents which may be required and observing any other formalities in such territories and any resale restrictions which may apply to the New Shares. Unless this condition is satisfied, such Shareholders may not participate in the Scheme or sign a Scrip Mandate Form (or where applicable make an election through CREST).

By completing and returning a Scrip Mandate Form or making an election through CREST or instructing your CSDP, broker or custodian (in the case of SA Shareholders), each Shareholder will confirm that they are not resident in any jurisdiction that would require the Company to comply with any registration or other legal or regulatory requirements arising out of this election or holding any Ordinary Shares as nominee(s) or transferee(s) for any beneficial holder who is so resident.

#### **11. RECENT SALE OR PURCHASE OF ORDINARY SHARES**

If Shareholders have sold some of their Ordinary Shares before a dividend record date, the Scrip Dividend Scheme will apply in respect of the remainder of such Shareholders' Ordinary Shares. If Shareholders have bought any additional Ordinary Shares after a dividend record date, the additional Ordinary Shares will not be eligible for the next dividend, but will be eligible for future dividends, without the need to complete a further Scrip Mandate Form in respect of the additional Ordinary Shares.

#### **12. CANCELLATION OF SCRIP INSTRUCTION**

Other than SA Shareholders, Shareholders may cancel their Scrip instruction at any time. Notice of cancellation must be given in writing to Equiniti and received by Equiniti by no later than 5:00 p.m. (UK time) on the date advised by the Company for receipt of Scrip Mandate Forms when a Relevant Dividend is announced. CREST Shareholders can only cancel their instruction through the CREST system. A notice of cancellation will take effect on its receipt and processed by Equiniti in respect of all dividends payable after the date of receipt of such notice. If a notice of cancellation is received after 5:00 p.m. (UK time) on the date advised by the Company, the Shareholder will receive New Shares under the Scheme for that Relevant Dividend and the cancellation will take effect for subsequent dividends. For Ordinary Shares held in CREST via a broker or nominee, please contact the nominee or broker as earlier lodgement dates will apply to permit them to advise Equiniti by the required date.

A Shareholder's Scrip Mandate will be deemed to be cancelled if such Shareholder sells or otherwise transfers their Ordinary Shares to another person but only with effect from the registration of the relevant transfer. If you hold your Ordinary Shares in certificated form and you sell or transfer your entire shareholding before the last date for the lodging of the Scrip Mandate Form for a particular dividend, you will be withdrawn from the Scrip Dividend Scheme for that and any subsequent dividend.

A Shareholder's Scrip Mandate will also terminate immediately on receipt of notice of such Shareholder's death, bankruptcy, liquidation, or mental incapacity of a Shareholder, unless the Shareholder was a joint Shareholder, in which case participation of the other joint Shareholder(s) will continue (unless and until cancelled by the surviving joint Shareholder(s)). Any residual amounts over £5 standing to the credit of a Shareholder will be paid to such Shareholder in cash (by cheque) on or as soon as practicable after the cancellation. Where such residual amount is under £5, such sums will be paid to a charity of the Company's choice.

Any notice sent to an address other than that stated in paragraph 2 above or specified by the Company for receipt of such notice will not be accepted or considered valid.

### **13. CHANGES TO OR CANCELLATION OF THE SCHEME**

The Directors may at any time, at their discretion and without notice to Shareholders, modify, suspend, terminate or cancel the Scheme. In the case of any modification, existing Scrip Mandates (unless otherwise specified by the Directors) will be deemed to remain valid under the modified arrangements unless and until, in respect of UK Shareholders only, Equiniti receives a cancellation in writing from such Shareholders pursuant to paragraph 12 above.

If the Scheme is terminated or cancelled by the Directors, all Scrip Mandates then in force will be deemed to have been cancelled as at the date of such termination or cancellation.

The operation of the Scrip Dividend Scheme is always subject to the Directors' decision to make an offer of New Shares in respect of any particular dividend. The Directors may also determine whether any scrip dividend alternative will be in PID or Non-PID form including whether it should be treated as a Non-PID in circumstances where the cash dividend is a PID, and vice versa. The Directors also have the power, after such an offer is made, to revoke the offer generally at any time prior to the allotment of New Shares under the Scheme. If the Directors revoke an offer (or otherwise suspend, terminate or cancel the Scheme), Shareholders will receive their dividend in cash on or as soon as reasonably practicable after the dividend payment date.

