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If you have sold or transferred all of your shares in Lok'nStore Group plc (the '**Company**'), please send this document and the accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, such documents should not be forwarded to, or transmitted in or into, any jurisdiction where to do so might violate the relevant laws and regulations in that jurisdiction.

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Lok'nStore Group plc

(Incorporated with limited liability in England and Wales
with registered number 4007169)

PROPOSED APPROVAL OF WAIVERS OF MANDATORY OFFER PROVISIONS IN THE CITY CODE AND NOTICE OF ANNUAL GENERAL MEETING

Action to be taken by Shareholders is set out on page 9.

Notice of an Annual General Meeting to be held at 5.30 pm on 12 December 2019 at the offices of Goodman Derrick LLP, 10 St Bride Street, London, EC4A 4AD is set out at the end of this document. To be valid for use at such meeting, the accompanying Form of Proxy enclosed with this document must be completed and returned so as to be received by the Company's Registrars, Link Asset Services, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF not later than 5.30 pm on 10 December 2019.

18 November 2019

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Definitions

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

'Act'	the Companies Act 2006, as amended;
'AIM Rules'	the AIM Rules for Companies published by the London Stock Exchange plc from time to time;
'Annual General Meeting' or 'AGM'	the Annual General Meeting of the Company convened for 5.30 pm on 12 December 2019 (or any adjournment thereof), notice of which is set out at the end of this document;
'Annual Report'	the report and financial statements of the Group for the year ended 31 July 2019;
'Approved Share Option Scheme'	the approved share option scheme adopted by Lok'nStore Limited on 23 November 1999 and assumed by Lok'nStore with effect from 20 June 2000;
'Articles'	the articles of association of the Company as at the date of this document;
'Board' or 'Directors'	the Directors of the Company listed on page 11 of this document;
'City Code'	the City Code on Takeovers and Mergers;
'Company' or 'Lok'nStore'	Lok'nStore Group plc;
'Company Share Option Plan' or 'CSOP'	the approved share option scheme adopted by Lok'nStore Limited on 2 June 2010 and assumed by Lok'nStore with effect from 28 June 2010;
'EMI Plan'	the Company's enterprise management incentive share option plan;
'finnCap'	finnCap Limited;
'Form of Proxy'	the form of proxy accompanying this document, for use by Shareholders at the AGM;
'Independent Shareholders'	all Shareholders other than the Major Shareholders;
'Long Term Partnership Performance Plan'	the unapproved share option scheme adopted by Lok'nStore on 2 July 2018 and as described in Note 23(b) in the Annual Report;
'Major Shareholders'	Andrew Jacobs and his connected parties, being Andrew Jacobs LLP, his wife, his daughter Anna Jacobs, his daughter Evelyn Jacobs, his brother Colin Jacobs (including the Aylestone Pension Fund to which Colin Jacobs is a beneficiary), The Jacobs Family Directors Pension Scheme and Simon Thomas and his connected parties, being Simon Thomas LLP, his brother Rhys Warren-Thomas and The Thomas Family Directors Pension Scheme, who all together form a concert party, as set out at paragraph 5.3 and 5.5 of Part II of this document;
'Notice'	the Notice of Annual General Meeting set out at the end of this document;

Definitions continued

'Options'	the options to subscribe for Ordinary Shares which have been granted or conditionally granted to the Major Shareholders and which have not been exercised pursuant to the terms of the Share Option Schemes, further details of which are set out in paragraphs 3.2 and 5.5 of Part II of this document;
'Option Agreements'	the option agreements between the Company and certain of the employees;
'Ordinary Shares'	ordinary shares of 1 pence each in the capital of the Company;
'Panel'	the Panel on Takeovers and Mergers;
'Panel Waiver'	the Repurchase Waiver;
'Repurchase Resolution'	the special resolution numbered 13 as set out in the Notice;
'Repurchase Waiver'	the waiver which has been granted by the Panel, conditional upon the approval by the Independent Shareholders of the Repurchase Waiver Resolution on a poll, of any obligation which would otherwise be imposed on the Major Shareholders, either individually or collectively, under Rule 9 of the City Code, as a result of the Share Purchase Authority;
'Resolutions'	the resolutions set out in the Notice;
'Rule 9'	Rule 9 of the City Code;
'Rule 9 Independent Directors'	the Directors other than Andrew Jacobs and Simon Thomas;
'Shareholders'	holders of Ordinary Shares;
'Share Option Schemes'	the CSOP, the Approved Share Option Scheme, the EMI Plan, the Long Term Partnership Performance Plan and Option Agreements; and
'Share Purchase Authority'	the authority, to be proposed at the AGM, for the Company to make market purchases of Ordinary Shares up to an overall maximum of 11,500,000 Ordinary Shares.

Part I: Letter from the Rule 9 Independent Directors of Lok'nStore Group plc

Lok'nStore Group plc

(Registered in England No. 4007169)

Directors

Simon Thomas (Non-Executive Chairman)
Andrew Jacobs (Chief Executive)
Ray Davies (Group Finance Director)
Neil Newman-Shepherd (Group Sales Director)
Richard Holmes (Non-Executive Director)
Edward Luker (Senior Non-Executive Director)
Charles Peal (Non-Executive Director)

Registered Office

One Fleet Place
London
EC4M 7WS

To Shareholders and, for information purposes only, to holders of options under the Share Option Schemes

18 November 2019

Dear Shareholder

1. Introduction

The Annual General Meeting of the Company is to be held at 5.30 pm on 12 December 2019 at the offices of Goodman Derrick LLP, 10 St Bride Street, London, EC4A 4AD and is convened by the formal notice of meeting set out at the end of this document.

In addition to the usual resolutions put to Shareholders at the AGM, the Directors are also proposing resolutions to renew the Company's authority to buy back shares and for the Independent Shareholders to approve a waiver of certain obligations arising under the City Code, which may otherwise apply to the Major Shareholders as a result of any future repurchases by the Company of Ordinary Shares in the market pursuant to the Share Purchase Authority (Resolution 13). The authority of the Company to purchase Ordinary Shares is only intended to be utilised in circumstances where the Directors believe this to be in the best interests of Shareholders as a whole.

In addition to highlighting the usual business to be transacted at the AGM, the purpose of this document is to explain to you the background to the Resolutions which will be considered at the AGM.

2. Election of Directors

Richard Holmes, Edward Luker and Charles Peal, who each have over nine years' tenure as a Non-Executive director of the Company, are required to offer themselves for re-election and will therefore be standing for re-election at the AGM.

Simon Thomas, by virtue of his accumulated tenure both as an Executive and a Non-Executive director, also offers himself for re-election at the AGM.

3. Dividends

The Directors are recommending payment of a final dividend of 8.33 pence per Ordinary Share in respect of the year ended 31 July 2019, subject to shareholder approval. The final dividend will be paid on 10 January 2020 to all Shareholders registered in the Company's share register on 29 November 2019. The Ordinary Shares will become ex-dividend on 28 November 2019. Thus, Resolution 10 will be proposed as an ordinary resolution to declare a final dividend of 8.33 pence per Ordinary Share for the year ended 31 July 2019.

Part I: Letter from the Rule 9 Independent Directors of Lok'nStore Group plc continued

4. Share Capital

Under the Act, directors of companies may not allot new shares (or grant rights over shares) unless authorised to do so by shareholders in a general meeting.

