

**SIRIUS REAL ESTATE LIMITED**

(Incorporated in Guernsey)

Company Number: 46442

JSE Share Code: SRE

LSE (GBP) Share Code: SRE

LEI: 213800NURUF5W8QSK566

ISIN Code: GG00B1W3VF54

**Sirius Real Estate Limited**  
**("Sirius Real Estate", "Sirius" or the "Company")**  
**Results for the year ended 31 March 2022**

**CONTINUED STRONG RETURNS IN TRANSFORMATIVE YEAR**

13 June 2022. Sirius Real Estate (LSE/JSE: SRE), the leading operator of branded business and industrial parks providing conventional space and flexible workspace in Germany and the UK, announces condensed consolidated financial results for the year to 31 March 2022.

**Operating platform continuing to drive rental growth, FFO and dividend**

- Group annualised rent roll increased 73.1% to €167.0 million (2021: €96.5 million<sup>1</sup>) as a result of demand and asset management led organic growth, acquisitions and the impact of BizSpace following completion in November 2021
- Like-for-like annualised rent roll in Germany increased by 6.4% reflecting the eighth consecutive year of like-for-like annualised rent roll growth in excess of 5.0%
- Like-for-like annualised rent roll in the UK increased by 7.6% in the Company's 4.5 month period of ownership of BizSpace
- Profit before tax of €168.9 million, representing a 3.2% year-on-year increase (2021: €163.7 million)
- Funds From Operations ("FFO") increased by 22.5% to €74.6 million (2021: €60.9 million)
- H2 dividend of 2.37c, an increase of 19.7% on the 1.98c dividend relating to the same period in the prior year. Total dividend relating to the financial year ended 31 March 2022 of 4.41c, an increase of 16.1% (2021: 3.80c) with the same pay-out ratio of 65% of FFO
- Total shareholder accounting return of 20.0% (2021: 19.5%)

**Continued acquisitive growth, asset recycling and entry into new market**

- €201.9 million of acquisitions in Germany completed or notarised across 10 sites, providing an attractive mix of income and value-add opportunity
- Entry into UK market via acquisition of BizSpace for cash consideration of approximately £245.0 million based on an enterprise value of £380.0 million and representing a net initial yield of 7.1%.
- Two strategic disposals providing c.€30 million of capital to recycle into the business completed or expected to complete after the period end:
  - €13.75 million sale of the Company's Magdeburg asset in Germany representing a 5.5% increase on the last reported book value
  - £16.0 million sale of BizSpace business park in Camberwell, London, representing a 94% premium to the valuation at the time of Sirius' acquisition of BizSpace

**Strengthened balance sheet and income driven valuation gains**

- €737.8 million or 54.2% increase in investment property book value<sup>2</sup> to €2,100.0 million (2021: €1,362.2 million) as a result of acquisitive growth in Germany, the acquisition of BizSpace and strong valuation gains
- Like-for-like increase in valuations in Germany of 9.4% or €127.2 million driven predominantly by annualised rent roll growth of €6.2 million but also 20 bps of gross yield compression
- Gross yield of German portfolio of 6.9% (2021: 7.2%) with two-thirds of the portfolio representing value add assets at a gross yield of 7.3% and one-third representing mature assets at a gross yield of 6.1%
- Like-for-like increase in valuations relating to the 4.5 month period of ownership of BizSpace in the UK of 10.6% or £36.7 million driven predominantly by annualised rent roll growth of 7.6% during the 4.5 month period but also 30 bps of gross yield compression
- NAV per share increased by 15.5% to 102.04c (2021: 88.31c) with adjusted NAV increasing by 15.7% to 108.51c (2021: 93.79c) and EPRA NTA per share increasing by 16.2% to 107.28c (2021: 92.29c)
- Transformative corporate bond issuances totalling €700.0 million providing financial capacity for acquisitions and repayment of secured debt as well as providing significant flexibility for asset recycling and enhanced cash flows for investment
- Reduction in the weighted average cost of debt to 1.4%, extension of the weighted average term of debt to 4.3 years and an increase in the number of unencumbered assets to 127 with a book value of €1.6 billion
- Total cash balance of €151.0 million at year end (2021: €65.7 million), of which €127.2 million is unrestricted
- Net LTV of 41.6% (2021: 31.4%)

## Outlook

- Post year end trading in line with market expectations, driven by continued strong occupier demand, transformative investment and ongoing on-shoring of production and supply chains by German and UK manufacturers
- Positive impact of FY22 acquisitions expected to be more pronounced in the new financial year
- Actively assessing further opportunities for growth in both Germany and the UK
- Whilst the business is mindful of global macro-economic conditions causing uncertainty, Sirius remains well placed to continue to deliver attractive returns for shareholders

**Commenting on the results Andrew Coombs, Chief Executive Officer of Sirius Real Estate, said:** *“Against an ongoing period of challenging market conditions, Sirius has delivered another very positive set of annual results leading to a 20% total accounting return including a 16.1% increase in dividend for shareholders. This strong operating performance was underpinned by continued demand and asset management led rental growth across both our German and UK platforms. The Company grew acquisitively through the commitment of over €200 million into acquisitions in Germany, as well as the acquisition of BizSpace in November 2021 for £380 million. Further, in issuing two corporate bonds amounting to €700.0 million the Company not only benefited from increased financial capacity but also reduced its weighted average cost of debt to 1.4%, increased its weighted average term of debt to 4.3 years and increased the value of its unencumbered properties to €1.6 billion.*

*“We remain focused on driving property returns through the capability of our internal operating platforms and, despite the inflationary environment and the uncertainty created by the situation in Ukraine, are confident that we can continue to deliver attractive risk-adjusted returns through active asset management. Looking ahead, we expect the ten assets acquired or notarised in Germany during the period to have a greater impact on earnings in FY23 compared to FY22, whilst the encouraging operating performance of BizSpace provides further income growth opportunities.”*

Notes:

1 – Excludes €0.7m of annualised rent roll and 7,000 sqm relating to the Daimler moveout in the Fellbach 2 asset that was anticipated at the time of acquisition in March 2021.

2 – Including leased investment properties

## CONFERENCE CALL

### Webcast Conference

There will be an audio webcast presentation for analysts at 08.30am BST / 09.30am SAST today, hosted by Andrew Coombs, Chief Executive Officer of Sirius Real Estate and Diarmuid Kelly, Chief Financial Officer.

If you would like to join the webcast please use the registration link below:

<https://webcasting.brrmedia.co.uk/broadcast/6278ccab8eb4f178d1efa68a>

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## NOTES TO EDITORS

### About Sirius Real Estate

Sirius is a property company listed on the main and premium market of the London Stock Exchange and the main board of the JSE Limited. It is a leading owner and operator of branded business and industrial parks providing conventional

space and flexible workspace in Germany and the UK. As of 31 March 2022, and following the acquisition of BizSpace, a leading UK provider of regional flexible workspace, the Group's portfolio comprised 140 assets let to 9,452 tenants with a total book value of over €2 billion, generating a total annualised rent roll of €167.1 million. Sirius also holds a 35% stake in Titanium, its €350+ million German-focused joint venture with clients of AXA IM Alts.

The Company's strategy centres on acquiring business parks at attractive yields and integrating them into its network of sites - both under the Sirius name and alongside a range of branded products. The business then seeks to reconfigure and upgrade existing and vacant space to appeal to the local market via intensive asset management and investment and may then choose to selectively refinance or dispose of assets once they meet maturity, to release capital for new investment. This active approach allows the Company to generate attractive returns for shareholders through growing rental income, improving cost recoveries and capital values, and enhancing returns through securing efficient financing terms. The Company has a strong track record for growing its income and has delivered like-for-like rent roll growth in excess of 5% for the last eight consecutive years.

For more information, please visit: [www.sirius-real-estate.com](http://www.sirius-real-estate.com)

Follow us on LinkedIn at <https://www.linkedin.com/company/siriusrealestate/>

Follow us on Twitter at @SiriusRE

## Chairman's statement

### Building on successful foundations

**"The team are deploying their experience and asset management expertise across both markets and in doing so are delivering results both organically and through acquisitions."**

#### Overview

This is my fourth Annual Report as Chairman and I am pleased to record another period of operational and strategic success for the business despite the continued disruption and challenges that have arisen from the Covid 19 pandemic, and more latterly, the inflationary environment which has been exacerbated by the conflict in the Ukraine. I would like once again to express my thanks to the management and employees who continued to operate with such resilience when servicing our tenants and executing the Company strategy in the most challenging circumstances. Notably, this year the business entered the UK market with the acquisition of BizSpace and I am delighted to welcome all our employees in the UK to the wider group. I have absolute confidence in the ability of the management teams in Germany and the UK to ensure the ongoing integration process is successful, as well as to unlock new growth opportunities in the UK. Undoubtedly lots of that work still lies ahead and I look forward to reporting back on progress next year.

Looking forward, Sirius is well placed to keep delivering on our growth strategy. Our primary focus remains on our largest market, Germany, where we expect to continue to deliver attractive and sustainable returns for shareholders there. The year ahead looks set to be shaped by the fallout from the conflict in the Ukraine. Whilst premature to speculate on how the crises will impact our markets, the Company considers itself well positioned to trade through any potential headwinds and, most importantly, we all hope for an immediate cessation of hostilities and de-escalation of the conflict.

#### Executing the strategy

Our core strategy continues to focus on the acquisition of business parks in Germany which have either attractive yields or value-add potential or both. Sirius transforms these business parks into higher-quality assets through investment and intensive asset management. When sites are mature and net income and values have been optimised, Sirius may refinance sites to release capital for investment in new sites or consider the disposal of sites in order to recycle equity into assets which present greater opportunity to deploy the asset management capabilities of the Company's internal operating platform.

#### Germany

The capex investment programmes upgrade and transform space that would often be considered as structurally void and, in doing so, aim to deliver excellent returns by growing income and capital values. The primary focus in Germany remains on its seven largest cities of Berlin, Hamburg, Düsseldorf, Cologne, Frankfurt, Stuttgart and Munich, with a secondary focus on a selection of key towns such as Aachen, Saarbrücken and Freiburg which benefit from cross-border opportunities. Sirius seeks mixed-use properties, primarily light industrial units, business parks or office buildings outside city centres or on the edge of towns where there is a high density of commercial and industrial activity and good transport links. The Company has approximately 6,000 tenants across Germany representing a wide range of industries. The Company also manages seven business parks owned by Titanium, a venture with AXA IM Alts where Sirius holds a 35% equity share.

#### United Kingdom

BizSpace is a natural fit for Sirius and provides the combined business with opportunities for meaningful operational and financial synergies. Like Sirius' German business, BizSpace primarily owns out of town offices and industrial assets with similar characteristics. We see significant organic growth potential in rental pricing and other opportunities in intensive asset management, particularly given the high level of exposure to the regions where the UK Government's levelling up initiatives are being focused. In the UK, we expect acquisition opportunities to come primarily from portfolio acquisitions or consolidation rather than acquiring single new assets which are generally much smaller than those available in Germany. BizSpace owns and operates 72 sites, across 4.3 million sq ft providing a range of office, studio and workshop units to the SME sector in convenient locations across the UK.

#### Shareholder returns

Reflecting the continued robust operational performance and the strength of the Company's balance sheet, the Board has authorised a dividend in respect of the second half of the financial year ended 31 March 2022 of 2.37c per share representing 65% of FFO, an increase of 19.7% on the 1.98c dividend for the equivalent dividend last year. This brings total dividend for the year to 4.41c compared to 3.80c for the year ended 31 March 2021 and reflects an increase of 16.1%.