Any announcement of any cancellation or modification of the terms of the Scrip Dividend Scheme (either generally or in relation to a specific dividend) will be announced and made available on the Company's website at [www.phpgroup.co.uk/scrip](http://www.phpgroup.co.uk/scrip) and via a Regulatory Information Service provider.

### **14. TIMELINE**

Details of the expected timetable in relation to the application of the Scrip Dividend Scheme to a particular dividend (including the dividend payment date, the ex-dividend date and the record date for any dividend) will be available on the Company's website at [www.phpgroup.co.uk/scrip](http://www.phpgroup.co.uk/scrip), via a Regulatory Information Service, by contacting Equiniti on their helpline as indicated below, by contacting the SA Transfer Secretaries on their helpline as indicated below or in such other manner as may be required by the London Stock Exchange and the JSE. For Ordinary Shares held in CREST or via a CSDP or broker, please contact your CREST Provider, CSDP or broker, as earlier lodgement dates may apply in order to permit them to advise the relevant Registrar by the dates specified above.

Elections received or input after the lodgement dates specified will be rejected in relation to the Relevant Dividend, except in relation to those UK Certificated Shareholders who have made an "evergreen" election by completing a Scrip Mandate Form, where such election will apply to future Relevant Dividends only.

## **15. TAXATION**

The tax consequences of electing to receive New Shares in place of a cash dividend will depend on your individual circumstances. If you are not sure how you will be affected from a tax perspective, you should consult your solicitor, accountant or other professional adviser before taking any action. UK resident trustees, corporates, pension funds and other Shareholders, including SA Shareholders and other overseas Shareholders, are advised to contact their professional advisers regarding their own tax circumstances before taking any action in relation to the Scheme.

## **16. GOVERNING LAW**

The Scheme (including the Scrip Mandate Form and any related documents) is subject to the Company's articles of association and these terms and conditions, as amended from time to time, and is governed by, and its terms and conditions are to be construed in accordance with, English law. By electing to receive New Shares the relevant Shareholder agrees to submit to the exclusive jurisdiction of the English courts in relation to the Scheme.

## **17. CONTACTS**

If you are on the UK register, for general enquiries about the Scheme, please contact Equiniti on 0371 384 2268. Lines are open 9.00 a.m. to 5.00 p.m. Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Scrip Dividend Scheme nor give any personal financial, legal or tax advice.

If you are on the SA register, for general enquiries about the Scheme, please contact JSE Investor Services Proprietary Limited on 086 147 2644 (from within South Africa) or +27 11 029 0112 (from outside South Africa) between 8.00 a.m. and 4.30 p.m. (South African Standard Time) Monday to Friday excluding public holidays in South Africa. Calls are charged at the standard geographic rate and will vary by provider. Calls outside South Africa will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Scrip Dividend Scheme nor give any financial, investment, legal or tax advice.

## PART 2 – TAXATION GUIDELINES

### TAXATION

The precise tax consequences for a Shareholder receiving New Shares in lieu of a cash dividend will depend on the Shareholder's individual personal circumstances. The Directors have been advised that, under UK and South African legislation, the tax consequences for UK and South Africa tax resident Shareholders electing to receive New Shares are as summarised below.

This summary is based on current law as at 20 March 2026, is not exhaustive and does not deal with the position of any Shareholder not resident in the United Kingdom or South Africa for tax purposes. Unless expressly stated, it does not anticipate the effect (if any) of any changes in taxation which may be introduced after 20 March 2026.

If you are in any doubt as to your position, you are strongly advised to consult your tax adviser before taking any action.