Accordingly, the ordinary resolution set out as Resolution 11 in the Notice of AGM seeks to renew for a further period, expiring at the earlier of the conclusion of the annual general meeting to be held in 2020 and 15 months from the date of the AGM, the authority previously granted to the Directors to allot new Ordinary Shares (or grant rights over Ordinary Shares) up to an aggregate nominal amount of £98,637, representing approximately one third of the existing issued ordinary share capital of the Company.

Furthermore, a company proposing to allot new equity securities (within the meaning of the Act) for cash may not do so before first offering them to existing shareholders, subject to certain exceptions. As in previous years, the Directors believe that it is in the best interests of the Shareholders that the Directors should have limited authority to allot Ordinary Shares (or grant rights to convert into or subscribe for Ordinary Shares) for cash without first having to offer such shares to existing Shareholders in proportion to their holdings.

Accordingly, the special resolution set out as Resolution 12 in the Notice of AGM proposes that power be granted to allot securities for cash on a non-pre-emptive basis up to a maximum nominal amount equal to £29,591 (representing approximately ten per cent. of the existing issued ordinary share capital of the Company (inclusive of treasury shares)). This resolution also disapplies the pre-emption rights to the extent necessary in connection with the allotment of Ordinary Shares to facilitate rights issues, open offers and similar transactions. The authority will expire on the earlier of 15 months from the date of the AGM and the conclusion of the next annual general meeting of the Company to be held in 2020.

5. Purchase of Own Shares

Resolution 13 is a special resolution to grant authority to the Directors to make purchases of its Ordinary Shares through the market. The authority would expire at the conclusion of the next annual general meeting of the Company following the AGM. The maximum aggregate number of Ordinary Shares which may be purchased pursuant to this authority would be 11,500,000, which represents approximately 38.86 per cent. of the Company's existing issued ordinary share capital.

Any Ordinary Shares purchased under the authority sought by Resolution 13 will either be cancelled and the number of Ordinary Shares in issue reduced accordingly, or will be held in treasury.

Whilst the Directors have not, during the period 11 December 2018 to 11 November 2019 (being the last practicable date prior to publication of this document), utilised any of the authority to repurchase shares granted at the annual general meeting in 2018, the Board would like maximum flexibility to buy back shares should the situation arise. There are currently no Ordinary Shares held in treasury. However, the Directors will only exercise the authority sought by Resolution 13 after taking account of the overall financial position of the Company and in circumstances where they believed that to do so would result in an increase in value for the remaining Shareholders and be in the best interests of Shareholders as a whole.

6. City Code on Takeovers and Mergers

Under Rule 9 of the City Code, when any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which, when taken together with shares in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, such person or persons, is or are normally required to make a general offer to all other shareholders in that company to acquire their shares.

Similarly, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will be required if he or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested.

An offer under Rule 9 of the City Code must be in cash and at the highest price paid, within the preceding 12 months, for any interest in shares in the company by the person required to make the offer or any person acting in concert with him.

Under Rule 37 of the City Code, when a company purchases its own voting shares, the resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 of the City Code (although a shareholder who is neither a director nor acting in concert with a director will not normally incur an obligation to make an offer under Rule 9 in these circumstances).

7. Current and potential shareholdings of the Major Shareholders

For the purposes of the City Code, Andrew Jacobs and Simon Thomas (together with their close relatives and related trusts) are treated by the Panel as acting in concert (the Major Shareholders).

The Major Shareholders currently hold, in aggregate, 7,452,570 Ordinary Shares and 479,301 Options, together representing an aggregate interest of 26.80 per cent. of the Company's issued ordinary share capital of 29,591,170 as at 11 November 2019 (being the latest practicable date prior to the publication of this document). Any increase in the Major Shareholders' aggregate interest in Ordinary Shares (including, as mentioned above, pursuant to a share buy back) to 30 per cent. or more of the voting rights of the Company would be subject to the provisions of Rule 9 of the City Code (to the extent not previously approved by the Independent Shareholders).

At the Company's annual general meeting held in December 2017, the Independent Shareholders approved ordinary resolutions to waive the obligation that would otherwise arise on the Major Shareholders under Rule 9 as a result of the exercise of the options held by the Major Shareholders at that time ('Whitewashed Options') provided that their interests do not exceed 49.99 per cent. of the issued share capital of the Company as a result thereof ('Whitewash'). Options granted to Major Shareholders since the annual general meeting held in 2017 ('New Options') have not been so whitewashed as the aggregate interests of the Major Shareholders would amount to less than 30 per cent. of the issued share capital if all Options (both Whitewashed Options and New Options) were to be exercised by the Major Shareholders (assuming there were no changes to the share capital of the Company between 11 November 2019 (being the last practicable date prior to publication of this document) and the date of the exercise of the Options, including pursuant to the Repurchase Waiver).

The aggregate number of Whitewashed Options held by the Major Shareholders is 319,301 and the aggregate number of New Options held by the Major Shareholders is 160,000.

Further details of the effect of the Share Purchase Authority on the aggregate interests of Major Shareholders are set out in paragraph 8 below.

8. Resolution 14 – The Repurchase Waiver Resolution

As mentioned in paragraph 7 above, any increase in any of the Major Shareholders' interest in Ordinary Shares (which includes any increase caused by way of a share buy back) such that the Major Shareholders in aggregate hold 30 per cent. or more of the voting rights of the Company would have the effect of triggering Rule 9 of the City Code and result in that Major Shareholder being under an obligation to make a general offer to all Shareholders.

Your Board has consulted with the Panel, which has agreed that, subject to approval of the Independent Shareholders on a poll at the AGM, it will grant the Repurchase Waiver. The effect of the Repurchase Waiver, if approved by the Independent Shareholders, would be that the Major Shareholders would not be required to make a general offer under Rule 9 of the City Code that would otherwise arise due to the increase in the aggregate holding of the Major Shareholders resulting from the purchase by the Company of its own Ordinary Shares pursuant to the Share Purchase Authority to 30 per cent. or more of the share capital of the Company.

Resolution 14 is subject to the approval of Independent Shareholders on a poll, where each Independent Shareholder will be entitled to one vote for each Ordinary Share. The Major Shareholders are not entitled to vote on this poll as they are not considered to be independent.

Part I: Letter from the Rule 9 Independent Directors of Lok'nStore Group plc continued

8. Resolution 14 – The Repurchase Waiver Resolution continued

Set out below are details of the maximum percentage of the Company's voting rights which would be held by the Major Shareholders under two separate scenarios.

Scenario 1

In the event that:

- the Independent Shareholders approve the Repurchase Waiver;
- the Repurchase Resolution is passed and the maximum number of Ordinary Shares are repurchased by the Company under the Share Purchase Authority;
- none of the Directors (or any persons connected with them within the meaning of sections 252–255 of the Act) agree to participate in the buy back;
- there are no sales of Ordinary Shares by the Major Shareholders; and
- the Options are not exercised,

the combined shareholding of the Major Shareholders of 7,452,570 Ordinary Shares would represent 41.19 per cent. of the then issued ordinary share capital of the Company of 18,091,170 Ordinary Shares.