The Sirius business model continues to deliver not only progressive income returns but also attractive capital growth as measured by adjusted net asset value ("adjusted NAV") per share. Combining the growth in adjusted NAV and taking into account dividends paid in the period, the Company has delivered a total shareholder accounting return of 20.0% for the year to 31 March 2022. While dividend distributions have typically contributed approximately one third and adjusted NAV growth two thirds of returns, it is pleasing to note that the valuation movement of our investment properties continues to be derived predominantly from organic increases in income rather than yield movement. The consistent delivery of impressive double digit accounting returns is a testament to the continued excellence of our people who continue to execute our core strategy that focuses on growing income at property level and selective asset recycling.

#### Sustainability

We have continued to develop our approach to sustainability and ESG as we look to further embed environmental and social value within the business, with the Board and Senior Management Team leading on this important topic. We have made significant progress, but also recognise that we have more to do, in particular as we start our journey of reducing our environmental footprint with the ambition of having an overall positive impact on the planet and society. I would like to thank Kremena Wissel, our Chief

Marketing and Impact Officer, and her team for their work, which now also includes the integration of BizSpace into our ESG programme.

During the year we have started to implement the core drivers of our sustainability programme that were identified through the ESG materiality assessment exercise completed in early 2022. We have provided more details on our ESG objectives and actions within this annual report, and we are aiming to provide additional insight into our ESG strategy, roadmap and targets in our first standalone ESG Report later in 2022. We have recognised our responsibility to the environment for a number of years, evidenced by us providing 100% certified green energy to over 94% of our portfolio. This year we are going further and have started on our journey to become a net zero emissions business, as identified in our implementation of the Task Force on Climate-Related Financial Disclosures ('TCFD'). As we have made clear before, our ESG decisions will be grounded in economic viability. As such, we have recently given permission for a detailed structural and emissions assessment of a sample of our portfolio which will give the management team the necessary information to make informed operational and financial decisions towards taking the business forward on its net zero emissions pathway.

Our strength this year is best evidenced, yet again, by our employees. For the second year, the Covid 19 pandemic had the potential to disrupt our operations, however our employees embraced the challenge and delivered across the whole business. I have also been fortunate to be able to visit BizSpace's buildings and meet as many of the team as possible. I hope that I was able to adequately demonstrate our welcome to them and the recognition of the value they will bring to our combined team. People are core to our business success, and we will continue to develop our approach to creating a positive social impact, both inside and outside the company. This includes working with our tenants. I am pleased that the tenant survey we conducted this financial year showed they recognise the efforts we made for them and the support we implemented throughout the pandemic. Our purpose is to empower small and medium-sized business to grow and to unlock the potential of our people and our properties. With the support of our people and all our stakeholders, I can say with confidence we have achieved our purpose again this year.

### **Governance and culture**

On 1 September 2021, we welcomed Joanne Kenrick to the Board as an independent Non-Executive Director. Joanne brings a wealth of commercial marketing experience to the Sirius Board with extensive listed, private and charitable board experience and has already provided valuable contributions throughout the year. I am pleased that the Sirius Board now has a better gender balance with three female appointees in place which we have already appointed or are about to be appointed to the important roles of Chairs of the Audit and Remuneration Committees and as the Senior Independent Director.

I would also like to congratulate Diarmuid Kelly, who was promoted to the Board to be Chief Financial Officer, taking over from Alistair Marks, who we are pleased remains with us on the Board in a new role as Chief Investment Officer. Further information relating to these Board changes is provided in the Corporate Governance Report on page 72 and in the Nomination Committee report on page 86.

The Board is fully committed to compliance with the UK Corporate Governance Code as published in July 2018 by the Financial Reporting Council (the "2018 Code"). Under a dispensation issued by the Johannesburg Stock Exchange, the Company is not required to apply the King IV Code on Governance™ for South Africa 2016. A detailed description of our governance and leadership arrangements and how we have complied with the principles and provisions of the 2018 Code is provided in the Corporate Governance Report on pages 71 to 79. This includes an explanation of the link between the Board's decision-making and the Group's purpose and strategy. It also details how stakeholder interests and the other matters set out in Section 172 of the UK Companies Act 2006 have been considered in the Board's discussions and decision making. Information on the Group's culture can be found on page 72 of the Corporate Governance Report.

### **Outlook**

On behalf of the Board, I would like to thank all those connected with Sirius for their hard work which has allowed the Company to record another strong year, with the business continuing to execute its strategy effectively and further building on the successful foundations that have been laid over the last decade. The leadership team has performed extremely well through the Covid-19 pandemic, and this gives me every confidence of its ability to deliver returns in both good and more challenging times. Following the issuance of two corporate bonds which resulted in a reduction of its weighted average interest rate to 1.4% and extension of its weighted average debt term to 4.3 years Sirius is in a strong position to continue to execute on its ambitious growth strategy in both Germany and the UK.

**Daniel Kitchen**

**Chairman**

*10 June 2022*

## **Asset management review – Germany**

## Active asset management

**€113.7m**

*total annualised rent roll*

**€6.31 per sqm**

*average rate*

**€201.9m**

*of new on balance sheet acquisitions completed or notarised in the period*

### Introduction

Sirius owns and manages business parks and industrial estates in and around the top seven cities in Germany, as well as some sites located in border towns to France and the Netherlands. Sirius operates a value add business model where it utilises the asset management expertise of its internal operating platform and aims to increase occupancy, net operating income and capital values in the properties it owns. The Company currently owns a total of 69 mixed-use industrial, warehouse and office properties in Germany whilst managing an additional nine (seven of which it holds a 35% interest through the Titanium venture with AXA IM Alts).

In Germany the Company provides 1.8 million sqm of lettable production, storage and office space, most of which is offered on a conventional basis with approximately 6% of space converted into Sirius' unique and highly effective Smartspace products which are offered on a more flexible basis with a range of services. Smartspace products include serviced offices, self-storage and workboxes and are usually created from excess office space, basements and redundant halls which most conventional property owners would often leave as structural vacancy as they do not have the capacity or know-how to deal with such space. Key to providing such a wide range of options to its tenants is the Company's internal operating platform and sophisticated online marketing and IT infrastructure which it has developed over the last 15 years.

Sirius has over 6,000 tenants in Germany; 38% of the annualised rent roll is attributable to the top 50 tenants which are generally large multinational businesses and 55% to around 3,000 SME tenants which form the backbone of the German economy. The remaining 7% of its annualised rent roll comes from the 3,000 micro-SMEs and individual tenants which rent space through the Company's Smartspace range of products where they benefit from cost certainty and maximum flexibility.

The Company's ability to provide a mix of conventional and flexible space significantly enhances the returns and sustainability of income that can be generated from German light industrial and out of town office assets. This has been proven by the Company's track record of being able to deliver significant organic increases in net operating income in Germany over the last 15 years in all market conditions.

### Lettings and rental growth

The Company recorded a like-for-like increase in its German annualised rent roll of 6.4% to €102.7 million (31 March 2021: €96.5 million\*) whilst the German total annualised rent roll increased in the year end by €17.2 million to €113.7 million with €6.2 million relating to organic growth and €11.0 million representing the impact from acquisitions.

Encouragingly, like-for-like average rate per sqm increased by 5.3% to €6.50 (2021: €6.17\*) demonstrating the reversionary potential within the portfolio that the Company is confident of realising through its range of intensive asset management activities.

Like for like occupancy increased to 87.4% (March 2021: 86.6%\*) whilst, importantly, the acquisitions made during the year resulted in total occupancy reducing to 84.2% (March 21; 86.6%\*) providing significant opportunity to add value and grow income which is expected to help Sirius continue its strong organic growth record into the future.

The increase in annualised rent roll in the period can be broken down into move-outs of 127,091 sqm that were generating €10.2 million of annualised rent roll at an average rate of €6.67 per sqm being offset by move-ins of 140,087 sqm generating €13.5 million of annualised rent roll at an average rate of €8.02 per sqm. Additionally, contracted rental rate increases and uplifts on renewals added a further €2.9 million to the annualised rent roll at the period end. As mentioned above, the acquisitions that completed in the financial year added €11.0 million to the annualised rent roll.

The movement in annualised rent roll is illustrated in the table below:

|                                           | €m           |
|-------------------------------------------|--------------|
| <b>Annualised rent roll 31 March 2021</b> | <b>96.5*</b> |
| Move-outs                                 | (10.2)       |
| Move-ins                                  | 13.5         |
| Contracted uplifts                        | 2.9          |
| Acquisitions                              | 11.0         |
| <b>Annualised rent roll 31 March 2022</b> | <b>113.7</b> |

\* Annualised rent roll of €96.5 million when excluding the expected move-out in the first half of the March 2022 financial year relating to the Fellbach II acquisition which completed in March 2021.

Underpinning the strong increase in rent roll in the year was an 8.6% increase in the number of enquiries generated compared to the previous year, while a conversion rate of 13% remained steady year on year. A month-by-month comparison of enquiries relating to the wholly owned portfolio in Germany is set out in the table below:

### Enquiries comparison FY22 to FY21

|              | No. of enquiries<br>FY22 | No. of enquiries<br>FY21 | Change<br>% |
|--------------|--------------------------|--------------------------|-------------|
| April        | 1,235                    | 1,031                    | 19.8%       |
| May          | 1,333                    | 1,044                    | 27.7%       |
| June         | 1,341                    | 1,176                    | 14.0%       |
| July         | 1,305                    | 1,198                    | 8.9%        |
| August       | 1,435                    | 1,241                    | 15.6%       |
| September    | 1,387                    | 1,353                    | 2.5%        |
| October      | 1,351                    | 1,354                    | (0.2)%      |
| November     | 1,421                    | 1,341                    | 6.0%        |
| December     | 1,183                    | 1,049                    | 12.8%       |
| January      | 1,495                    | 1,376                    | 8.6%        |
| February     | 1,324                    | 1,268                    | 4.4%        |
| March        | 1,370                    | 1,467                    | (6.6)%      |
| <b>Total</b> | <b>16,180</b>            | <b>14,898</b>            | <b>8.6%</b> |

Against the backdrop of the pandemic, disruption to supply chains and changes in tenant demands the Company continued to adopt a highly progressive and flexible approach to its marketing activities with several initiatives launched based on data generated from detailed analysis of online search patterns. Flexibility and competitive pricing continued to be key factors in decision making whilst demand for storage and flexible office space also increased compared to the prior year.

As a result of having direct line of sight into the marketplace the Company was able to focus its marketing strategies on spaces and products that meet fast changing demand dynamics. Accordingly, the Company generated an increased number of enquiries compared with the prior year which resulted in an increase in the volume of sales by sqm.