### DIVIDENDS PAID BY REITS—PID/NON-PID

The Company is a Real Estate Investment Trust (“**REIT**”). As a result it does not pay UK corporation tax on income profits and capital gains from its property rental business (“**Tax Exempt Business**”), provided certain conditions are satisfied. Instead, the Company is required to distribute to Shareholders at least 90 per cent. of the income profits of the Tax-Exempt Business (as determined by the legislation) arising each accounting period. This obligation is fulfilled by way of a PID, which can be distributed in cash or as New Shares and (with some exceptions) will in either case be subject to withholding tax.

Corporation tax is payable in the normal way in respect of profit and gains from other parts of the Company's business (the “**Residual Business**”) and a dividend relating to the Residual Business (as determined by the legislation), or Non-PID, is treated for UK tax purposes as a normal dividend (whether in cash or as New Shares).

The following paragraphs outline the main aspects of the tax treatment of PIDs and Non-PIDs in the hands of UK and SA tax resident Shareholders.

#### 1. UK TAXATION OF PIDS

For the purposes of this section, the value attributed to PIDs is (i) in the case of a PID in the form of New Shares, the Cash Equivalent of the New Shares and (ii) in the case of a PID in the form of cash, the amount of that cash PID, in both cases before any applicable obligation to make a withholding on account of tax.

##### (A) UK resident individuals

###### *Income tax*

PIDs received by individuals will generally be treated as the profit of a single UK property business, irrespective of whether the PID is paid in cash or as New Shares. The PID is, together with any other PIDs from any other UK REITs, treated as a separate UK property business from any other UK property business carried on by the relevant Shareholder. This means that surplus expenses from a Shareholder's

different UK property business cannot be off-set against a PID as part of a single calculation of the profits of the Shareholder's UK property business.

The PID will be subject to income tax at the Shareholder's marginal rate (currently, basic rate 20 per cent.; higher rate 40 per cent.; additional rate 45 per cent.) less any personal allowance. From 6 April 2027, the applicable property income tax rates will be 22% (basic rate), 42% (higher rate) and 47% (additional rate).

UK resident individuals are entitled to a £1,000 property income allowance (in addition to the usual personal allowance). Where an individual's property income falls below the threshold there will be no requirement to declare the income for tax purposes.

#### *Capital gains tax*

The receipt of New Shares will not give rise to an immediate charge to capital gains tax ("CGT"). Individual Shareholders who receive a PID in the form of New Shares will be treated as having acquired those New Shares for their Cash Equivalent—that will be their base cost.

Higher and additional rate taxpayers are currently subject to CGT at the rate of 24 per cent. and basic rate taxpayers at the rate of 18 per cent. on gains realised. In both cases this is subject to the annual exempt amount (currently £3,000) and any available exemptions, reliefs or losses, including entrepreneurs' relief and investors' relief.

### **(B) UK resident trustees**

#### *Income tax*

PIDs received by UK resident trustee Shareholders (in respect of a discretionary trust) will generally be treated in the same way as they are treated for UK resident individuals save that the income tax rate for trustees is a flat rate of 45 per cent. (47% from 6 April 2027). This assumes the annual income of the trustee Shareholder is £500 or more; if less, no tax will be payable.

#### *Capital gains tax*

PIDs received by UK resident trustee Shareholders will generally be subject to the same CGT regime as UK resident individuals save that the CGT rate for trustees is a flat rate of 24 per cent. and the annual exempt amount is £1,500.

### **(C) UK resident companies**

#### *Corporation tax (profits)*

PIDs received by Shareholders that are within the charge to corporation tax will generally be treated as the profit of a UK property business, irrespective of whether the PID is paid in cash or as New Shares. The PID is, together with any other PIDs from any other UK REITs, treated as a separate UK property business from any other UK property business carried on by the Shareholder. This means that surplus expenses from a Shareholder's different UK property business cannot be off-set against a PID as part of a single calculation of the profits of the Shareholder's UK property business.

#### *Corporation tax (chargeable gains)*

Shareholders that are within the charge to corporation tax receiving a PID in the form of New Shares will be treated as having acquired those New Shares for their Cash Equivalent. The corporation tax regime will apply in the normal way to subsequent disposals.