Scenario 2

In the event that:

- the Independent Shareholders approve the Repurchase Waiver;
- the Repurchase Resolution is passed and the maximum number of Ordinary Shares are repurchased by the Company under the Share Purchase Authority;
- none of the Directors (or any persons connected with them within the meaning of sections 252–255 of the Act) agree to participate in the buy back;
- there are no sales of Ordinary Shares by the Major Shareholders; and
- the Options are exercised,

the combined shareholding of the Major Shareholders of 7,931,871 Ordinary Shares would represent 42.71 per cent. of the then issued ordinary share capital of the Company of 18,570,471 Ordinary Shares.

Shareholders should note that any further increase in the interests of the Major Shareholders in the Ordinary Shares of the Company, which increases the percentage of the voting rights in which they are interested, whether collectively or individually to 30 per cent. or more of the issued share capital of the Company, other than as a result of the purchase of Ordinary Shares pursuant to the Share Purchase Authority will be subject to the provisions of Rule 9. Whether or not the Repurchase Waiver is passed by the Independent Shareholders, the Major Shareholders will not be restricted from making an offer for the Company.

Furthermore, if the Repurchase Waiver is approved by the Independent Shareholders and the Share Purchase Authority is fully utilised and the circumstances set out in scenario 2 above applies, Andrew Jacobs and his connected parties will have a 31.88 per cent. interest in the then issued share capital of the Company of 18,570,471 Ordinary Shares as detailed above and also in paragraph 5.4 of Part II of this document. Therefore any transfer of shares of the Company by any member of Simon Thomas' connected parties to any member of Andrew Jacobs' connected parties, which has the effect of maintaining the Major Shareholders aggregate interests but increases the percentage of shares carrying voting rights in which Andrew Jacobs and his connected parties are individually interested will also be subject to the provisions of Rule 9. Similarly, any transfer of shares of the Company by any member of Andrew Jacobs' connected parties to any member of Simon Thomas' connected parties which has the effect of increasing the percentage of voting rights in which Simon Thomas and his connected parties are interested in to 30 per cent. or more will also be subject to the provisions of Rule 9.

9. Approval of Transactions involving the Directors

Section 190 of the Act provides that a company may not enter into an arrangement under which (i) a director of the company or a person connected with a director (which includes companies connected with that director) acquires or is to acquire from the company a substantial non-cash asset or (ii) the company acquires or is to acquire a substantial non-cash asset from the director (or connected person) unless the arrangement has been approved by a resolution of the shareholders of the company.

Resolution 15 seeks approval under section 190 of the Act for the purchase by the Company of any Ordinary Shares held by Directors and persons connected with them which may be purchased by the Company pursuant to the Repurchase Resolution.

10. General Meeting

A notice convening the AGM to be held at the offices of Goodman Derrick LLP, 10 St Bride Street, London, EC4A 4AD is set out at the end of this document.

Due to their interest in the Repurchase Waiver Resolution, the Major Shareholders will not be voting on Resolution 14 (which relates to the Repurchase Waiver) in respect of their combined interests of 7,452,570 Ordinary Shares representing 25.19 per cent. of the Company's issued ordinary share capital as at the 11 November 2019, being the last practicable date prior to the publication of this document (as detailed in paragraph 5.4 of Part II of this document).

11. Action to be Taken

You will find enclosed with this document a reply-paid form of proxy for use by Shareholders at the Annual General Meeting. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete this form in accordance with the instructions printed on it as soon as possible. To be valid, completed forms of proxy must be received by Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF so as to arrive not later than 5.30pm on 10 December 2019.

Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting if you so wish.

New Shareholders should note that, in order to have the right to attend and vote at the meeting, their holding must be entered on the Company's share register by close of business on 10 December 2019.

12. Recommendation

Repurchase Resolution

The Directors consider that the grant of the Share Purchase Authority is fair and reasonable. In addition, the Directors consider that the Share Purchase Authority is in the best interests of the Company and its Shareholders as a whole.

Accordingly, the Directors recommend all Shareholders to vote in favour of the Repurchase Resolution to be proposed at the AGM, as they intend to do in respect of their own beneficial holdings of Ordinary Shares which, in aggregate, amount to 7,752,445 Ordinary Shares representing approximately 26.20 per cent. of the existing issued ordinary share capital of the Company as the Directors consider the proposals to be in the best interests of the Company and its members as a whole and are most likely to promote the success of the Company for the benefit of its members as a whole.

Part I: Letter from the Rule 9 Independent Directors of Lok'nStore Group plc continued

12. Recommendation continued

Repurchase Waiver

The Rule 9 Independent Directors who have been so advised by finnCap consider that the Repurchase Waiver is fair and reasonable and is in the best interests of the Independent Shareholders and the Company as a whole and in providing advice to the Rule 9 Independent Directors, finnCap has taken into account the Rule 9 Independent Directors' commercial assessments.

Accordingly, the Rule 9 Independent Directors recommend all Independent Shareholders to vote in favour of the Repurchase Waiver as they intend to do in respect of their own beneficial holdings of Ordinary Shares which, in aggregate amount to 1,017,845 Ordinary Shares, representing approximately 3.44 per cent. of the existing issued ordinary share capital of the Company.

As stated above, the Major Shareholders are considered to be interested in the outcome of the Repurchase Waiver. Accordingly, Andrew Jacobs and Simon Thomas have not participated in the Board's recommendation and the Major Shareholders will not vote on Resolution 14.

Yours sincerely

Ray Davies, Neil Newman-Shepherd, Richard Holmes, Edward Luker and Charles Peal

The Rule 9 Independent Directors

Part II: Additional Information

1. Responsibility

The Directors, whose names appear in paragraph 2 of this Part II, accept responsibility for the information (including any expression of opinion) contained in this document provided that the non Independent Directors have no responsibility for the recommendation made in respect of the Repurchase Waiver Resolution. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. The Directors

The names and functions of the Directors are as follows (including a brief resume of Andrew Jacobs, Simon Thomas, Ray Davies and Neil Newman-Shepherd):

Andrew Jacobs (60) – Chief Executive

Andrew founded the Company in February 1995 after eight years' experience as a stockbroker, most notably as an Executive Director of Nomura International. He has an MPhil in Economics from Cambridge University and BSc in Economics from the London School of Economics.

Simon Thomas (59) – Non-Executive Chairman

Simon has been an Executive Director of Lok'nStore since 1997 after a career in the publishing and finance sectors. Simon co-founded the emerging markets investment trust business at LCF Edmond de Rothschild. He has also worked at Swiss Bank Corporation, Nomura International and Reed International.

Ray Davies (62) – Group Finance Director

Ray, a chartered accountant, has held a number of senior finance positions in the construction and health & fitness sectors. Ray has been an Executive Director of Lok'nStore since January 2004.

Neil Newman-Shepherd (42) – Group Sales Director

Neil joined the Lok'nStore Group in October 2006 rising to the position of Group Sales Director in September 2014. Prior to joining Lok'nStore, Neil gained a wealth of experience in the retail sector including positions at Wickes and Woolworth plc.

Richard Holmes (59) – Non-Executive Director

Edward Luker (70) – Senior Non-Executive Director

Charles Peal (64) – Non-Executive Director

The registered office of the Company is One Fleet Place, London, EC4M 7WS and the business address of the Directors is 112 Hawley Lane, Farnborough, Hampshire, GU14 8JE.