Details of the month-by-month lettings performance and square metre volumes compared to the same period in the previous year are set out in the table below:

### Lettings comparison FY22 to FY21

|              | New deals<br>twelve months<br>to March 2022 | New deals<br>twelve months<br>to March 2021 | Total sqm<br>let twelve months<br>to March 2022 | Total sqm<br>let twelve months<br>to March 2021 | Average sqm per<br>deal twelve<br>months<br>to March 2022 | Average sqm per<br>deal twelve<br>months<br>to March 2021 |
|--------------|---------------------------------------------|---------------------------------------------|-------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|
| April        | 219                                         | 115                                         | 13,463                                          | 8,025                                           | 61                                                        | 70                                                        |
| May          | 170                                         | 130                                         | 15,953                                          | 11,282                                          | 94                                                        | 87                                                        |
| June         | 166                                         | 165                                         | 12,629                                          | 11,242                                          | 76                                                        | 68                                                        |
| July         | 139                                         | 215                                         | 15,185                                          | 13,170                                          | 109                                                       | 61                                                        |
| August       | 182                                         | 259                                         | 11,877                                          | 15,324                                          | 65                                                        | 59                                                        |
| September    | 175                                         | 226                                         | 14,650                                          | 15,052                                          | 84                                                        | 67                                                        |
| October      | 193                                         | 220                                         | 14,336                                          | 12,371                                          | 74                                                        | 56                                                        |
| November     | 163                                         | 192                                         | 10,357                                          | 14,193                                          | 64                                                        | 74                                                        |
| December     | 171                                         | 168                                         | 12,042                                          | 12,327                                          | 70                                                        | 73                                                        |
| January      | 138                                         | 215                                         | 15,065                                          | 13,248                                          | 109                                                       | 62                                                        |
| February     | 198                                         | 197                                         | 13,769                                          | 14,502                                          | 70                                                        | 74                                                        |
| March        | 157                                         | 143                                         | 12,778                                          | 20,329                                          | 81                                                        | 142                                                       |
| <b>Total</b> | <b>2,071</b>                                | <b>2,245</b>                                | <b>162,102</b>                                  | <b>161,065</b>                                  | <b>78</b>                                                 | <b>72</b>                                                 |

Tenant retention in the period was encouraging with a 75% renewal rate by square metres in the period being successfully extended (2021: 72%). Overall, the continued positive performance in marketing, lettings and renewals provides a clear demonstration of the ability of the Company to grow against the backdrop of rapidly changing market dynamics.

### Cash collection

Having visibility and close control of cash collection continues to be an advantage of having an internal operating platform as the impact of the pandemic remains. As a result of the combination of close collaboration between the Company's experienced cash collection team and on-site staff the Company was able to increase its cash collection rate to 98.4% (March 2021: 98.2%) as set out in the table below. This was also despite the material increase in total billing to €163.0 million (net of VAT) from €143.8 million in 31 March 2021.

### Cash collection

|           | Invoiced<br>€000 | Outstanding<br>€000 | Collection<br>% |
|-----------|------------------|---------------------|-----------------|
| April     | 12,551           | 135                 | 98.9%           |
| May       | 12,488           | 149                 | 98.8%           |
| June      | 12,747           | 144                 | 98.9%           |
| July      | 12,895           | 165                 | 98.7%           |
| August    | 12,932           | 161                 | 98.8%           |
| September | 13,113           | 180                 | 98.6%           |
| October   | 13,085           | 164                 | 98.7%           |
| November  | 14,090           | 190                 | 98.7%           |
| December  | 14,833           | 251                 | 98.3%           |
| January   | 14,565           | 313                 | 97.9%           |
| February  | 14,859           | 327                 | 97.8%           |
| March     | 14,863           | 431                 | 97.1%           |

|              |                |              |              |
|--------------|----------------|--------------|--------------|
| <b>Total</b> | <b>163,021</b> | <b>2,610</b> | <b>98.4%</b> |
|--------------|----------------|--------------|--------------|

As at year end uncollected debt amounted to €2.6 million with outstanding rent of €2.0 million and service charge prepayments of €0.6 million. From a tenant base of approximately 6,000 tenants the Group issued ten deferred payment plans amounting to €0.6 million whilst total write-offs amounted to €45,000. The Company expects to collect most of the outstanding debt for the period over the next twelve months through its regular debt collection activities.

### Acquisitions and disposals

As investment markets in Germany grew in confidence following the easing of the pandemic, the Company was able to increase its investment activity, finishing the year with a total of €201.9 million invested or committed in ten acquisitions. These fully owned assets are expected to contribute a total of €8.8 million of net operating income at 62% occupancy, representing an EPRA net initial yield of 4.4%. The acquisitions provide the opportunity to grow income through increasing occupancy, with more than 118,000 sqm of vacant space and significant scope for selective investment in unused or underutilised space.

A summary of the acquisitions that completed or were notarised in the year are detailed in the table below:

|                  | Total investment (incl. acquisition costs) €000 | Total acquisition sqm | Acquisition occupancy % | Acquisition vacant sqm | Annualised acquisition rent roll* €000 | Acquisition non-recoverable service charge costs €000 | Acquisition maintenance costs €000 | Annualised acquisition NOI* € | EPRA net initial yield*(1) % |
|------------------|-------------------------------------------------|-----------------------|-------------------------|------------------------|----------------------------------------|-------------------------------------------------------|------------------------------------|-------------------------------|------------------------------|
| <b>Sirius</b>    |                                                 |                       |                         |                        |                                        |                                                       |                                    |                               |                              |
| Essen I          | 10,706                                          | 14,711                | 80                      | 2,897                  | 829                                    | (125)                                                 | (13)                               | 691                           | 6.5                          |
| Öhringen         | 9,023                                           | 18,010                | —                       | 18,010                 | —                                      | (609)                                                 | (32)                               | (641)                         | (7.1)                        |
| Heiligenhaus     | 14,237                                          | 45,081                | 77                      | 10,269                 | 1,396                                  | (233)                                                 | (41)                               | 1,123                         | 7.9                          |
| Frankfurt III    | 21,245                                          | 10,187                | 54                      | 4,696                  | 849                                    | (209)                                                 | (43)                               | 598                           | 2.8                          |
| Essen II         | 12,151                                          | 11,709                | 81                      | 2,248                  | 954                                    | (92)                                                  | (11)                               | 851                           | 7.0                          |
| Erfurt           | 11,679                                          | 22,333                | 81                      | 4,143                  | 766                                    | (123)                                                 | (20)                               | 623                           | 5.3                          |
| Oberhausen       | 39,843                                          | 77,605                | 63                      | 28,680                 | 3,218                                  | (795)                                                 | (90)                               | 2,334                         | 5.9                          |
| Neckartenzlingen | 34,485                                          | 54,514                | 80                      | 10,705                 | 2,196                                  | (237)                                                 | (22)                               | 1,937                         | 5.6                          |
| Rastatt          | 8,783                                           | 21,426                | —                       | 21,426                 | 3                                      | (220)                                                 | (19)                               | (236)                         | (2.7)                        |
| <b>Subtotal</b>  | <b>162,152</b>                                  | <b>275,576</b>        | <b>63</b>               | <b>103,074</b>         | <b>10,211</b>                          | <b>(2,643)</b>                                        | <b>(291)</b>                       | <b>7,280</b>                  | <b>4.5</b>                   |
| <b>Notarised</b> |                                                 |                       |                         |                        |                                        |                                                       |                                    |                               |                              |
| Düsseldorf III** | 39,789                                          | 34,310                | 55                      | 15,517                 | 2,105                                  | (521)                                                 | (31)                               | 1,552                         | 3.9                          |
| <b>Total</b>     | <b>201,941</b>                                  | <b>309,886</b>        | <b>62</b>               | <b>118,591</b>         | <b>12,316</b>                          | <b>(3,164)</b>                                        | <b>(322)</b>                       | <b>8,832</b>                  | <b>4.4</b>                   |

(1) Includes purchaser costs.

\* See the Glossary section of the Annual Report and Accounts 2022.

\*\* Expected to complete July 2022.

A summary of the opportunities and characteristics of each asset acquired in the period is detailed below.

- The Essen I asset completed in May 2021 and was acquired for total acquisition costs of €10.7 million. The asset provides a mix of production, storage and office space located in the heart of Germany's industrial Rhein-Ruhr region. The acquisition represents the Company's first of two investments in Essen during the period, providing for meaningful operational synergies in a location the Company knows well through its long-standing management of an asset located in the city.
- The Öhringen asset was completed in August 2021 for total acquisition costs of €9.0 million. Located in the town of Öhringen in Baden-Württemberg, the asset provides over 18,000 sqm of lettable space including 15,800 sqm of desirable warehouse space. The site includes a land parcel that may be considered for future light industrial development amounting to 11,600 sqm. The asset, having been acquired wholly vacant, has already benefited from integration into the Sirius operating platform with occupancy rapidly increasing to approximately 92% and generating €1.0 million of annualised rent roll as at 31 March 2022.
- The Oberhausen business park, completed in November 2021 for €39.8 million, is located in a well-developed commercial area of the city of Oberhausen, in the northwest of Germany's Rhein-Ruhr region. Providing day one net operating income of €2.3 million, the asset offers a wide range of uses with approximately 77,600 sqm of lettable space, of which 47,400 sqm is office space, 19,200 sqm warehouse space, 4,600 sqm storage and 6,400 sqm other space.
- The multi-tenanted business park at Heiligenhaus, Nordrhein-Westfalen, was acquired for total acquisition costs of €14.2 million. The asset provides approximately 45,000 sqm of lettable space consisting of 23,200 sqm of office space, 11,400 sqm of warehouse space, 7,800 sqm of production space and 2,600 sqm of other space. The town of Heiligenhaus is located between the cities of Essen, Duisburg, Düsseldorf and Wuppertal and benefits from good autobahn and public transport links. The property was acquired with annualised net operating income of €1.1 million per annum at 77% occupancy and, with an undemanding average rent of €2.44 per sqm (excluding parking and other income), it provides opportunity through vacancy and to capture reversionary income growth.
- The Company completed the acquisition of a multi-tenanted office tower in Frankfurt comprising total lettable area of approximately 10,000 sqm for total acquisition costs of €21.2 million. At acquisition, the property generated annualised net operating income of €598,000 at 54% occupancy equating to an average rent of €11.02 per sqm (excluding parking and other income). The property benefits from its location close to two main autobahn routes and aligns to the Company's strategy of providing a range of flexible out of town office products that appeal to the local market.
- Following on from the completion of the Company's first investment in Essen in May 2021 the Company added to its footprint through the completion of the Essen II property for total acquisition costs of €12.2 million in November 2021. The Essen II asset comprises 11,709 sqm of office and production space and, at 81% occupancy, generated annualised net operating income of €851,000 representing an attractive day one net initial yield of 7.0%.

- The completion of the multi-tenanted business park asset in Erfurt, lying halfway between Frankfurt and Berlin, represents the Company's first investment into this key logistics location. With total acquisition costs of €11.7 million the asset consists of 14,000 sqm of industrial space, 7,400 sqm of office space and 760 sqm of other space. At date of acquisition, the site generated €623,000 of annualised net operating income at 81% occupancy providing opportunity to grow income through the letting of vacant space as well as the potential to invest into the 18,000 sqm land parcel acquired as part of the transaction.
- The Company completed the acquisition of the Neckartenzlingen property, located to the south of Stuttgart, for total acquisition costs of €34.5 million in December 2021. The high-quality asset comprises 54,515 sqm of predominantly production and warehouse space with annualised net operating income of €1.9 million and a WALE of 8.1 years providing stable, long-term cash flows. Income growth opportunity is expected to come from the letting of vacant space which amounted to 10,700 sqm (19.6% of total space) at date of acquisition.
- The fully vacant Rastatt asset completed in March 2022 for total acquisition costs amounting to €8.8 million. Located in a key logistical city on the French-German border, this property provides 6,000 sqm of office space and 15,000 sqm of industrial space. With over 21,000 sqm of high-quality vacant space the Company is confident of quickly growing occupancy and rental income.
- Within the period the Company notarised the acquisition of the Düsseldorf III asset which is expected to complete in July 2022 for total acquisition costs of €39.8 million. The multi-tenanted site is located in close proximity to the Düsseldorf international airport and provides 24,400 sqm of office and 9,900 sqm of industrial space. With over 15,500 sqm of vacant space at the date of notarisation, the site provides significant rental growth opportunity. In addition, as the Company's third investment in the Düsseldorf market, Sirius expects to benefit from meaningful operational synergies.