### **(D) Charities, individual savings accounts, pensions and other UK resident gross funds**

PIDs paid in respect of Ordinary Shares held in an exempt fund (such as pension funds and charities) or individual savings accounts are not subject to tax. If any tax is withheld at source it may be reclaimed from HM Revenue & Customs.

## **(E) Withholding tax**

### *General*

Subject to certain exceptions outlined below, the Company is required to withhold tax at source from PIDs at the basic rate of income tax (currently 20 per cent., but scheduled to increase to 22% from 6 April 2027), irrespective of whether the PID is paid in cash or as New Shares. In the case of a PID paid in cash, the Company will provide Shareholders with a certificate setting out the gross amount of the PID, the amount of tax withheld, and the net amount of the PID. In the case of a PID paid as New Shares, the Company will provide Shareholders with a scrip statement showing details of the New Shares issued.

For a worked example of the operation of the withholding tax in the case of a PID paid as New Shares, please see paragraph 3(B) in Part 1.

### *UK individual and trustee shareholders*

When tax has been withheld at source, individual and trustee Shareholders may, depending upon their particular circumstances, be liable to further tax at their applicable marginal rate, or may be entitled to claim repayment of some or all of the tax withheld.

### *UK company shareholders*

In the exceptional event that tax is withheld at source on a PID paid to a Shareholder within the charge to corporation tax, the tax withheld can be offset against such Shareholder's liability to corporation tax in the accounting period in which the PID is received.

### *Charities, individual savings accounts, pensions and other UK resident gross funds*

In the exceptional event that tax is withheld at source on a PID paid to a Shareholder whose Ordinary Shares are held in an exempt fund (such as pension funds and charities) or individual savings accounts, the tax withheld may be reclaimed from HM Revenue & Customs.

### *Exceptions*

The Company is not required to withhold income tax at source from a PID if it reasonably believes that (i) the person beneficially entitled to the PID is a company (other than an authorised investment fund which is a "tax elected fund") resident for tax purposes in the UK (or resident outside the UK but required to bring the PID into account in computing the taxable profits of a permanent establishment in the UK) or is a charity, local authority or specified government body; (ii) the PID is paid to the scheme administrator of a registered pension scheme, the sub-scheme administrator of certain pension sub-schemes, or the account manager of an Individual Savings Account (ISA), and will be applied for the purposes of the relevant scheme, sub-scheme or account; or (iii) the body beneficially entitled to the PID is a partnership, each member of which falls within one of the foregoing exceptions. Where the body beneficially entitled to the PID is a partnership, some of whose partners fall within one of the foregoing categories, the Company may pay gross to the extent of such partners' entitlements.

In order to receive PIDs free of withholding tax, Shareholders that fall within one of the exceptions above should submit a valid "Declaration of Eligibility" (copies of which are available on request from Equiniti). The relevant form must be lodged with Equiniti no later than the record date for the relevant dividend. Shareholders should note that the Company may seek recovery from Shareholders if the statements made in their claim form are incorrect and the Company suffers tax as a result.

## **2. UK TAXATION OF NON-PIDS**

### **(A) UK resident individuals**

#### *Income tax*

Individuals who elect to receive a Non-PID in the form of New Shares will be treated as having received the Cash Equivalent.

The first £500 of a taxpayer's dividend income is exempt from income tax.

The amount an individual is treated as having received that is in excess of the tax-free allowance will be taxed at 8.75 per cent. where it falls within an individual's basic rate band, 33.75 per cent. where it falls within an individual's higher rate band and 39.35 per cent. where it is taxed as additional rate income. From 6 April 2026, each of the foregoing rates is scheduled to increase by 2%.

#### *Capital gains tax*

The receipt of New Shares will not give rise to an immediate charge to CGT. For the purpose of computing an individual's CGT liability upon a future sale of the New Shares, the Cash Equivalent will be treated by HM Revenue & Customs as the base cost in the New Shares.

Higher and additional rate taxpayers are subject to CGT at the rate of 24 per cent. and basic rate payers at the rate of 18 per cent. on gains realised. In both cases this is subject to any available exemptions, reliefs or losses, including entrepreneurs' relief and investors' relief.