Part II: Additional Information continued

3. Disclosure of Interests and Dealings

In this document 'disclosure period' means the period commencing 11 November 2018 and ending on 11 November 2019, being the period of 12 months prior to the latest practicable date prior to the publication of this document. As at 11 November 2019, the Company had 29,591,170 Ordinary Shares in issue and there are no shares held in treasury.

3.1 As at 11 November 2019 (being the latest practicable date prior to the publication of this document), the interests of the Directors and their immediate families in the share capital of the Company which (i) have been notified to the Company in accordance with sections 252-255 and Schedule 1 of the Act, or which (ii) are required to be entered in the register, or which (iii) are interests of a person connected (within the meaning of section 252 of the Act) with a Director which would, if the connected person were a Director, be required to be disclosed under (i) or (ii) above, and the existence of which is known to or could with reasonable diligence be ascertained by that Director, were as follows:

		Number of Ordinary Shares: Beneficial	Number of Ordinary Shares: Non - Beneficial	Percentage held
A Jacobs	Notes 1, 3 and 5	5,204,600	94,600	17.91
S Thomas	Notes 2, 4 and 5	1,530,000		5.17
R Davies	Note 6	64,037		0.22
R Holmes		273,674		0.92
E Luker		28,800		0.10
C Peal	Note 7	637,022	244,556	2.98
N Newman-Shepherd	Note 8	14,312		0.05
Total		7,752,445	339,156	27.35

* Rounded to two decimal places

Note 1

Andrew Jacobs is a designated member of Andrew Jacobs LLP, which holds 3,204,600 Ordinary Shares included above. Andrew Jacobs is the beneficial owner of 2,000,000 Ordinary Shares held by Svenska Nominees.

Note 2

Simon Thomas is the beneficial owner of 1,530,000 Ordinary Shares held by Svenska Nominees.

Note 3

Andrew Jacobs is a beneficiary of 'The Jacobs Family Directors Pension Scheme' that holds 310,350 Ordinary Shares; the figures set out in the table above do not include the Ordinary shares held in this pension fund.

Note 4

Simon Thomas is a beneficiary of 'The Thomas Family Directors Pension Scheme' that holds 261,190 Ordinary Shares; the figures set out in the table above do not include the Ordinary Shares held in this pension fund.

Note 5

Andrew Jacobs and Simon Thomas have each in 2017 granted a fixed charge over an aggregate of 3,800,000 Ordinary Shares in favour of Svenska Handelsbanken A.B. securing personal borrowing facilities. Svenska Handelsbanken released 20,000 Ordinary Shares in March 2018 and 250,000 Ordinary Shares in June 2018 from this fixed charge to Simon Thomas LLP.

Note 6

Ray Davies is a beneficiary of a SIPP which holds 48,244 Ordinary shares, which are included in the table above.

Note 7

Charles Peal is a beneficiary of a SIPP which holds 322,844 Ordinary Shares. These Ordinary Shares are included in the total of Ordinary Shares: Beneficial held by Charles Peal as detailed in the table above.

Note 8

Neil Newman-Shepherd is a beneficiary of a SIPP which holds 14,312 Ordinary shares, which are included in the table above.

3.2 In addition to the interests in Ordinary Shares referred to in paragraph 3.1 above, the Directors have the following options to subscribe for Ordinary Shares pursuant to the Share Option Schemes.

Unapproved Share Options

Option holder	Date of Grant	Ordinary Shares	Exercise price (pence)	Date exercisable
A Jacobs	31/07/12	50,000	108.5	31/07/15 to 31/07/22
	31/01/14	50,000	136.0	31/07/16 to 31/01/24
	31/07/14	80,000	207.0	31/07/17 to 31/07/24
	06/08/15	26,087	285.5	06/08/18 to 06/08/25
	07/08/18	40,000	600.0	31/07/23 to 31/07/33
	31/07/19	40,000	600.0	31/07/24 to 31/07/34
		286,087		
S Thomas	06/08/15	5,217	285.5	06/08/18 to 06/08/25
		5,217		
R Davies	31/07/07	15,000	213.5	31/07/10 to 31/07/22
	31/07/08	50,000	130.5	31/07/11 to 31/07/23
	31/07/09	20,000	56.5	31/07/12 to 31/07/24
	31/07/10	26,470	85.0	31/07/13 to 31/07/25
	31/07/12	50,000	108.5	31/07/15 to 31/07/22
	31/01/14	50,000	136.0	31/07/16 to 31/01/24
	31/07/14	35,507	207.0	31/07/17 to 31/07/24
	07/08/18	40,000	600.0	31/07/23 to 31/07/33
	31/07/19	40,000	600.0	31/07/24 to 31/07/34
		326,977		
N Newman-Shepherd	31/07/11	11,822	107.0	31/07/14 to 31/07/21
	31/07/12	25,000	108.5	31/07/15 to 31/07/22
	31/01/14	50,000	136.0	31/07/16 to 31/01/24
	31/07/14	44,457	207.0	31/07/17 to 31/07/24
	31/07/15	4,435	287.5	31/07/18 to 31/07/25
	31/07/16	17,028	325.0	31/07/19 to 31/07/26
	31/07/17	19,679	387.5	31/07/20 to 31/07/27
	07/08/18	60,000	600.0	31/07/23 to 31/07/33
	31/07/19	60,000	600.0	31/07/24 to 31/07/34
		292,421		

CSOP

Option holder	Date of Grant	Ordinary Shares	Exercise price (pence)	Date exercisable
R Davies	31/7/17	7,742	387.5	31/07/20 to 31/07/27
		7,742		
N Newman-Shepherd	31/07/11	500	107.0	31/07/14 to 31/07/21
	31/07/14	5,543	207.0	31/07/17 to 31/07/24
	31/07/15	2,218	287.5	31/07/18 to 31/07/25
	31/07/16	1,434	325.0	31/07/19 to 31/07/26
	31/07/17	966	387.5	31/07/20 to 31/07/27
		10,661		

Part II: Additional Information continued

3. Disclosure of Interests and Dealings continued

3.3 Save as disclosed above, none of the Directors has any interest in the share capital or loan capital of the Company nor does any person connected with the Directors (within the meaning of section 252 of the Act) have any such interests, whether beneficial or non-beneficial.

3.4 Save as disclosed in paragraph 3.2 above, there were no options granted to Directors in the 12 months preceding 11 November 2019 (the last practicable date prior to the publication of this document).

There were no options exercised by the Directors in the 12 months preceding 11 November 2019 (being the last practicable date prior to the publication of this document).

3.5 Save as disclosed in this document, Lok'nStore is not aware of any persons who directly or indirectly, jointly or severally exercise or could exercise control over it.

3.6 The Group operates an employee benefit trust ('EBT') under settlement dated 8 July 1999 between Lok'nStore Limited and Lok'nStore Trustees Limited, constituting an employee share scheme. As at the date of this document, the EBT holds 623,212 Ordinary Shares. These shares are held to satisfy awards made under the Group's share incentive plan.