The marketing and sales capabilities within the operating platform are part of several asset management disciplines that provide the Company with a significant competitive advantage over other owners of light industrial and business park assets in Germany. This allows Sirius to be more flexible with how it configures and offers its vacant space which should result in the Company being able to more easily to fill up and transform these newly acquired sites and hence make the high returns at the asset level which underpins the Company's significant organic growth it generates each year.

### Capex investment programmes

The Group's capex investment programmes have historically and continue to be focused on the transformation of sub-optimal vacant space acquired through the Company's acquisition programme, but now also includes undervalued and lower quality space which it receives back from vacating tenants. This acquired vacant space is usually purchased for very little or no cost due to it being considered as structurally void by former owners, whilst the low quality vacated space has significant potential to increase income and value through investment before re-letting.

The capex investment programme commenced in 2014 on sub-optimal vacant space identified within the existing portfolio and has been expanded significantly through all of the acquisitions which have taken place since then. To date, approximately 381,000 sqm of space has been transformed with a total investment of €58.5 million generating €24.3 million of annualised rent roll at 78% occupancy. As occupancy increases to budgeted levels, an additional €0.9 million of annualised rent roll is expected to be generated from this transformed space. The success of the investments made has been attributable in part to the unique marketing and sales initiatives that Sirius deploys.

Not only has a significant amount of incremental annualised rent roll been generated but also the transformation and let up of this suboptimal space has made a strong contribution to the improvement in service charge cost recovery and valuation gains the Company has recorded in recent years. In addition, the transformative nature of the Company's capex investment programmes increases the overall desirability and quality of the portfolio.

More detail on the Company's capex investment programme to date is provided in the following table:

| Combined capex programmes          | Sqm            | Investment budgeted<br>€m | Actual spend<br>€m | Annualised rent roll*<br>increase budgeted<br>€m | Annualised rent roll*<br>increase achieved to<br>March 2022<br>€m | Occupancy budgeted<br>% | Occupancy achieved to<br>March 2022<br>% | Rate per sqm budgeted<br>€ | Rate per sqm achieved to<br>March 2022<br>€ |
|------------------------------------|----------------|---------------------------|--------------------|--------------------------------------------------|-------------------------------------------------------------------|-------------------------|------------------------------------------|----------------------------|---------------------------------------------|
| Completed                          | 380,876        | 64.0                      | 58.5               | 23.2                                             | 24.3                                                              | 81%                     | 78%                                      | 6.27                       | 6.85                                        |
| In progress                        | 1,652          | 1.2                       | 0.6                | 0.1                                              | —                                                                 | 80%                     | —                                        | 6.99                       | —                                           |
| To commence in next financial year | 62,497         | 15.8                      | —                  | 4.4                                              | —                                                                 | 81%                     | —                                        | 7.26                       | —                                           |
| <b>Total</b>                       | <b>445,025</b> | <b>81.0</b>               | <b>59.1</b>        | <b>27.7</b>                                      | <b>24.3</b>                                                       | <b>81%</b>              | <b>—</b>                                 | <b>6.41</b>                | <b>—</b>                                    |

\* See the Glossary section of the Annual Report and Accounts 2022.

In addition to the space that has been completed and let or is currently being marketed, a total of approximately 64,000 sqm of space is either in progress of transformation or awaiting approval to commence transformation. A further €16.4 million is expected to be invested into this space, on top of the €0.6 million already spent, and, based on achieving budgeted occupancy, incremental annualised rent roll in the region of €4.5 million is expected to be generated from it.

As set out within the acquisitions analysis within this report, approximately 118,000 sqm of vacant space was acquired relating to assets that completed or were notarised in the year under review. A total of 76,361 sqm of space was identified as suitable for investment within these assets and have subsequently been added to the capex investment programme. The capex investment programmes have been one of the key income and valuation growth drivers over the last few years and the Company will continue to seek to acquire assets with sub-optimal vacancy in order to refuel these highly accretive programmes.

In addition to the capex investment programmes on the acquired sub-optimal vacancy, Sirius also looks for opportunities to upgrade recently vacated space that is returned as a result of move-outs. Within the existing vacancy as at 31 March 2022, the Company has identified approximately 27,300 sqm of recently vacated space that has potential to be upgraded. This space was generating €1.0 million in annualised rent roll from the existing tenants and can be upgraded with an investment of €6.4 million to

generate €2.4 million in annualised rent roll when re-let. This selective investment in vacated space allows the Company to capture reversionary potential whilst significantly enhancing the desirability and value of lower quality space.

The analysis below details the sub-optimal space and vacancy at 31 March 2022 and highlights the opportunity from developing this space.

#### Vacancy analysis – March 2022

|                      |           |
|----------------------|-----------|
| Total space (sqm)    | 1,785,276 |
| Occupied space (sqm) | 1,503,097 |
| Vacant space (sqm)   | 282,179   |
| Occupancy            | 84%       |

|                                             | % of total space | Sqm            | Capex investment<br>€m (post investment) | ERV*        |
|---------------------------------------------|------------------|----------------|------------------------------------------|-------------|
| <b>Structural vacancy</b>                   | <b>2%</b>        | <b>39,879</b>  | <b>—</b>                                 | <b>—</b>    |
| New acquisitions capex investment programme | 4%               | 64,145         | (16.4)                                   | 4.5         |
| Recently vacated space                      | 2%               | 27,300         | (6.4)                                    | 2.4         |
| <b>Total space subject to investment</b>    | <b>5%</b>        | <b>91,445</b>  | <b>(22.8)</b>                            | <b>6.9</b>  |
| Lettable vacancy:                           |                  |                |                                          |             |
| Smartspace vacancy                          | 1%               | 26,455         | —                                        | 2.8         |
| Other vacancy                               | 7%               | 124,400        | (0.7)                                    | 7.1         |
| <b>Total lettable space</b>                 | <b>8%</b>        | <b>150,855</b> | <b>(0.7)</b>                             | <b>9.9</b>  |
| <b>Total vacancy</b>                        | <b>16%</b>       | <b>282,179</b> | <b>(23.5)</b>                            | <b>16.8</b> |

\* See the Glossary section of the Annual Report and Accounts 2022.

As a result of adding the vacant space within the acquired assets in the period, the Company's headline occupancy rate reduced to 84.2% (March 2021: 86.6%). When excluding the structural vacancy, the Company has over 240,000 sqm of space to let with an ERV of approximately €16.8 million.

Whilst the capex investment programmes are a key part of Sirius' strategy, they represent one of several ways in which the Company can organically grow income and capital values. A wide range of asset management capabilities including the capturing of contractual rent increases, uplifts on renewals and the re-letting of space at higher rates are expected to continue to make a strong contribution to the Company's annualised rent roll. Should a high inflationary environment persist the contribution to annualised rent roll from rent increases is expected to increase.

Whilst adding vacancy through acquisitions enhances the organic growth opportunity into the future, the Company maintains a risk adjusted strategy and expects to continue to hold a significant amount of core mature assets in order to maintain a balanced portfolio that provides a combination of stable, long-term financeable income with value-add assets with growth potential.

#### Well-diversified income and tenant base

Against the backdrop of continued market disruption, the importance of a well-diversified tenant base and wide range of products is clear. Sirius' portfolio includes production, storage and out of town office space that caters to multiple usages and a range of sizes and types of tenants. The Company's business model is underpinned by its tenant mix which provides stability through its large long-term anchor tenants and opportunity through the SME and flexible individual tenants.

The Group's large anchor tenants are typically multinational corporations occupying production, storage and related office space whereas the SMEs and individual tenants occupy space on both a conventional and a flexible basis including space marketed under the Company's popular Smartspace brand which provides tenants with a fixed cost and maximum flexibility. The Company's largest single tenant contributes 2.2% of total annualised rent roll whilst 7.1% of its annualised rent roll comes from government tenants.

SMEs in Germany, the Mittelstand, are typically defined as companies with revenues of up to €50.0 million and up to 500 employees. SME tenants remain a key target group which the Company's internal operating platform has demonstrated an ability to attract in significant volumes as evidenced through the high number of enquiries that are generated each month, mainly through the Company's own marketing channels. The wide range of tenants that the Sirius marketing and sales team is able to attract is a key competitive advantage for the Company and results in a significantly de-risked business model when compared to other owners of multi-tenanted light industrial and business park assets.

The table below illustrates the diverse nature of tenant mix within the Sirius portfolio at the end of the reporting period:

|                                       | No. of tenants as at 31 March 2022 | Occupied sqm     | % of occupied sqm | Annualised rent roll* €m | % of total annualised rent roll* % | Rate per sqm € |
|---------------------------------------|------------------------------------|------------------|-------------------|--------------------------|------------------------------------|----------------|
| Top 50 anchor tenants <sup>(1)</sup>  | 50                                 | 671,748          | 45%               | 43.7                     | 38%                                | 5.41           |
| Smartspace SME tenants <sup>(2)</sup> | 3,016                              | 69,935           | 5%                | 7.7                      | 7%                                 | 9.23           |
| Other SME tenants <sup>(3)</sup>      | 3,010                              | 761,414          | 50%               | 62.3                     | 55%                                | 6.82           |
| <b>Total</b>                          | <b>6,076</b>                       | <b>1,503,097</b> | <b>100%</b>       | <b>113.7</b>             | <b>100%</b>                        | <b>6.31</b>    |

(1) Mainly large national/international private and public tenants.

(2) Mainly small and medium-sized private and public tenants.

(3) Mainly small and medium-sized private and individual tenants.

\* See the Glossary section of the Annual Report and Accounts 2022.

## Smartspace and First Choice

Sirius' Smartspace products are designed with flexibility in mind, allowing tenants to benefit from a fixed cost which has proven to be desirable in all market conditions. The majority of Smartspace has been developed from space that is either sub-optimal or considered to be structurally void by most light industrial real estate operators. Following conversion, the area is transformed into space that can be let at significantly higher rents than the rest of the business park and, as a result, is highly accretive to both income and value.

5,267 sqm of Smartspace was created in the year including 3,592 sqm of Smartspace storage product developed as a direct result of the increased demand for storage space identified by the Company's sales and marketing teams in the last few years. The Company was also able to capitalise on high storage demand by providing additional container space storage on non-income producing land. At 31 March 2022, these containers were generating €305,000 (31 March 2021: €168,000) in annualised rent roll.

The total amount of Smartspace in the portfolio at the year end was 96,390 sqm (31 March 2021: 93,705 sqm), generating €7.7 million (31 March 2021: €6.5 million) of annualised rent roll which equates to 6.8% of the Company's total annualised rent roll. Most encouragingly, average rate per sqm increased by 10.6% year on year, highlighting the premium pricing opportunity associated with flexibility.

