

Share sub-division Q&A

The board of Caledonia Investments plc ("**Caledonia**" or the "**Company**") is recommending a 10:1 share sub-division (the "**Share Sub-division**") to shareholders for approval at the annual general meeting being held on 16 July 2025. This will reduce the nominal value of ordinary shares from 5p to 0.5p. Further details of the proposed Share Sub-division can be found below.

Why is the Share Sub-division being proposed?

The board believes that the proposed Share Sub-division of each Existing Ordinary Share of 5p each ("**Existing Ordinary Shares**") into ten new ordinary shares of 0.5p each ("**New Ordinary Shares**") would reduce Caledonia's share price to a level where smaller sized dealings in the shares may improve accessibility to a wider range of shareholders.

Is the Share Sub-division subject to any approvals?

Resolution 17 is being proposed as an ordinary resolution at the annual general meeting being held on 16 July 2025 to seek shareholder approval for the Share Sub-division.

The resolution is conditional upon the New Ordinary Shares being admitted to the Official List and to trading on the London Stock Exchange's main market for listed securities.

How does the Share Sub-division work?

The Share Sub-division will result in ordinary shareholders holding ten New Ordinary Shares for each Existing Ordinary Share they held immediately prior to the Share Sub-division.

The Company's issued ordinary share capital as at 6 June 2025 was £2,631,766.30, divided into 52,635,326 Existing Ordinary Shares having a nominal value of 5p each. If the Share Sub-division is applied to the existing ordinary share capital, the total value of the ordinary share capital will remain at £2,631,766.30, but will be divided into 526,353,260 New Ordinary Shares of 0.5p each. No fractional entitlements will be created by the Share Sub-division.

What will happen to my share certificates/CREST holding?

The New Ordinary Shares will be in registered form and may be held in certificated or uncertificated form. Following the Share Sub-division becoming effective, share certificates in respect of the Existing Ordinary Shares will cease to be valid and will be cancelled. New certificates in respect of New Ordinary Shares will be issued to those ordinary shareholders who hold their Existing Ordinary Shares in certificated form, and are expected to be dispatched, at the risk of shareholders, by 8 August 2025.

Share certificates in respect of Existing Ordinary Shares should be destroyed upon receipt of new certificates. No temporary documents of title will be issued. Transfers of New Ordinary Shares after 24 July 2025, but before the dispatch of new certificates, will be certified against the register of members of the Company.

CREST accounts are expected to be credited on 25 July 2025.

Will the value of my shareholding change?

If the proposed Share Sub-division proceeds, it is expected that the price of each New Ordinary Share will become one tenth of the price of an Existing Ordinary Share. This will reflect the fact that ordinary shareholders will own ten times as many ordinary shares. Ordinary shareholders should however note that, subject to market movements, the aggregate value of their shareholdings should remain the same.

For illustrative purposes only, based on the closing middle market price of an Existing Ordinary Share of £38.75 per share on 6 June 2025, the theoretical price of a New Ordinary Share following completion of the Share Sub-division would be £3.875 per share. This is determined as follows:

	Hypothetical number of Existing Ordinary Shares held	Nominal value (per share)	Mid-market price (per share)	Total value
Before the Share Sub-division	10	5p	£38.75	£387.50
After the Share Sub-division	100	0.5p	£3.875	£387.50

Will the Share Sub-division change Caledonia's net assets?

The Share Sub-division will not have any impact on the Company's net assets as no change in the total aggregate nominal value of the Company's issued share capital will occur.

When will the Share Sub-division take place?

Applications will be made for admission of the New Ordinary Shares to the Official List and to trading on the London Stock Exchange's main market for listed securities. If the applications are accepted, it is proposed that the last day of dealings in Existing Ordinary Shares will be 24 July 2025 and the effective date for dealings to commence in New Ordinary Shares will be 25 July 2025.

If the resolution is passed by shareholders is passed at the annual general meeting, the Share Sub-division will become effective on admission of the New Ordinary Shares to the Official List, which is expected to be 8.00 am on 25 July 2025.

What is the new ISIN?

The New Ordinary Shares have been allocated a new stock identification code (ISIN) as follows: GB00BTNQ8K38.

Will there be any other changes to my shareholding a result of the Share Sub-division?

In short, no. The New Ordinary Shares will carry the same rights in all respects as the Existing Ordinary Shares, including voting rights. Mandates and other instructions for the payment of dividends and communication preferences will continue to apply to the New Ordinary Shares.

Will the Share Sub-division impact my personal tax liabilities?

Based on current UK tax legislation and the current published practice of HM Revenue & Customs, the Share Sub-division should not be treated as a disposal for the purposes of UK capital gains tax. The Share Sub-division should also not be treated as giving rise to any distribution for UK income tax purposes. After the Share Sub-division, each ordinary shareholder's base cost in its Existing Ordinary Shares for the purposes of UK capital gains tax should become such ordinary shareholder's base cost in the resulting New Ordinary Shares. Please note that these statements are intended as a general guide only. If you are in any doubt as to your personal tax status, or may be subject to tax in a jurisdiction other than the UK, you should consult your own professional adviser.

What will the impact on outstanding awards held under Caledonia's employee share plans be?

Participants in Caledonia's employee share plans will be contacted separately about the effect of the Share Sub-division on their outstanding awards. The Board's intention is, wherever possible, to adjust the awards to take account of the Share Sub-division.