3.7 Save as disclosed in paragraphs 3.1, 3.2, 3.4, 5.3, 5.4, 5.5 and 5.6 of Part II of this document:

- (a) none of the Major Shareholders has any interest in, right to subscribe in respect of or short position in relation to any relevant securities;
- (b) none of the Major Shareholders has dealt in relevant securities during the disclosure period ending on 11 November 2019 being the latest practicable date prior to the publication of this document;
- (c) none of the Major Shareholders has borrowed or lent any relevant securities;
- (d) none of:
 - (i) the Directors or any of their close relatives or related trusts;
 - (ii) any associated company of the Company;
 - (iii) any pension fund or employee benefit trust of the Company or any associated company of the Company;
 - (iv) any connected adviser to the Company, or any company which is an associated company of the Company, or to a person acting in concert with the Directors; or
 - (v) any person controlling, controlled by or under the same control as any connected adviser falling within (iv) above (except for an exempt principal trader or exempt fund manager);

has at 11 November 2019 (being the latest practicable date prior to the publication of this document) any interest in, right to subscribe in respect of or short position in relation to any relevant securities;

- (e) neither the Company nor any person acting in concert with the Directors has borrowed or lent any relevant securities (save for any borrowed relevant securities which have either been on lent or sold);
- (f) none of the Major Shareholders has any indemnity or option arrangement, or any agreement or understanding, formal or informal, of whatever nature, with any other person relating to relevant securities which may be an inducement to deal or refrain from dealing.

In this paragraph 3.7 reference to:

- (1) 'relevant securities' means Ordinary Shares and securities carrying conversion or subscription rights into, options (including traded options) in respect of or derivatives referenced to, Ordinary Shares;
- (2) 'derivatives' include any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security but which does not include the possibility of delivery or such underlying security;
- (3) 'short position' means a short position, whether conditional or absolute and whether in money or otherwise, and includes any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery;

- (4) 'associated company' means in relation to any company, that company's parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies. For these purposes, ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status;
- (5) 'connected adviser' means:
- (i) in relation to the Company, (a) an organisation which is advising the Company in relation to the Panel Waiver; and (b) a corporate broker to the Company;
 - (ii) in relation to a person who is acting in concert with Andrew Jacobs or Simon Thomas or with the Directors, an organisation (if any) which is advising that person either (a) in relation to the Panel Waiver; or (b) in relation to the matter which is the reason for that person being a member of the relevant concert party; and
 - (iii) in relation to a person who is an associated company of Andrew Jacobs or Simon Thomas or with the Directors, an organisation (if any) which is advising that person in relation to the Panel Waiver;
- (6) 'control' means a holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the holding, or holdings, gives de facto control; and
- (7) 'dealing' or 'dealt' includes the following:
- (i) the acquisition or disposal of securities;
 - (ii) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any securities;
 - (iii) subscribing or agreeing to subscribe for securities;
 - (iv) the exercise or conversion, whether in respect of new or existing securities, of any securities carrying conversion or subscription rights;
 - (v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities;
 - (vi) entering into, terminating or varying the terms of any agreement to purchase or sell securities; and
 - (vii) any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he has a short position.

For the purposes of this paragraph 3.7 a person is treated as 'interested' in securities if he has long economic exposure, whether absolute or conditional, to changes in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person is treated as 'interested' in securities if:

- (i) he owns them;
- (ii) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
- (iii) by virtue of any agreement to purchase, option or derivative, he
 - (a) has the right or option to acquire them or call for their delivery; or
 - (b) is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
- (iv) he is party to any derivative;
 - (a) whose value is determined by reference to their price; and
 - (b) which results, or may result, in his having a long position in them.

Part II: Additional Information continued

4. Directors' Service Agreements

The Directors' current service agreements will be available for inspection as set out in paragraph 13 below. There are no other service contracts between the Directors and the Company or any of its subsidiaries and no service contracts have been entered into nor have existing service contracts been amended during the period of six months prior to the date of this document. The particulars of the service contracts required to be disclosed herein by the City Code are as follows:

4.1 Simon Thomas' service agreement is dated 25 March 1997. The agreement continues until terminated by the Company giving one year's notice in writing or Mr Thomas giving 6 months' notice in writing. Mr Thomas is entitled to an annual salary of £31,518 and in addition, he may be entitled to an annual bonus of such amount as the Board may determine (which for the present financial year stands at £0). Further, Mr Thomas holds the Options as set out in paragraph 3.2 of this Part II. Mr Thomas is entitled to join the Company's pension scheme (although he has not done so). He participates, at the Company's expense, in a private medical insurance scheme established by the Company for himself and for his spouse and dependent children. In addition he participates in the Company's death in service scheme on a non-contributory basis.

4.2 Andrew Jacobs' service agreement is dated 25 March 1997. The agreement continues until terminated by the Company giving one year's notice in writing or Mr Jacobs giving 6 months' notice in writing. Mr Jacobs is entitled to an annual salary of £225,233 and in addition, he may be entitled to an annual bonus of such amount as the Board may determine (which for the present financial year stands at £32,000). Further, Mr Jacobs holds the Options as set out in paragraph 3.2 of this Part II. Mr Jacobs is entitled to join the Company's pension scheme (although he has not done so). He participates, at the Company's expense, in a private medical insurance scheme established by the Company for himself and for his spouse and dependent children. In addition he participates in the Company's death in service scheme on a non-contributory basis.

4.3 Ray Davies' service agreement is dated 6 July 2005. The agreement continues until terminated by the Company giving one year's notice in writing or Mr Davies giving 6 months' notice in writing. Mr Davies is entitled to an annual salary of £165,797 and in addition, he may be entitled to an annual bonus of such amount as the Board may determine (which for the present financial year stands at £20,500). Further, Mr Davies holds the Options as set out in paragraph 3.2 of this Part II. In the year ended 31 July 2019, Mr Davies is entitled to a contribution in an amount equal to 3 per cent. of his annual salary, payable by the Company (contributions in the year to 31 July 2019 amounted to £4,829). He participates, at the Company's expense, in a private medical insurance scheme for himself and for his spouse and dependent children. In addition he participates in the Company's death in service scheme on a non-contributory basis.

4.4 Neil Newman-Shepherd's service agreement is dated 27 November 2015. The agreement continues until terminated by the Company giving one year's notice in writing or Mr Newman-Shepherd giving 6 months' notice in writing. Mr Newman-Shepherd, in his capacity as a director, is entitled to an annual salary of £82,877 and in addition he may be entitled to an annual bonus of such amount as the Board may determine (which for the year ended 31 July 2019 was £46,829). Further, Mr Newman-Shepherd holds the Options as set out in paragraph 3.2 of this Part II. Mr Newman-Shepherd is entitled to a contribution in an amount equal to 4 per cent. of his annual salary, payable by the Company to the Company pension scheme (contributions in the year to 31 July 2019 amounted to £2,631). He participates at the Company's expense in a private medical insurance scheme established by the Company for himself and for his spouse and dependent children. In addition he participates in the Company's death in service scheme on a non-contributory basis.