The table below illustrates how Smartspace products contribute to the portfolio as a whole:

| Smartspace product type | Total sqm     | Occupied sqm  | Occupancy % | Annualised rent roll* (excl. service charge) € | % of total Smartspace annualised rent roll* % | Rate* per sqm (excl. service charge) € |
|-------------------------|---------------|---------------|-------------|------------------------------------------------|-----------------------------------------------|----------------------------------------|
| First Choice office     | 5,117         | 3,156         | 62%         | 838,000                                        | 11%                                           | 22.13                                  |
| SMSP office             | 32,031        | 23,890        | 75%         | 2,744,000                                      | 35%                                           | 9.57                                   |
| SMSP workbox            | 5,974         | 5,829         | 98%         | 435,000                                        | 6%                                            | 6.22                                   |
| SMSP storage            | 47,817        | 34,870        | 73%         | 3,216,000                                      | 42%                                           | 7.69                                   |
| SMSP container          | —             | —             | —           | 305,000                                        | 4%                                            | n/a                                    |
| <b>SMSP subtotal</b>    | <b>90,939</b> | <b>67,745</b> | <b>74%</b>  | <b>7,538,000</b>                               | <b>97%</b>                                    | <b>9.27</b>                            |
| SMSP FlexiLager         | 5,451         | 2,190         | 40%         | 209,000                                        | 3%                                            | 7.95                                   |
| <b>SMSP total</b>       | <b>96,390</b> | <b>69,935</b> | <b>73%</b>  | <b>7,747,000</b>                               | <b>100%</b>                                   | <b>9.23</b>                            |

\* See the Glossary section of the Annual Report and Accounts 2022.

## Asset management review – UK

### Ongoing integration and identification of new opportunities

**£45.1m**

*total annualised rent roll*

**£11.69 per sq ft**

*average rate*

**99.6%**

*cash collection rate*

### Introduction

BizSpace currently owns and operates a total of 72 industrial and out of town office properties across the UK. Through its internal operating platform it aims to increase occupancy, net operating income and capital values. BizSpace provides over 4.2 million sq ft of lettable light industrial, studio, storage and office space, on both conventional and flexible terms.

BizSpace has approximately 3,400 customers; 26% of the annualised rent roll is attributable to the Company's top 100 tenants which are generally larger corporate customers and 74% is attributable to SME and micro-SME customers.

### Lettings and rental growth

Since the Group completed the acquisition of BizSpace on 15 November 2021, annualised rent roll has increased by 7.6% to £45.1 million\* (15 November 2021: £41.9 million\*). The increase in annualised rent roll was delivered through a combination of increases in occupancy and strong growth in average rate.

Occupancy increased to 90.5%\* from 88.7%\* within the 4.5 month period of ownership, highlighting the attraction of BizSpace's range of spaces and products to a variety of tenants. Encouragingly, the 4.5 month period of ownership saw a 6.5% increase in average rate from £10.98\* per sq ft to £11.69\* per sq ft, highlighting the Company's ability, through its internal operating platform, to capture reversion in a market characterised by undersupply.

The positive net take-up of space in the period can be broken down into move-ins of 323,528 sq ft generating £5.8 million of annualised rent roll at an average rate of £18.04 per sq ft being offset by move-outs of 282,037 sq ft that were generating £4.4 million of annualised rent roll at an average rate of £15.64 per sq ft. Additionally, rental uplifts on existing tenants added a further £1.8 million to the annualised rent roll at the period end.

The movement in annualised rent roll is illustrated in the table below:

|                                              | £m           |
|----------------------------------------------|--------------|
| <b>Annualised rent roll 15 November 2021</b> | <b>41.9*</b> |
| Move-ins                                     | 5.8          |
| Move-outs                                    | (4.4)        |
| Uplifts on existing tenants                  | 1.8          |
| <b>Annualised rent roll 31 March 2022</b>    | <b>45.1*</b> |

\* Excluding the Ipswich asset, which is unoccupied.

With tenants needs continuing to change rapidly and flexibility becoming more of a necessity BizSpace is well placed to continue its strong lettings and rental growth into the new financial year.

#### Cash collection

A combination of its dedicated cash collection team and the strong tenant relationships maintained by its on-site staff resulted in the BizSpace recording a 99.6% cash collection rate for the period under review. A month-by-month summary detailing cash collection is set out in the table below.

#### Cash collection

|              | Invoiced<br>£000 | Outstanding<br>£000 | Collection<br>% |
|--------------|------------------|---------------------|-----------------|
| November     | 3,281            | —                   | 100.0%          |
| December     | 4,413            | 5                   | 99.9%           |
| January      | 3,822            | 5                   | 99.9%           |
| February     | 3,608            | 33                  | 99.1%           |
| March        | 4,405            | 29                  | 99.3%           |
| <b>Total</b> | <b>19,529</b>    | <b>72</b>           | <b>99.6%</b>    |

From total net of VAT billing amounting to £19.5 million, uncollected debt for the period amounted to £72,000, representing a cash collection rate of 99.6%. From a tenant base of approximately 3,400 tenants the Company has one deferred payment plan in place whilst total write-offs amounted to £21,000. The Company expects to collect the majority of the outstanding debt for the period over the next twelve months through its regular debt collection activities.

#### Site investment

BizSpace has historically invested in its sites in order to maintain and upgrade its spaces and allow it to adapt to changes in tenant demand and drive occupancy and price. In the period under review the BizSpace invested a total of £1.6 million into its sites focussed primarily on improving the condition of spaces and expects to identify further similar investment opportunities in the new financial year whilst at the same time it will continue to progress its ESG related investment in order to align itself with the wider Group.

#### Well-diversified income and tenant base

BizSpace's portfolio includes light industrial, studio and out of town office space and storage that caters to multiple usages and a range of sizes and types of tenants. As a result, the Company's business model is underpinned by a well-diversified tenant base.

The Company's top 100 tenants, which are typically large corporates, account for 26% of the annualised rent roll with the next 900 SME tenants accounting for 44% of annualised rent roll. The remaining 31% of annualised rent roll relates to over 2,000 SME and micro-SME tenants which occupy 23% of the overall estate.

The table below illustrates the diverse nature of tenant mix within the BizSpace portfolio at the end of the reporting period:

|                       | No. of<br>tenants as at<br>31 March 2022* | Occupied<br>sq ft* | % of<br>occupied sq ft* | Annualised<br>rent roll*<br>£m | % of total<br>annualised<br>rent roll*<br>% | Rate<br>per sq ft<br>£ |
|-----------------------|-------------------------------------------|--------------------|-------------------------|--------------------------------|---------------------------------------------|------------------------|
| Top 100 tenants       | 100                                       | 1.1                | 28%                     | 11.5                           | 26%                                         | 10.21                  |
| Next 900 tenants      | 900                                       | 1.9                | 49%                     | 19.7                           | 44%                                         | 10.61                  |
| Remaining SME tenants | 2,376                                     | 0.9                | 23%                     | 13.9                           | 30%                                         | 15.92                  |
| <b>Total</b>          | <b>3,376</b>                              | <b>3.9</b>         | <b>100%</b>             | <b>45.1</b>                    | <b>100%</b>                                 | <b>11.69</b>           |

\* Excluding the Ipswich asset, which is unoccupied.

SMEs in the UK are typically defined as companies with revenues of up to £50.0 million and up to 250 employees. The Company's internal operating platform and product offering have a strong track record of attracting and retaining customers in this segment of the market which is expected to continue to grow as a result of structural trends impacting the UK market.

## Financial review

## Strong profits and total shareholder accounting return in transformational year

**“Sirius has delivered another strong return for shareholders through a combination of continued organic and acquisitive growth in Germany, the acquisition of BizSpace in the UK and the issuance of €700 million in corporate bonds.”**

### Strong trading, growth and diversification

The Company delivered profit before tax of €168.9 million for the year ended 31 March 2022 representing a 3.2% increase on the prior year. Despite markets and our tenants continuing to be affected by the lingering effects of the Covid-19 pandemic, the Company recorded a transformative year in which it achieved significant organic and acquisitive growth and issued its first corporate bonds. In addition, the Company completed the acquisition of BizSpace in November 2021 representing the first significant corporate transaction in the Company's history and its first entry into a new market outside of Germany.

Total funds from operations(1) (“FFO”), which is the key measure used by Sirius for operational performance, increased by 22.5% to €74.6 million, which drove a 19.7% increase in the dividend for the six months ended 31 March 2022. The increase in adjusted net asset value per share(2) combined with dividends paid in the period resulted in a total accounting return of 20.0% (31 March 2021: 19.5%).

### Trading performance and earnings

As mentioned above, the Company reported a profit before tax in the year ended 31 March 2022 of €168.9 million (31 March 2021: €163.7 million), representing an increase of 3.2%. FFO increased by 22.5% to €74.6 million (31 March 2021: €60.9 million) with BizSpace contributing €5.8 million in respect of the 4.5 months of ownership following the completion of the acquisition on 15 November 2021. Along with the impact from BizSpace, the increase in FFO came from a combination of strong organic growth within the existing portfolio in Germany together with a modest contribution from assets acquired in the period.

Further detail on the Company's financial performance and contribution from BizSpace in the year ended 31 March 2022 is set out below.

|                       | Germany<br>€m | UK<br>€m | Group<br>€m |
|-----------------------|---------------|----------|-------------|
| Net operating income  | 109.1         | 13.4     | 122.5       |
| Funds from operations | 68.8          | 5.8      | 74.6        |
| Profit after tax      | 138.7         | 9.3      | 148.0       |

(1) Refer to note 29 in the Annual Report and Accounts 2022.

(2) Refer to Glossary of terms of the Annual Report and Accounts 2022.

The organic growth within Germany came predominantly from another strong improvement in like-for-like annualised rent roll which increased by 6.4% and was supported by a combination of ongoing capex investment programmes, contracted escalations, uplifts on renewals and other asset management initiatives. Following completion of the acquisition of BizSpace, the Company starts the new financial year with annualised rent roll of €167.0 million.

Whilst the Company's basic and diluted earnings per share figures were impacted by one-off costs relating to the acquisition of BizSpace and refinancing activity, significant growth was recorded in adjusted earnings, basic EPRA earnings and diluted EPRA earnings. The impact of costs relating to the repayment of secured debt facilities using proceeds from the corporate bond issuances, the BizSpace acquisition and write off of the related goodwill resulted in a 4.8% decrease in basic EPS to 13.48c per share. Adjusted EPS, Basic EPRA EPS and Diluted EPRA EPS which exclude the impact of the one-off effects described above, increased by approximately 15.6%, 14.4% and 14.5% respectively reflecting the strong operational performance in the year.

|                     | Earnings<br>€000 | No. of shares | 31 March 2022<br>cents per share | Earnings<br>€000 | No. of shares | 31 March 2021<br>cents per share | Change<br>% |
|---------------------|------------------|---------------|----------------------------------|------------------|---------------|----------------------------------|-------------|
| Basic EPS           | 147,873          | 1,097,082,162 | <b>13.48</b>                     | 147,451          | 1,040,956,722 | <b>14.16</b>                     | (4.8)       |
| Diluted EPS         | 147,873          | 1,112,360,781 | <b>13.29</b>                     | 147,451          | 1,056,541,472 | <b>13.96</b>                     | (4.7)       |
| Adjusted EPS*       | 71,125           | 1,097,082,162 | <b>6.48</b>                      | 58,400           | 1,040,956,722 | <b>5.61</b>                      | 15.6        |
| Basic EPRA EPS      | 70,695           | 1,097,082,162 | <b>6.44</b>                      | 58,633           | 1,040,956,722 | <b>5.63</b>                      | 14.4        |
| Diluted EPRA<br>EPS | 70,695           | 1,112,360,781 | <b>6.36</b>                      | 58,633           | 1,056,541,722 | <b>5.55</b>                      | 14.5        |

\* See note 13 and the Business analysis section of the Annual Report and Accounts 2022.