### **(B) UK resident trustees**

Trustees of a trust who elect to receive a Non-PID in the form of New Shares will be treated as having received the Cash Equivalent.

The amount the trustee is treated as having received will be liable to income tax at the current dividend trust rate of 39.75 per cent. (41.75 per cent. from 6 April 2026).

The first £500 of the trust's dividend income is exempt from income tax, noting this exempt amount applies to all dividend income of the trust (PID and Non-PID).

Where New Shares are received instead of a cash dividend, the Cash Equivalent will be treated as the consideration given for the New Shares for CGT purposes.

### **(C) UK resident companies**

#### *Corporation tax (profits)*

For a UK resident corporate Shareholder, corporation tax should not be chargeable on the receipt of a Non-PID irrespective of whether it is paid as New Shares or a cash dividend.

#### *Corporation tax (chargeable gains)*

Non-PID New Shares received by Shareholders within the charge to corporation tax are treated as acquired when the existing Ordinary Shares were acquired. The calculation of any chargeable gains on a disposal of a UK resident company's shareholding will, therefore, be made by reference to the base cost of the original shareholding only.

### **(D) Charities, individual savings accounts, pensions and other UK resident gross funds**

Non-PIDs paid on shares held in exempt funds (such as pension funds and charities) or individual savings accounts are not subject to UK tax on dividends. This is the same whether New Shares or a cash dividend is taken.

### **3. SOUTH AFRICAN TAXATION OF PIDS AND NON-PIDS**

#### **(A) South African resident individuals and trusts**

##### *Dividends tax*

The Company is a foreign company for South African tax purposes. A foreign dividend for South African tax purposes depends on whether the amount is treated as a dividend by the tax legislation of the country where the Company is resident, but excludes an amount which constitutes shares in the Company. Therefore, the South African dividends tax treatment of PIDs and Non-PIDs will depend on whether the PIDs/Non-PIDs are paid in cash or as New Shares.

Where PIDs/Non-PIDs are paid in cash, these are treated as dividends under UK tax legislation. Therefore, any PIDs/Non-PIDs paid in cash should be treated as foreign dividends for South African tax purposes. South African dividends tax is payable on foreign dividends received in respect of shares listed on the JSE. Therefore, South African dividends tax will be payable at the rate of 20% on cash PIDs/Non-PIDs in the hands of South African resident individuals and trusts.

Notably, however, a rebate is provided in South Africa for any foreign tax paid on a foreign dividend where the Shareholder does not have a right of recovery for that foreign tax. Therefore, to the extent withholding tax is levied in the UK on a cash PID/Non-PID, a South African individual or trust will be able to claim a rebate for this withholding tax, thus decreasing the amount of South African dividends tax payable by the amount of the foreign withholding tax paid.

Where PIDs/Non-PIDs are paid as New Shares, these should not constitute foreign dividends for South African tax purposes. Therefore, no South African dividends tax consequences should arise for any South African tax resident Shareholders (including individuals and trusts).

##### *Personal income tax*

Cash PIDs/Non-PIDs will be exempt from income tax in the hands of South African resident Shareholders (including individuals and trusts) as a result of these being foreign dividends on shares listed on the JSE.

Provided the South African resident Shareholders hold their Ordinary Shares as capital investments, PIDs/Non-PIDs paid as New Shares should not constitute gross income in their hands, no income tax consequences arising as a result.

##### *Capital gains tax*

Cash PIDs/Non-PIDs will not give rise to CGT for South African resident Shareholders (including individuals and trusts).

PIDs/Non-PIDs paid as New Shares should not give rise to any immediate CGT consequences. Notably, however, New Shares will have no base cost for CGT purposes

#### **(B) South African resident companies**

##### *Dividends tax*

As set out above, where PIDs/Non-PIDs are paid in cash, these are treated as dividends under UK tax legislation. Therefore, any PIDs/Non-PIDs paid in cash should be treated as foreign dividends for South African tax purposes. South African dividends tax is payable on foreign dividends received in respect of shares listed on the JSE. South African resident companies are, however, exempt from dividends tax. Therefore, no South African dividends tax will be payable on cash PIDs/Non-PIDs received by South African resident companies. Notably, however, to enjoy this exemption, South African resident

companies must provide a written declaration and undertaking to the relevant regulated intermediary confirming the South African dividends tax exemption prior to cash PID/Non-PID being declared.