5. Major Shareholders

5.1 The Major Shareholders are defined on page 3 of this document.

5.2 Simon Thomas' and Andrew Jacobs' business address is 112 Hawley Lane, Farnborough, Hampshire GU14 8JE.

5.3 Full details as at 11 November 2019, being the latest practicable date prior to the publication of this document, of the Major Shareholders' shareholding is set out below:

	Number of Ordinary Shares	Percentage Held*
Andrew Jacobs (Note 4):		
Shares held by Andrew Jacobs LLP	5,204,600	17.59
Shares held by Andrew Jacobs' wife and daughters	94,600	0.32
Shares held by his pension fund (Note 1)	310,350	1.05
Colin Jacobs – Andrew Jacobs' brother:		
Shares held in his own name	3,750	0.01
Shares held by his pension fund (Note 3)	20,000	0.07
Andrew Jacobs and connected persons		
	5,633,300	19.04
Simon Thomas (Note 4):		
Shares held by Simon Thomas LLP	1,530,000	5.17
Shares held by his pension fund (Note 2)	261,190	0.88
Rhys Warren-Thomas – Simon Thomas' brother (Note 5)		
	28,080	0.10
Simon Thomas and connected persons		
	1,819,270	6.15
Total Ordinary Shares held by Major Shareholders		
	7,452,570	25.19

* Rounded to two decimal places

Note 1

Andrew Jacobs is a beneficiary of 'The Jacobs Family Directors Pension Scheme' that holds 310,350 Ordinary Shares.

Note 2

Simon Thomas is beneficiary of 'The Thomas Family Directors Pension Scheme' that holds 261,190 Ordinary Shares.

Note 3

Colin Jacobs is a beneficiary of the Aylestone Pension Fund which holds 20,000 Ordinary Shares.

Note 4

Andrew Jacobs and Simon Thomas have each in 2017 granted a fixed charge over an aggregate of 3,800,000 Ordinary Shares in favour of Svenska Handelsbanken A.B. securing personal borrowing facilities. Svenska Handelsbanken released 20,000 Ordinary Shares in March 2018 and 250,000 Ordinary Shares in June 2018 from this fixed charge to Simon Thomas LLP.

Note 5

Rhys Warren-Thomas has indirectly acquired an interest in 18,080 Ordinary Shares through the Company's Share Incentive Plan (SIP) scheme; these are held in a trust by the Trustees, Lok'nStore Trustee Limited.

Part II: Additional Information continued

5. Major Shareholders continued

5.4 As at 11 November 2019 being the latest practicable date prior to the publication of this document, the interests in Ordinary Shares held by the Major Shareholders were as set out in the table below. The table also shows the maximum potential percentage interest assuming the repurchase of the maximum number of 11,500,000 Ordinary Shares pursuant to the Share Purchase Authority, the exercise of the Options held by the Major Shareholders in full and assuming no sales by the Major Shareholders.

			Assuming full utilisation of the Share Purchase Authority, the Major Shareholders do not participate in the share buy back nor sell any Ordinary Shares and the Options are not exercised		Assuming full utilisation of the Share Purchase Authority, the Major shareholders do not participate in the share buy back nor sell any Ordinary Shares and the full exercise of the Options (Note 2)	
	Number of Ordinary Shares currently in issue (Note 1)	% of current issued share capital (Note 1)	Number of Ordinary Shares	% of current issued share capital	Number of Ordinary Shares	% of current issued share capital
Andrew Jacobs (beneficially)	5,204,600	17.59%	5,204,600	28.77%	5,490,687	29.57%
Andrew Jacobs' wife	92,600	0.31%	92,600	0.51%	92,600	0.50%
Andrew Jacobs' daughters (1000 each)	2,000	0.01%	2,000	0.01%	2,000	0.01%
Andrew Jacobs' pension fund	310,350	1.05%	310,350	1.72%	310,350	1.67%
Colin Jacobs	3,750	0.01%	3,750	0.02%	3,750	0.02%
Colin Jacobs' pension fund	20,000	0.07%	20,000	0.11%	20,000	0.11%
Andrew Jacobs and connected persons (aggregate)	5,633,300	19.04%	5,633,300	31.14%	5,919,387	31.88%
Simon Thomas (beneficially and held)	1,530,000	5.17%	1,530,000	8.46%	1,535,217	8.27%
Simon Thomas' pension fund	261,190	0.88%	261,190	1.44%	261,190	1.41%
Rhys Warren Thomas (held and SIP)	28,080	0.10%	28,080	0.16%	216,077	1.16%
Simon Thomas and connected persons (aggregate)	1,819,270	6.15%	1,819,270	10.06%	2,012,484	10.84%
Total held by Major Shareholders	7,452,570	25.19%	7,452,570	41.19%	7,931,871	42.71%

* Rounded to two decimal places

Note 1

Being at the latest date practicable prior to publication of this document

Note 2

The full exercise of the Options held by the Major Shareholders includes those disclosed in paragraph 5.5 below.

5.5 In addition to the interests in Ordinary Shares disclosed in paragraph 5.3 above, Rhys Warren-Thomas (Simon Thomas' brother who is deemed to be acting in concert with Simon Thomas as detailed herein) holds the following options to subscribe for Ordinary Shares:

Unapproved Share Options

	Date of Grant	Ordinary Shares	Exercise price (pence)	Date exercisable
	31/07/10	255	85.0	31/07/13 to 31/07/20
	31/07/11	25,000	107.0	31/07/14 to 31/07/21
	31/07/12	25,000	108.5	31/07/15 to 31/07/22
	31/01/14	25,000	136.0	31/07/16 to 31/01/24
	31/07/14	10,507	207.0	31/07/17 to 31/07/24
	31/07/17	7,742	387.5	31/07/20 to 31/07/27
	31/07/18	40,000	600.0	31/07/23 to 31/07/33
	31/07/19	40,000	600.0	31/07/24 to 31/07/34
		173,504		
CSOP	31/07/14	14,493	207.0	31/07/17 to 31/07/24
		14,493		

5.6 Dealings in securities by the Directors and Major Shareholders

On 21 December 2018, Colin Jacobs sold 1,084 Ordinary Shares arising on the exercise of options at a price of 404.56 pence per share.

On 11 January 2019, Colin Jacobs sold 10,112 Ordinary Shares arising on the exercise of options at a price of 400 pence per share.

On 14 January 2019, Colin Jacobs sold 4,775 Ordinary Shares arising on the exercise of options at a price of 402.41 pence per share.

On 15 January 2019, Colin Jacobs sold 3,725 Ordinary Shares arising on the exercise of options at a price of 402.95 pence per share.

On 17 January 2019, Colin Jacobs sold 5,304 Ordinary Shares arising on the exercise of options at a price of 402.75 pence per share.

On 12 February 2019, Raymond Davies acquired 804 Ordinary Shares at a price of 446.75 pence per share to be held within his SIPP.

On 1 March 2019, Charles Peal acquired 55,473 Ordinary Shares at a price of 466.40 pence per share.

On 1 March 2019, Simon Thomas sold 250,000 Ordinary Shares at a price of 465.00 pence per share.

On 18 April 2019, Colin Jacobs sold 14,271 Ordinary Shares arising on the exercise of options at a price of 496.49 pence per share.

On 25 April 2019, Colin Jacobs sold 10,729 Ordinary Shares arising on the exercise of options at a price of 488.90 pence per share.

On 12 July 2019, Raymond Davies acquired 299 Ordinary Shares at a price of 548.00 pence per share to be held within his SIPP.

On 4 November 2019, Charles Peal acquired 84,525 Ordinary Shares at a price of 563.80 pence per share and 12,844 Ordinary Shares at a price of 562.00 pence per share to be held within his SIPP.

Save as disclosed in this document, none of the Major Shareholders has dealt for value in Ordinary Shares in the 12 months preceding the date of this document. There have not been any sales and/or purchases of Ordinary Shares between any of the Major Shareholders.