Total revenue, which comprises rent, fee income relating to Titanium, other income from investment properties, and service charge income, increased from €165.4 million to €210.2 million in the period. Annualised rent roll in Germany increased by 17.8% from €96.5 million to €113.7 million with acquisitions contributing €11.0 million with organic growth contributing €6.2 million. The acquisition of BizSpace resulted in rent roll increasing by €49.6 million with organic growth since the date of completion contributing an additional €3.7 million in annualised rent roll.

|                              | Germany<br>€m | UK*         | Group<br>€m  |
|------------------------------|---------------|-------------|--------------|
| Opening annualised rent roll | <b>96.5**</b> | —           | <b>96.5</b>  |
| BizSpace acquisition         | —             | <b>49.6</b> | <b>49.6</b>  |
| Additions                    | <b>11.0</b>   | —           | <b>11.0</b>  |
| Move-ins/outs                | <b>3.3</b>    | <b>1.6</b>  | <b>4.9</b>   |
| Uplifts                      | <b>2.9</b>    | <b>2.1</b>  | <b>5.0</b>   |
| Closing annualised rent roll | <b>113.7</b>  | <b>53.3</b> | <b>167.0</b> |

\* Translated at GBP:EUR rate (1.18) as of 31 March 2022.

\*\* Annualised rent roll €96.5 million when excluding the expected move-out in the first half of the March 2022 financial year relating to the Fellbach II acquisition which completed in March 2021.

Looking forward, notwithstanding the ongoing potential impact of Covid-19 and the conflict in Ukraine, the Company is confident that through the continuation of its capex investment programmes and wide range of other intensive asset management initiatives, it will continue to grow FFO organically in the new financial year.

Furthermore, following the Company's financing activity detailed within this report, the Company considers itself to have a strong balance sheet and the financial capability to continue its acquisitive strategy across the markets in which it operates as and when the right opportunities present themselves.

### BizSpace

The Company was pleased to complete the acquisition of BizSpace in November 2021 for a cash consideration of approximately £245.0 million, based on an enterprise value of £380.0 million and representing a 7.1% net operating yield. The Company funded the transaction by stepping into the BizSpace existing financial debt amounting to approximately £146.0 million, raising £137.0 million through a successful equity raise that resulted in 105 million shares being issued and utilising existing cash resources. Following completion, the Company repaid the existing debt within BizSpace using proceeds generated from its second corporate bond issuance.

As a leading provider of regional flexible workspace across the UK, BizSpace has provided Sirius with an opportunity to diversify geographically at scale through the single acquisition of an established platform. The transaction provides a number of organic growth opportunities, overlaid with meaningful operational and financial synergies which the Company continues to realise through its ongoing integration efforts.

Within the 4.5 month period of ownership trading has been strong with like-for-like annualised rent roll increasing by 7.6% from £41.9 million to £45.1 million. Over the same period, occupancy increased to 90.5% (excluding Ipswich which is unoccupied) from 88.7% whilst like-for-like average rate per sq ft has increased by 6.5% from £10.98 per sq ft to £11.69 per sq ft, highlighting the opportunity to capture the strong growth seen in rental pricing in the UK industrial property market. For further detail please see the Asset management review – UK section on page 34 of this report.

Sirius has also converted the UK business into a UK Real Estate Investment Trust ("REIT") with effect from 1 April 2022, resulting in BizSpace no longer being subject to UK corporation tax on income from its property rental business, as well as on profits on disposals of assets.

### Portfolio valuation – Group

The portfolio of owned assets was independently valued at €2,079.0 million by Cushman & Wakefield LLP at 31 March 2022 (31 March 2021: €1,350.8 million), which converts to a book value of €2,100.0 million after the adjustments in relation to lease incentives and inclusion of leased investment property. A breakdown of the movement in owned and leased investment property, excluding assets held for sale, is detailed in the table below.

|                                                                     | German<br>investment<br>property – owned<br>€000 | German<br>investment<br>property – leased<br>€000 | UK investment<br>property – owned<br>€000 | UK investment<br>property – leased<br>€000 | Investment<br>property – total<br>€000 |
|---------------------------------------------------------------------|--------------------------------------------------|---------------------------------------------------|-------------------------------------------|--------------------------------------------|----------------------------------------|
| Investment properties at book value<br>as at 31 March 2021*         | 1,347,167                                        | 15,025                                            | —                                         | —                                          | 1,362,192                              |
| Acquisitions arising from business combinations                     | —                                                | —                                                 | 408,923                                   | 12,182                                     | 421,105                                |
| Additions relating to owned investment<br>properties                | 162,844                                          | —                                                 | —                                         | —                                          | 162,844                                |
| Additions relating to leased investment<br>properties               | —                                                | 2,587                                             | —                                         | 779                                        | 3,366                                  |
| Capex investment and capitalised broker fees                        | 20,464                                           | —                                                 | 2,143                                     | —                                          | 22,607                                 |
| Reclassified as investment property held for<br>sale                | (13,739)                                         | —                                                 | —                                         | —                                          | (13,739)                               |
| Disposal                                                            | —                                                | —                                                 | (1,808)                                   | —                                          | (1,808)                                |
| Surplus on revaluation above capex investment<br>and broker fees    | 106,982                                          | —                                                 | 40,035                                    | —                                          | 147,017                                |
| Deficit on revaluation relating to leased<br>investment properties  | —                                                | (5,548)                                           | —                                         | (24)                                       | (5,572)                                |
| Adjustment in respect of lease incentives                           | (561)                                            | —                                                 | —                                         | —                                          | (561)                                  |
| Currency effects                                                    | —                                                | —                                                 | 2,476                                     | 77                                         | 2,553                                  |
| <b>Investment properties at book value<br/>as at 31 March 2022*</b> | <b>1,623,157</b>                                 | <b>12,064</b>                                     | <b>451,769</b>                            | <b>13,014</b>                              | <b>2,100,004</b>                       |

\* Excluding assets held for sale.

The movement in owned investment property relating to the German portfolio of €276.0 million was made up of €162.8 million of asset acquisitions, €13.7 million of disposals, a €107.0 million valuation uplift, capital expenditure of €20.5 million and a €0.6 million adjustment in respect of lease incentives.

The movement in owned investment property relating to the 4.5 month period of ownership of the UK portfolio of €42.8 million was made up of a €1.8 million of disposals, a €2.5 million foreign currency effect, a €40.0 million valuation uplift and capital expenditure of €2.1 million.

In accordance with IFRS 16, the Group recognises leased investment properties amounting to €12.1 million relating to the German portfolio and €13.0 million relating to the UK portfolio which meet the definition of investment property. Accordingly, an expense of €5.6 million representing the fair value adjustment in the year was recorded in the income statement. During the year under review

the Group extended a lease on an asset in Germany meeting the definition of investment property resulting in an increase in the carrying value of €2.6 million.

The total valuation gain recorded in the income statement of €140.9 million includes movements relating to both owned and leased investment property and is stated net of capex investment, broker fees and adjustments in respect of lease incentives.

#### Portfolio valuation – Germany

Focusing on the like-for-like portfolio that was owned for the full period, the book value of these assets increased by €127.2 million or 9.4% from €1,347.2 million to €1,474.4 million. The increase in book value for the period was predominantly driven by an increase in annualised rent roll of €6.2 million and approximately 20 bps of gross yield compression. The assets that were acquired during the year end were revalued at only €0.2 million below the total acquisition costs paid, which is 7.1% above the property purchase prices paid.

The portfolio of owned properties comprised 69 assets at 31 March 2022 and the reconciliation of book value to the independent Cushman & Wakefield LLP valuation is as follows:

|                                                          | 31 March 2022<br>€m | 31 March 2021<br>€m |
|----------------------------------------------------------|---------------------|---------------------|
| Investment properties at market value*                   | 1,627.3             | 1,350.8             |
| Adjustment in respect of lease incentives                | (4.1)               | (3.6)               |
| Book value of investment properties as at 31 March 2022* | 1,623.2             | 1,347.2             |

\* Excluding assets held for sale.

The 31 March 2022 book value of owned investment properties of €1,623.2 million represents an average gross yield of 6.9% (31 March 2021: 7.2%), which translates to a net yield of 6.2% (31 March 2021: 6.5%) and an EPRA net yield (including estimated purchaser costs) of 5.9% (31 March 2021: 6.1%).

Despite yields continuing to tighten, the average gross yield of the German portfolio of 6.9% still appears conservative when compared to transactions that have completed over the last year in the industrial, logistics and office sectors in Germany but also in part reflects the work yet to be done in transforming more recently acquired assets.

As a result of acquisitive growth, 67% of the German portfolio represents value-add assets which, with average occupancy of 80.8% and valued at a gross yield of 7.3%, provide significant opportunity for further earnings and value growth. The mature assets which make up about one-third of the German portfolio have reached an occupancy level of 95.5% and, at a gross yield of 6.1%, are valued at a yield that is 120 bps lower than the value-add assets. As the transformation of the value-add assets continues, the yield gap between the mature and value-add assets is expected to reduce.

|                       | Annualised<br>rent roll<br>€m | Book value<br>€m | NOI<br>€m | Capital<br>value<br>€m/sqm* | Gross yield*<br>% | Net yield*<br>% | Vacant<br>space<br>sqm* | Rate psqm<br>€* | Occupancy<br>%* |
|-----------------------|-------------------------------|------------------|-----------|-----------------------------|-------------------|-----------------|-------------------------|-----------------|-----------------|
| Value-add<br>assets** | 79.9                          | 1,089.6          | 69.6      | 804                         | 7.3%              | 6.4%            | 252,430                 | 6.27            | 80.8%           |
| Mature assets         | 32.6                          | 533.5            | 32.0      | 1,156                       | 6.1%              | 6.0%            | 19,786                  | 6.44            | 95.5%           |
| Other                 | —                             | —                | (1.1)     | —                           | —                 | —               | —                       | —               | —               |
| Total                 | 112.5                         | 1,623.2          | 100.5     | 893                         | 6.9%              | 6.2%            | 272,216                 | 6.31            | 84.2%           |

\* Expressed as averages.

\*\* Excluding assets held for sale.

The average capital value per sqm of the entire portfolio of €893 (31 March 2021: €863) remains well below replacement cost and illustrates the excellent opportunity for further growth from upgrading and letting up the sub-optimal vacant space through the Company's capex investment programmes. This remains a major competitive advantage for Sirius and is one of the main reasons that its business model is able to produce higher returns with lower risk than the typical operator of light industrial and office business parks in Germany in all market conditions. The full details of the capex investment programmes are provided in the Asset management review – Germany section of this report.

#### Portfolio valuation – UK

Since the acquisition of BizSpace on 15 November 2021 the book value of the UK portfolio has increased by £36.7 million or 10.6% from £345.5 million to £382.2 million. Encouragingly, the significant increase in book value was primarily driven by strong annualised rent roll growth amounting to £3.2 million or 7.6% in the 4.5 month period of ownership together with some yield compression.

The 31 March 2022 book value of owned properties of £382.2 million represents an average gross yield of 11.8% (15 November 2021: 12.1%), which translates into a net yield of 8.0% (15 November 2021: 8.0%) and an EPRA net yield (including estimated purchaser costs) of 7.5%. Despite yields continuing to tighten as a result of increased demand and limited supply, the average gross yield of the UK portfolio of 11.8% still appears conservative when compared to transactions that have completed over the last year in the light industrial, mixed-use and office sectors in the UK.

|              | Annualised<br>rent roll<br>£m | Book value<br>£m | NOI<br>£m* | Capital<br>value<br>£m/sq ft | Gross yield<br>% | Net yield<br>% | Vacant<br>space<br>sq ft | Rate psqft<br>£ | Occupancy**<br>% |
|--------------|-------------------------------|------------------|------------|------------------------------|------------------|----------------|--------------------------|-----------------|------------------|
| UK portfolio | 45.1                          | 382.2            | 30.5       | 88                           | 11.8%            | 8.0%           | 406,132                  | 11.69           | 90.5%            |

\* Based on the 4.5 months from 15 November 2021 to 31 March 2022 annualised.