Where PIDs/Non-PIDs are paid as New Shares, these should not constitute foreign dividends for South African tax purposes. Therefore, no South African dividends tax consequences should arise for any South African tax resident Shareholders (including companies).

#### *Corporate income tax*

Cash PIDs/Non-PIDs will be exempt from income tax in the hands of South African resident Shareholders (including individuals and trusts) as a result of these being foreign dividends on shares listed on the JSE.

Provided the South African resident Shareholders hold their Ordinary Shares as capital investments, PIDs/Non-PIDs paid as New Shares should not constitute gross income in their hands, no income tax consequences arising as a result.

#### *Capital gains tax*

Cash PIDs/Non-PIDs will not give rise to CGT for South African resident Shareholders (including individuals and trusts).

PIDs/Non-PIDs paid as New Shares should not give rise to any immediate CGT consequences. Notably, however, New Shares will have no base cost for CGT purposes

#### **(C) Tax-exempt entities**

PIDs and Non-PIDs paid in respect of Ordinary Shares held by a tax-exempt entity are not subject to tax.

#### **(D) Exchange control**

Ordinary Shares listed on the JSE will be classified as domestic assets in the hands of South African residents for exchange control purposes. Therefore, South African resident Shareholders are permitted to acquire Ordinary Shares listed on the JSE, and New Shares in respect thereof, without restriction.

South African resident Shareholders who hold Ordinary Shares listed on the London Stock Exchange which were acquired using their foreign investment allowance or after having received approval from an Authorised Dealer to make a foreign investment will be entitled to receive New Shares without restriction.

South African resident Shareholders uncertain as to the exchange control treatment of their Ordinary Shares (including New Shares) should approach their Authorised Dealer for advice.

#### **4. STAMP DUTY, STAMP DUTY RESERVE TAX AND STT**

No stamp duty or stamp duty reserve tax will be payable on the issue of the New Shares in the UK. No STT will be payable in the issue of the New Shares in South Africa.

#### **5. CASH EQUIVALENT**

If the Cash Equivalent of the New Shares is determined in accordance with the London Stock Exchange market value (see the definition of Cash Equivalent in the Glossary), Shareholders will be sent a notice of the revised valuation which they should keep with their share certificate(s). This revised value is used for both income tax and CGT purposes.

## GLOSSARY

<b>“2026 AGM”</b>	the annual general meeting of the Company to be held on 29 April 2026
<b>“Authorised Dealer”</b>	a person authorised by the SA Minister of Finance or a delegated officer in the SA Department of Finance, as an authorised dealer to deal in foreign exchange in term of the SA Exchange Control Regulations, 1961
<b>“Cash Equivalent”</b>	the amount of the cash dividend forgone by a Shareholder electing to receive New Shares so that, if the difference between the cash dividend forgone and the market value of the New Shares on the first day of dealing on the London Stock Exchange equals or exceeds 15 per cent. of that market value, that market value will be the Cash Equivalent
<b>“Certificated Form”</b>	recorded in physical paper form without reference to CREST or Strate
<b>“CGT”</b>	capital gains tax
<b>“Company”</b>	Primary Health Properties PLC
<b>“CREST”</b>	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear UK & International Limited is the operator
<b>“CREST Dividend Election Input Message”</b>	the procedure for shareholders registered on the UK Register to elect to participate in the Scrip Dividend Scheme as set out in the CREST Manual
<b>“CREST Manual”</b>	the manual issued by Euroclear UK & International Limited concerning the CREST system and available on the Euroclear website
<b>“CSDP”</b>	a central securities depository participant appointed by a shareholder for purposes of, and in regard to, dematerialisation, and to hold and administer securities or an interest in securities on behalf of a shareholder, in terms of the applicable South African legislation
<b>“Currency Conversion Date”</b>	the day the Exchange Rate is set for the Relevant Dividend
<b>“Daily Official List”</b>	the daily publication of official quotations for all securities traded on the LSE