Part II: Additional Information continued

5. Major Shareholders continued

5.7 The Major Shareholders have confirmed to the Board that, following purchases of Ordinary Shares by the Company pursuant to the Share Purchase Authority, the intention of the Major Shareholders is that the business of the Company will be continued in substantially the same manner as at present. Further, the Major Shareholders have confirmed the following:

- (a) that there are no plans in place which will affect the future business of the Company and the Company does not have any research and development function;
- (b) that there are no plans in place which will affect either the employees or the locations of Lok'nStore's places of business;
- (c) that the existing employment rights of the employees (including management) of the Company and its subsidiaries will be fully safeguarded and there will be no material change in the conditions of employment;
- (d) that there will be no redeployment of the fixed assets of the Company;
- (e) that all transactions and relationships between Lok'nStore and the Major Shareholders will be conducted at arm's length and on a normal commercial basis;
- (f) that there are no plans in place which will affect employer contributions into the Company's pension scheme, the accrual of benefits for existing members, and the admission of new members; and
- (g) that there are no plans in place which will affect the maintenance of any existing trading facilities for the relevant securities of the Company.

5.8 There is no agreement, arrangement or understanding between the Major Shareholders and any director or Shareholder of Lok'nStore or any person having any connection with or dependence on, or which is conditional on, the outcome of the proposed purchase and cancellation of shares.

5.9 There is no agreement, arrangement or understanding by which the beneficial ownership of any Ordinary Shares acquired by the Company pursuant to the Share Purchase Authority will be transferred to any other person.

5.10 Save as disclosed in paragraphs 5.3 and 5.5 of Part II of this document, the Major Shareholders do not have any interests, rights to subscribe or short positions in the Ordinary Shares.

6. Options

As at 11 November 2019 (being the latest practicable date prior to the publication of this document), the total number of outstanding options to subscribe for new Ordinary Shares was 1,378,406 representing approximately 4.66 per cent. of the Company's existing issued ordinary share capital.

Assuming the repurchase of 11,500,000 Ordinary Shares, the total number of outstanding options to subscribe for new Ordinary Shares would represent approximately 7.62 per cent. of the Company's then issued ordinary share capital.

7. Repurchases made by the Company within the last 12 months

In the period from 11 November 2018 to 11 November 2019 (being the latest practicable date prior to the publication of this document), the Company made no purchases of Ordinary Shares for cancellation.

8. Material Contracts

The following contracts not being in the ordinary course of business, have been entered into by the Company or any of its subsidiaries within the period of two years prior to the posting of this document and are, or may be, material:

8.1 Increase in £50 million Banking Facility to £75 million

In April 2019, the Group increased its bank facility by £25 million to £75 million, with a further £25 million accordion option taking the potential facility to £100 million. The increased facility will provide funding for new landmark site acquisitions and working capital to support the Group's ambitious growth plans.

The facility agreement is a combined agreement dated 24 April 2019 between (1) the Company (as the original borrower), and (2) Southern Engineering and Machinery Co. Limited (as the original guarantors) and (3) Royal Bank of Scotland plc, and Lloyds Bank plc (as the security agent). The facility runs until April 2024 with an option for a further two one-year extensions and is closely aligned to the terms of the Group's previous facility. The Group is not obliged to make any repayments prior to the facility's expiration in January 2023 and bank covenants and interest margin on existing facilities are unaffected by this increase in the facility size.

9. Major Interests in Ordinary Shares

As at 11 November 2019 (being the latest practicable date prior to the publication of this document), the following persons were interested, directly or indirectly, in 3 per cent. or more of the issued ordinary share capital of the Company:

As at 11 November 2019	Percentage of existing ordinary share capital	Number of existing ordinary shares	Total shares in issue
Andrew Jacobs*	17.59%	5,204,600	
Miton Asset Management	7.22%	2,137,322	
Canaccord Genuity Wealth Management (Inst)	6.39%	1,890,000	
Simon Thomas**	5.17%	1,530,000	
BlackRock	4.60%	1,360,737	
Cavendish Asset Management	3.64%	1,077,115	
Downing	3.38%	999,032	
	47.99%	14,198,806	29,591,170

* Andrew Jacobs is a beneficiary of a pension fund that holds 310,350 Ordinary Shares.

** Simon Thomas is a beneficiary of a pension fund that holds 261,190 Ordinary Shares.

The figures set out in the table above do not include the Ordinary Shares held by these pension funds.

10. Significant and Material Changes in the Financial or Trading Position

There has been no significant change in the financial or trading position of the Group since the publication of the Annual Report and Accounts for the year ended 31 July 2019, being the last financial period for which audited financial statements of the Group have been published.

11. Middle Market Quotations

The middle market quotations for an Ordinary Share on the first business day of each of the six months immediately preceding the date of this document and on the latest available date prior to the publication of this document as derived from the Stock Exchange Daily Official List, were as follows:

Date	Pence
11 November 2019	633.00
01 November 2019	548.00
01 October 2019	541.00
02 September 2019	527.00
01 August 2019	527.00
01 July 2019	501.00
03 June 2019	500.00

Part II: Additional Information continued

12. General

12.1 finnCap has given, and has not withdrawn, its written consent to the inclusion herein of the references to its name in the form and context in which they appear.

12.2 Information on the nature of the Company's business and the Company's financial and trading prospects can be found in the Company's Annual Report and Accounts 2019 which accompanies this document, in the Chairman's Statement on page 2 and the Chief Executive Officer's Review on page 13.

12.3 All information relating to the financial position of the group required by Rules 24.3(a) and 24.3(c) of the City Code on Takeovers and Mergers may be found in (i) the audited consolidated accounts for the Company for the financial years ended 31 July 2017, 2018 and 2019 which can be found on the Company's website at <http://www.loknstore.co.uk/investors/results-reports/> and (ii) the preliminary results announcement for the year ended 31 July 2019 dated 4 November 2019 which can be found at <http://www.loknstore.co.uk/investors/announcements/>. These accounts and the preliminary results announcement are hereby incorporated into this document. Hard copies of the audited consolidated accounts for the Company for the year ended 31 July 2019 accompany this document. With respect to the other documents incorporated by reference, any Shareholder may request a hard copy (hard copies will not be provided unless requested). Hard copies may be requested by contacting sophiafowler@loknstore.co.uk or telephone number 01252 521010.

13. Documents Available for Inspection

Copies of the following documents will be available for inspection, free of charge, at the offices of Goodman Derrick LLP, 10 St Bride Street, London EC4A 4AD during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) and also at <http://www.loknstore.co.uk/investors>. The documents will be available from the date of this document until the date of the AGM and at the AGM from 15 minutes prior to its commencement until its conclusion:

13.1 the memorandum of association and the Articles of the Company;

13.2 the audited consolidated accounts for Lok'nStore for the two financial years ended 31 July 2017 and 2018 and a copy of the 2019 audited consolidated accounts accompanies this document;

13.3 the Directors' service agreements referred to in paragraph 4 of this Part II above;

13.4 the consent letter from finnCap referred to in paragraph 12 of this Part II above;

13.5 this document.