\*\* Excluding the Ipswich asset, which is unoccupied.

As set out above, the average capital value per sq ft of the UK portfolio remains well below replacement cost at £88 per sq ft (15 November 2021: £79 per sq ft). Similarly, with 406,132 sq ft of vacant space and an undemanding average rate of £11.69 per sq ft significant opportunity exists for the UK operating platform to increase rental and capital values further.

### Net asset value

The valuation increases along with profit retention resulted in an increase in net asset value per share to 102.04c at 31 March 2022, an uplift of 15.5% from 88.31c as at 31 March 2021. Similarly, the adjusted net asset value<sup>1</sup> per share increased to 108.51c at 31 March 2022, an uplift of 15.7% from 93.79c as at 31 March 2021. In addition, the Company paid out 4.02c per share of dividends during the financial year which contributed to a total shareholder accounting return (adjusted NAV growth plus dividends paid) of 20.0% (31 March 2021: 19.5%). The movement in NAV per share is explained in the following table:

|                                                              | Cents per share |
|--------------------------------------------------------------|-----------------|
| NAV per share as at 31 March 2021                            | 88.31           |
| Recurring profit after tax                                   | 6.10            |
| Equity raise                                                 | 5.26            |
| Surplus on revaluation                                       | 12.55           |
| Deferred tax charge                                          | (1.27)          |
| Scrip and cash dividend paid                                 | (3.76)          |
| Adjusting items                                              | (5.15)*         |
| <b>**NAV per share at 31 March 2022</b>                      | <b>102.04</b>   |
| Deferred tax and derivatives                                 | 6.47            |
| <b>Adjusted NAV per share at 31 March 2022<sup>(1)</sup></b> | <b>108.51</b>   |
| EPRA adjustments <sup>(2)</sup>                              | (1.23)          |
| <b>EPRA NTA per share at 31 March 2022<sup>(1)</sup></b>     | <b>107.28</b>   |

\* Adjusting items includes non-recurring items including restructuring costs, share of profit in associates, gains and losses on investments, and foreign currency effects.

(1) Excludes the provisions for deferred tax and derivative financial instruments.

(2) See Annex for further details.

The EPRA NTA per share, which, like adjusted NAV per share, excludes the provisions for deferred tax and fair value of derivative financial instruments but also includes the potential impact of shares issued in relation to the Company's long-term incentive programmes and excludes intangible assets, was 107.28c, an increase of 16.2% from 92.29c as at 31 March 2021.

### Financing

As communicated last year to shareholders the Company had been assessing opportunities to optimise its funding structure to support its future growth ambitions. The Company's inaugural bond issuance in June 2021 followed the award of a BBB stable investment grade credit rating from Fitch in May 2021. Bonds totalling €400.0 million were issued attracting a coupon of 1.125% with a maturity date of June 2026. In November 2021 the Company issued bonds amounting to €300.0 million attracting a coupon of 1.75% with a maturity date of November 2028.

The bond issuances coupled with the repayment of €340.2 million of existing secured debt, inclusive of €169.6 million that the Company stepped into and subsequently repaid as part of the BizSpace transaction, has transformed the Company's balance sheet and provided it with several benefits including:

- financial capacity to fund acquisitions and other investment opportunities;
- reduction in the Group's weighted average cost of debt to 1.4% (31 March 2021: 1.5%);
- increase in the Group's weighted average term of debt to 4.3 years (31 March 2021: 2.7 years); and
- increase in the number of unencumbered assets to 127, with a book value of €1.6 billion.

Following the bond issuances and related secured debt repayments, the Group holds total debt amounting to €995.6 million, of which €750.0 million (or 75%) is unsecured (31 March 2021: 11%). The transformation of the Group's financing arrangements is expected to have a positive impact on earnings, facilitate asset recycling and reduce annual amortisation payments.

Net LTV, which excludes restricted cash balances, was 41.6% (31 March 2021: 31.4%) whilst interest cover at EBITDA level was 7.3x as at 31 March 2022 (31 March 2021: 9.9x). All covenants were complied with in full during the period. A summary of the movement in the Group's debt is set out below:

### Movement in debt

|                                       | €000           |
|---------------------------------------|----------------|
| Total debt as at 31 March 2021        | 472,032        |
| Bond issuances                        | 700,000        |
| Draw down of credit facility          | 50             |
| Repayment of credit facility          | (50)           |
| Repayment of secured facilities       | (170,709)      |
| Assumed BizSpace debt                 | 169,500        |
| Repayment of BizSpace debt            | (169,500)      |
| Scheduled amortisation                | (5,766)        |
| <b>Total debt as at 31 March 2022</b> | <b>995,557</b> |

### Dividend

The Board has authorised a dividend in respect of the second half of the financial year ended 31 March 2022 of 2.37c per share, representing a pay-out of 65% of FFO and an increase of 19.7% on the equivalent dividend last year which was also based on 65% of FFO. The total dividend in respect of the financial year is 4.41c, an increase of 16.1% on the 3.80c total dividend paid in respect of the financial year ended 31 March 2021.

The table below shows the dividends paid and full year pay-out ratios over the last five years, demonstrating the manner in which the Board chose to increase the dividend pay-out ratio in previous years in order to maintain positive dividend trajectory whilst the proceeds of asset disposals were invested.

|                              | First half dividend<br>per share<br>cents | Second half<br>dividend<br>per share<br>cents | Total dividend<br>per share<br>cents | Blended<br>pay-out ratio<br>% of FFO |
|------------------------------|-------------------------------------------|-----------------------------------------------|--------------------------------------|--------------------------------------|
| Year ended March 2018        | 1.56                                      | 1.60                                          | 3.16                                 | 75%                                  |
| Year ended March 2019        | 1.63                                      | 1.73                                          | 3.36                                 | 70%                                  |
| Year ended March 2020*       | 1.77                                      | 1.80                                          | 3.57                                 | 66%                                  |
| Year ended March 2021        | 1.82                                      | 1.98                                          | 3.80                                 | 65%                                  |
| <b>Year ended March 2022</b> | <b>2.04</b>                               | <b>2.37</b>                                   | <b>4.41</b>                          | <b>65%</b>                           |

\* First half 67%, second half 65% of FFO.

It is expected that, for the dividend authorised in respect of the six-month period ended 31 March 2022, the ex-dividend date will be 6 July 2022 for shareholders on the South African register and 7 July 2022 for shareholders on the UK register. The last day to trade is the day prior to the ex-dividend date, 5 July 2022 and 6 July 2022 for shareholders on the South African and UK register respectively. It is further expected that for shareholders on both registers the record date will be 8 July 2022 and the dividend will be paid on 18 August 2022. A detailed dividend announcement will be made on 20 June 2022, including details of a scrip dividend alternative. At the date of the results announcement relating to the year to 31 March 2022, the number of ordinary shares in issue was 1,172,160,992.

### Summary

Despite challenging market conditions, the year to 31 March 2022 proved transformational for Sirius as the Company recorded strong trading results whilst growing acquisitively, issuing two corporate bonds and entering the UK market. Whilst one off costs and the write off of goodwill impacted earnings, the Group has delivered significant increases in income and valuations while maintaining high cash collection rates. Organic growth in annualised rent roll, further improvements to service charge recovery and the impact of the BizSpace acquisition were the primary drivers behind the Group's increase in FFO and dividend. With ten assets acquired or notarised in Germany in the year under review the Company expects a greater impact from these assets on earnings in the new financial year whilst the positive trading trajectory of BizSpace provides further income growth opportunities, with considerable further trading flexibility and tax benefits arising from the conversion of BizSpace to a REIT.

The Company remains focused on maximising the capability of its internal operating platforms to continue to deliver attractive risk-adjusted returns through active asset management. Looking forward the Company will take a well-balanced and measured approach whilst trading through what continue to be uncertain times. Despite positive developments over recent months, the recovery from the Covid-19 pandemic continues to present challenges whilst the economic, political and human fallout from the ongoing conflict in Ukraine is yet to be fully understood. Growing concerns about inflation, particularly that in relation to utilities and expected interest rate increases, will no doubt create challenges; however, following the successful bond issuances during the year under review the Company's financial profile has never been stronger whilst its internal operating platform has proven itself to be well capable of adapting to changing market conditions. With acquisition firepower available, further vacancy to develop and reversion potential to capture, as well as a defensively positioned portfolio, the Company is well set to meet the challenges ahead and looks forward to continuing to deliver attractive and sustainable returns for shareholders in the future.

**Diarmuid Kelly**

**Chief Financial Officer**

10 June 2022

### DIRECTORS' RESPONSIBILITIES STATEMENT

The directors confirm that, to the best of their knowledge the preliminary consolidated financial statements have been prepared in accordance with international financial reporting standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and that this announcement includes a fair summary of the development and performance of the business and the position of the Group. After making enquiries, the directors considered it appropriate to adopt the going concern basis in preparing the financial statements. The names and functions of the Company's directors are listed on the Company's website.

Daniel Kitchen  
Chairman

### Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Group are included on pages 55 to 63 of the Group's Annual Report and Accounts 2022 available on the website at: [www.sirius-real-estate.com](http://www.sirius-real-estate.com)

# Consolidated income statement

for the year ended 31 March 2022

|                                                          | Notes | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|----------------------------------------------------------|-------|-------------------------------------|-------------------------------------|
| Revenue                                                  | 6     | 210,182                             | 165,361                             |
| Direct costs                                             | 7     | (87,689)                            | (71,541)                            |
| <b>Net operating income</b>                              |       | <b>122,493</b>                      | 93,820                              |
| Gain on revaluation of investment properties             | 14    | 140,884                             | 99,585                              |
| (Loss)/gain on disposal of properties                    |       | (623)                               | 54                                  |
| Recoveries from prior disposals of subsidiaries          |       | 94                                  | 65                                  |
| Administrative expenses                                  | 7     | (40,718)                            | (27,823)                            |
| Goodwill impairment                                      | 17    | (40,906)                            | —                                   |
| Share of profit of associates                            | 20    | 6,940                               | 4,977                               |
| <b>Operating profit</b>                                  |       | <b>188,164</b>                      | 170,678                             |
| Finance income                                           | 10    | 2,986                               | 2,712                               |
| Finance expense                                          | 10    | (23,219)                            | (9,869)                             |
| Change in fair value of derivative financial instruments | 10    | 996                                 | 136                                 |
| <b>Net finance costs</b>                                 |       | <b>(19,237)</b>                     | (7,021)                             |
| <b>Profit before tax</b>                                 |       | <b>168,927</b>                      | 163,657                             |
| Taxation                                                 | 11    | (20,935)                            | (16,097)                            |
| <b>Profit for the year after tax</b>                     |       | <b>147,992</b>                      | 147,560                             |
| <b>Profit attributable to:</b>                           |       |                                     |                                     |
| Owners of the Company                                    |       | 147,873                             | 147,451                             |
| Non-controlling interest                                 |       | 119                                 | 109                                 |
|                                                          |       | <b>147,992</b>                      | 147,560                             |
| <b>Earnings per share</b>                                |       |                                     |                                     |
| Basic earnings per share                                 | 12    | 13.48c                              | 14.16c                              |
| Diluted earnings per share                               | 12    | 13.29c                              | 13.96c                              |

All operations of the Group have been classified as continuing.