<b>“Dematerialised Form”</b>	recorded in the sub-register of SA Shareholders maintained by a CSDP or custodian, title to which is no longer represented by physical paper
<b>“Directors”</b>	the directors of the Company
<b>“Equiniti”</b>	Equiniti Limited, the Company’s registrars
<b>“Exchange Rate”</b>	the exchange rate selected by the Directors for any currency conversions required
<b>“Group”</b>	the Company and its subsidiaries from time to time
<b>“JSE”</b>	JSE Limited, registration number 2006/022939/06, a public company incorporated in South Africa and licensed as an exchange in terms of the SA Financial Markets Act 19 of 2012
<b>“London Stock Exchange” or “LSE”</b>	London Stock Exchange plc
<b>“New Shares”</b>	the new Ordinary Shares issued under the Scheme
<b>“Non-PID”</b>	any dividend paid by the Company or a scrip dividend alternative which is not a PID
<b>“Ordinary Shares”</b>	ordinary shares of 12.5 pence each in the capital of the Company
<b>“PID”</b>	a distribution of the tax-exempt profits or gains from the Group’s UK property business (which will in principle be subject to withholding tax)
<b>“Rand”</b>	South African Rand, the lawful currency of South Africa
<b>“Record Date”</b>	the date on which Ordinary Shares must be held on the SA Register or the UK Register (as applicable) in order for a Shareholder to be eligible to receive a declared dividend
<b>“Registrars”</b>	Equiniti and the SA Transfer Secretaries
<b>“REIT”</b>	Real Estate Investment Trust
<b>“Relevant Dividend”</b>	any dividend proposed or declared by the Company to which the Shareholders are entitled for which a scrip dividend alternative is offered
<b>“Relevant Dividend Payment Date”</b>	in respect of a Relevant Dividend, the date on which the Relevant Dividend is proposed to be paid
<b>“SA” or “South Africa”</b>	the Republic of South Africa

<b>“SA Certificated Shareholders”</b>	SA Shareholders who hold Ordinary Shares that are in Certificated Form
<b>“SA Register”</b>	the register of members maintained on behalf of the Company in South Africa by the SA Transfer Secretaries
<b>“SA Shareholder”</b>	a Shareholder on the SA Register
<b>“SA Transfer Secretaries”</b>	JSE Investor Services Proprietary Limited
<b>“Scrip Dividend Scheme” or “Scheme”</b>	the Company’s Scrip Dividend Scheme as comprised under and subject to the terms and conditions contained in this document as amended from time to time
<b>“Scrip Mandate”</b>	the instructions of a Shareholder as set out in a valid Scrip Mandate Form
<b>“Scrip Mandate Form”</b>	an instruction in a form provided by the Company from a Shareholder to the Directors to allot New Shares under the terms of the Scheme in lieu of a cash dividend to which they may become entitled from time to time
<b>“Scrip Share Price”</b>	the average of the closing middle market quotation derived from the Daily Official List of the UKLA for an Ordinary Share on the day on which the Ordinary Shares are first quoted as ex-dividend, and the four subsequent dealing days
<b>“Shareholder”</b>	a holder of Ordinary Shares
<b>“Strate”</b>	Strate Proprietary Limited, registration number 1998/022242/07, a registered central securities depository in terms of the SA Financial Markets Act, 19 of 2012, and the electronic clearing and settlement system used by the JSE to settle trades
<b>“STT”</b>	securities transfer tax levied in terms of the SA Securities Transfer Tax Act, 25 of 2007
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland and its dependent territories
<b>“UK Certificated Shareholders”</b>	UK Shareholders who hold Ordinary Shares that are in Certificated Form
<b>“UKLA”</b>	the United Kingdom Listing Authority
<b>“UK Register”</b>	the register of members of the Company in the UK excluding, for the avoidance of doubt, the SA Register
<b>“UK Shareholder”</b>	a Shareholder on the UK Register

**“Uncertificated Form”**

recorded on the register of members as being held in  
uncertificated form in CREST