18 November 2019

Notice of Annual General Meeting

Lok'nStore Group plc

(Registered in England No. 4007169)

Notice is hereby given that the Annual General Meeting of the members of Lok'nStore Group plc (the '**Company**') will be held at the offices of Goodman Derrick LLP, 10 St Bride Street, London, EC4A 4AD on 12 December 2019 at 5.30 pm for the following purposes:

To consider and, if thought fit, pass the following resolutions:

Ordinary Business

1. To approve the financial statements, the Directors' and the auditors' reports for the year ended 31 July 2019.
2. To re-elect Raymond Davies as a Director of the Company, who retires from office in accordance with Article 98 of the Company's articles of association.
3. To re-elect Neil Newman-Shepherd as a Director of the Company, who retires from office in accordance with Article 98 of the Company's articles of association.
4. To re-elect Simon Thomas as a Director of the Company, who is offering himself up for re-election due to his length of tenure as a director.
5. To re-elect Richard Holmes as a Director of the Company, who is required to stand for re-election in accordance with Article 98 of the Company's articles of association.
6. To re-elect Edward Luker as a Director of the Company, who is required to stand for re-election in accordance with Article 98 of the Company's articles of association.
7. To re-elect Charles Peal as a Director of the Company, who is required to stand for re-election in accordance with Article 98 of the Company's articles of association.
8. To re-appoint RSM UK Audit LLP as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
9. To authorise the Directors of the Company (the '**Directors**') to determine the remuneration of the auditors of the Company.
10. To declare a final dividend of 8.33 pence per ordinary share for the financial year ended 31 July 2019.

Special Business

11. (Ordinary Resolution)

THAT the Directors, in place of any existing authority conferred upon them, be generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 (the '**Act**') to exercise all powers of the Company to allot and to make offers or agreements to allot shares or convert any securities into shares up to an aggregate nominal amount of £98,637 provided that this authority (unless previously revoked, varied or renewed) shall expire at the conclusion of the earlier of 11 March 2021 and the next annual general meeting of the Company, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Notice of Annual General Meeting continued

12. (Special Resolution)

THAT, conditional upon the passing of resolution 11 above, the Directors be and they are hereby empowered in accordance with sections 570 and 573 of the Act to allot equity securities (as defined in section 560(1) of the Act) pursuant to the authority conferred by resolution 11 above and to sell treasury shares as if section 561(1) of the Act did not apply to such allotment or sale, provided that this power shall be limited to:

- (i) the allotment or sale of equity securities for cash in connection with or pursuant to an offer to the holders of equity securities and other persons entitled to participate in proportion (as nearly as may be) to their then holdings of equity securities (or, as appropriate, the numbers of such securities which such other persons are for those purposes deemed to hold) subject only to such exclusions or other arrangements as the Directors may feel necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body of, or any stock exchange in, any territory; and
- (ii) the allotment (otherwise than pursuant to sub-paragraph 10(i) hereof) or sale of equity securities for cash up to a maximum nominal value of £29,591

and shall expire at the earlier of the conclusion of the next annual general meeting of the Company and 11 March 2021, save that the Company may at any time before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted or sold after such expiry and the Directors may allot or sell equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

13. (Special Resolution)

THAT, in substitution for any existing authority, the Company be and is hereby generally and unconditionally authorised pursuant to section 701 of the Act to make market purchases (within the meaning of section 693 of the Act) of its ordinary shares of 1p each ('**Ordinary Shares**') up to an aggregate of 11,500,000 Ordinary Shares at a price per Ordinary Share of not less than 1p and not more than 5 per cent. above the average of the middle market quotations for an Ordinary Share as derived from the daily official list of The London Stock Exchange for the five business days immediately preceding the day on which the purchase is made (in each case exclusive of expenses), provided that the authority conferred by this resolution shall (unless previously revoked, varied or renewed) expire at the conclusion of the next annual general meeting of the Company except that the Company may prior to the expiry of such authority make a contract to purchase Ordinary Shares which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of Ordinary Shares in pursuance of any such contract, as if such authority had not expired.

14. (Ordinary Resolution)

THAT the waiver by the Panel on Takeovers and Mergers (the '**Panel**') of any obligation which might otherwise arise on the Major Shareholders (as defined in the circular of the Company dated 18 November 2019 (the '**Circular**'), collectively and/or individually, to make a general offer to Shareholders of the Company pursuant to Rule 9 of the City Code on Takeovers and Mergers (the '**Code**') as a result of any market purchases of Ordinary Shares by the Company pursuant to the Share Purchase Authority (as defined in the Circular), which (assuming the Options (as defined in the Circular) have been exercised in full, Resolution 13 is passed, the Share Purchase Authority is fully utilised but there is no participation by the Directors (or persons connected with them within the meaning of sections 252–255 of the Act) and there are no sales of Ordinary Shares by the Major Shareholders) would have the effect of increasing the Major Shareholders' aggregate interest in shares of the Company to a maximum of 42.71 per cent. of the voting rights of the Company, be and is hereby approved.

15. (Ordinary Resolution)

THAT the purchase by the Company of Ordinary Shares from a Director or a person connected with him (within the meaning of sections 252–255 of the Act) pursuant to the authority referred to in resolution 13 above be and is hereby approved for the purposes of section 190 of the Act.

By order of the Board:

Company Secretary

18 November 2019

Registered Office:

One Fleet Place, London, EC4M 7WS

Notes

- (i) As a member, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise the rights attached to any one share.
- (ii) A form of proxy accompanies this notice. If you have not received one, or if you require additional proxy forms, please contact the Company's registrars (see Note xii).
- (iii) To be valid, your form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, must be returned either by post in the pre-paid envelope provided, by courier or by hand to the Company's registrars at Link Asset Services, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZF so as to be received no later than 5.30pm on 10 December 2019.
- (iv) If you appoint a proxy, this will not prevent you attending the meeting and voting in person if you wish to do so. Your proxy appointment will automatically be terminated if you vote in person.
- (v) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- (vi) In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a '**CREST Proxy Instruction**') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ('**EUI**') specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent, Link Asset Services (whose CREST ID is RA 10) by 5.30pm on 10 December 2019. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
- (vii) CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (viii) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- (ix) Any corporation which is a member can authorise one or more person(s) to act as its representative(s) at the meeting.
- (x) In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, to have the right to attend and vote at the meeting a member must first have his or her name entered in the Company's register of members by no later than close of business on 10 December 2019 or, if this meeting is adjourned, at close of business on the day two days prior to the adjourned meeting. Changes to entries on that register after that time shall be disregarded in determining the rights of any member to attend and vote at the meeting.

Notice of Annual General Meeting continued

- (xi) Copies of Directors' service contracts and letters of appointment will be available for inspection for at least 15 minutes prior to the meeting and during the meeting.
- (xii) If you have any queries about the meeting, please contact the Company's registrars, Link Asset Services, on telephone number 0871 664 0300 from within the UK (calls cost 12p per minute plus your phone company's access charge) or on +44 (0) 371 664 0300 if calling from outside the UK (calls outside the United Kingdom will be charged at the applicable international rate). Lines are open 9.00 am – 5.30 pm Monday – Friday. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the transaction nor give any financial, legal or tax advice.
- (xiii) The final dividend is proposed to be paid out on 10 January 2020 to all Shareholders registered in the Company's share register on 29 November 2019.
- (xiv) Resolution 14 will be taken on a poll by Independent Shareholders (as defined in the Circular).

**LOK'n
STORE**

Self Storage

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