# Consolidated statement of comprehensive income

for the year ended 31 March 2022

|                                                                                                            | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Profit for the year after tax</b>                                                                       | <b>147,992</b>                      | 147,560                             |
| <i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods</i>           |                                     |                                     |
| Foreign currency translation reserve                                                                       | (1,701)                             | —                                   |
| <b>Other comprehensive loss after tax that may be reclassified to profit or loss in subsequent periods</b> | <b>(1,701)</b>                      | —                                   |
| <b>Other comprehensive loss for the year after tax</b>                                                     | <b>(1,701)</b>                      | —                                   |
| <b>Total comprehensive income for the year after tax</b>                                                   | <b>146,291</b>                      | 147,560                             |
| <b>Total comprehensive income attributable to:</b>                                                         |                                     |                                     |
| Owners of the Company                                                                                      | 146,172                             | 147,451                             |
| Non-controlling interest                                                                                   | 119                                 | 109                                 |
|                                                                                                            | <b>146,291</b>                      | 147,560                             |

# Consolidated statement of financial position

as at 31 March 2022

|                                    | Notes | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|------------------------------------|-------|-----------------------|-----------------------|
| <b>Non-current assets</b>          |       |                       |                       |
| Investment properties              | 14    | 2,100,004             | 1,362,192             |
| Plant and equipment                | 16    | 5,492                 | 2,682                 |
| Intangible assets                  | 17    | 4,283                 | 6,568                 |
| Right of use assets                | 18    | 14,996                | 1,919                 |
| Other non-current financial assets | 19    | 48,330                | 44,960                |
| Investment in associates           | 20    | 24,142                | 17,202                |
| <b>Total non-current assets</b>    |       | <b>2,197,247</b>      | 1,435,523             |
| <b>Current assets</b>              |       |                       |                       |
| Trade and other receivables        | 21    | 24,571                | 18,731                |
| Derivative financial instruments   |       | 329                   | 70                    |
| Cash and cash equivalents          | 22    | 150,966               | 65,674                |
| <b>Total current assets</b>        |       | <b>175,866</b>        | 84,475                |

|                                                               |    |                    |           |
|---------------------------------------------------------------|----|--------------------|-----------|
| Assets held for sale                                          | 15 | 13,750             | —         |
| <b>Total assets</b>                                           |    | <b>2,386,863</b>   | 1,519,998 |
| <b>Current liabilities</b>                                    |    |                    |           |
| Trade and other payables                                      | 23 | (89,335)           | (50,527)  |
| Interest-bearing loans and borrowings                         | 24 | (19,630)           | (9,114)   |
| Lease liabilities                                             | 18 | (1,090)            | (5,857)   |
| Current tax liabilities                                       | 11 | (10,423)           | (2,063)   |
| Derivative financial instruments                              |    | —                  | (414)     |
| <b>Total current liabilities</b>                              |    | <b>(120,478)</b>   | (67,975)  |
| <b>Non-current liabilities</b>                                |    |                    |           |
| Interest-bearing loans and borrowings                         | 24 | (961,863)          | (458,940) |
| Lease liabilities                                             | 18 | (37,571)           | (9,130)   |
| Derivative financial instruments                              |    | —                  | (797)     |
| Deferred tax liabilities                                      | 11 | (75,893)           | (56,331)  |
| <b>Total non-current liabilities</b>                          |    | <b>(1,075,327)</b> | (525,198) |
| <b>Total liabilities</b>                                      |    | <b>(1,195,805)</b> | (593,173) |
| <b>Net assets</b>                                             |    | <b>1,191,058</b>   | 926,825   |
| <b>Equity</b>                                                 |    |                    |           |
| Issued share capital                                          | 27 | —                  | —         |
| Other distributable reserve                                   | 28 | 570,369            | 449,051   |
| Own shares held                                               | 27 | (6,274)            | (2,903)   |
| Foreign currency translation reserve                          |    | (1,701)            | —         |
| Retained earnings                                             |    | 628,258            | 480,385   |
| <b>Total equity attributable to the owners of the Company</b> |    | <b>1,190,652</b>   | 926,533   |
| Non-controlling interest                                      |    | 406                | 292       |
| <b>Total equity</b>                                           |    | <b>1,191,058</b>   | 926,825   |

The financial statements on pages 127 to 130 were approved by the Board of Directors on 10 June 2022 and were signed on its behalf by:

**Daniel Kitchen**  
**Chairman**

Company number: 46442

## Consolidated statement of changes in equity

for the year ended 31 March 2022

|                                                             | Notes | Issued share capital<br>€000 | Other distributable reserve<br>€000 | Own shares held<br>€000 | Foreign currency translation reserve<br>€000 | Retained earnings<br>€000 | Total equity attributable to the owners of the Company<br>€000 | Non-controlling interest<br>€000 | Total equity<br>€000 |
|-------------------------------------------------------------|-------|------------------------------|-------------------------------------|-------------------------|----------------------------------------------|---------------------------|----------------------------------------------------------------|----------------------------------|----------------------|
| <b>As at 31 March 2020</b>                                  |       | —                            | 470,151                             | (1,515)                 | —                                            | 332,934                   | 801,570                                                        | 246                              | 801,816              |
| Profit for the year                                         |       | —                            | —                                   | —                       | —                                            | 147,451                   | 147,451                                                        | 109                              | 147,560              |
| Other comprehensive income for the year                     |       | —                            | —                                   | —                       | —                                            | —                         | —                                                              | —                                | —                    |
| Total comprehensive income for the year                     |       | —                            | —                                   | —                       | —                                            | 147,451                   | 147,451                                                        | 109                              | 147,560              |
| Share-based payment transactions                            |       | —                            | 3,148                               | —                       | —                                            | —                         | 3,148                                                          | —                                | 3,148                |
| Own shares purchased                                        | 27    | —                            | —                                   | (1,613)                 | —                                            | —                         | (1,613)                                                        | —                                | (1,613)              |
| Own shares allocated                                        | 27    | —                            | —                                   | 225                     | —                                            | —                         | 225                                                            | —                                | 225                  |
| Dividends paid                                              | 29    | 13,169                       | (37,417)                            | —                       | —                                            | —                         | (24,248)                                                       | (63)                             | (24,311)             |
| Transfer of share capital                                   | 29    | (13,169)                     | 13,169                              | —                       | —                                            | —                         | —                                                              | —                                | —                    |
| <b>As at 31 March 2021</b>                                  |       | —                            | 449,051                             | (2,903)                 | —                                            | 480,385                   | 926,533                                                        | 292                              | 926,825              |
| Profit for the year                                         |       | —                            | —                                   | —                       | —                                            | 147,873                   | 147,873                                                        | 119                              | 147,992              |
| Other comprehensive income for the year                     |       | —                            | —                                   | —                       | (1,701)                                      | —                         | (1,701)                                                        | —                                | (1,701)              |
| Total comprehensive income for the year                     |       | —                            | —                                   | —                       | (1,701)                                      | 147,873                   | 146,172                                                        | 119                              | 146,291              |
| Shares issued                                               | 27    | 159,926                      | —                                   | —                       | —                                            | —                         | 159,926                                                        | —                                | 159,926              |
| Transaction cost relating to share issues                   | 27    | (6,219)                      | —                                   | —                       | —                                            | —                         | (6,219)                                                        | —                                | (6,219)              |
| Dividends paid                                              | 29    | 13,673                       | (44,488)                            | —                       | —                                            | —                         | (30,815)                                                       | (5)                              | (30,820)             |
| Transfer of share capital                                   | 29    | (167,380)                    | 167,380                             | —                       | —                                            | —                         | —                                                              | —                                | —                    |
| Share-based payment transactions                            | 9     | —                            | 1,945                               | —                       | —                                            | —                         | 1,945                                                          | —                                | 1,945                |
| Value of shares withheld to settle employee tax obligations | 9     | —                            | (3,519)                             | —                       | —                                            | —                         | (3,519)                                                        | —                                | (3,519)              |
| Own shares purchased                                        | 27    | —                            | —                                   | (5,545)                 | —                                            | —                         | (5,545)                                                        | —                                | (5,545)              |

|                            |    |          |                |                |                |                |                  |            |                  |
|----------------------------|----|----------|----------------|----------------|----------------|----------------|------------------|------------|------------------|
| Own shares allocated       | 27 | —        | —              | 2,174          | —              | —              | 2,174            | —          | 2,174            |
| <b>As at 31 March 2022</b> |    | <b>—</b> | <b>570,369</b> | <b>(6,274)</b> | <b>(1,701)</b> | <b>628,258</b> | <b>1,190,652</b> | <b>406</b> | <b>1,191,058</b> |

## Consolidated statement of cash flows

for the year ended 31 March 2022

|                                                                      | Notes  | Year ended<br>31 March<br>2022<br>€000 | Year ended<br>31 March<br>2021<br>€000 |
|----------------------------------------------------------------------|--------|----------------------------------------|----------------------------------------|
| <b>Operating activities</b>                                          |        |                                        |                                        |
| Profit for the year after tax                                        |        | <b>147,992</b>                         | 147,560                                |
| Taxation                                                             | 11     | <b>20,935</b>                          | 16,097                                 |
| Profit for the year before tax                                       |        | <b>168,927</b>                         | 163,657                                |
| Loss/(gain) on disposal of properties                                |        | <b>623</b>                             | (54)                                   |
| Recoveries from prior disposals of subsidiaries                      |        | <b>(94)</b>                            | (65)                                   |
| Net exchange differences                                             |        | <b>(1,975)</b>                         | —                                      |
| Share-based payments                                                 | 9      | <b>4,173</b>                           | 3,148                                  |
| Gain on revaluation of investment properties                         | 14     | <b>(140,884)</b>                       | (99,585)                               |
| Change in fair value of derivative financial instruments             | 10     | <b>(996)</b>                           | (136)                                  |
| Depreciation of property, plant and equipment                        | 16     | <b>1,167</b>                           | 669                                    |
| Amortisation of intangible assets                                    | 17     | <b>1,164</b>                           | 897                                    |
| Depreciation of right of use assets                                  | 18     | <b>843</b>                             | 521                                    |
| Goodwill impairment                                                  | 17     | <b>40,906</b>                          | —                                      |
| Share of profit of associates                                        | 20     | <b>(6,940)</b>                         | (4,977)                                |
| Finance income                                                       | 10     | <b>(2,986)</b>                         | (2,712)                                |
| Finance expense                                                      | 10     | <b>23,219</b>                          | 9,869                                  |
| <b>Changes in working capital</b>                                    |        |                                        |                                        |
| Increase in trade and other receivables                              |        | <b>(5,196)</b>                         | (2,518)                                |
| Increase in trade and other payables                                 |        | <b>3,470</b>                           | 2,913                                  |
| Taxation paid                                                        |        | <b>(3,671)</b>                         | (632)                                  |
| <b>Cash flows from operating activities</b>                          |        | <b>81,750</b>                          | 70,995                                 |
| <b>Investing activities</b>                                          |        |                                        |                                        |
| Purchase of investment properties                                    |        | <b>(162,844)</b>                       | (35,484)                               |
| Prepayments relating to new acquisitions                             |        | <b>(1,860)</b>                         | —                                      |
| Proceeds from loss on control of subsidiaries (net of cash disposed) |        | <b>94</b>                              | 65                                     |
| Capital expenditure on investment properties                         |        | <b>(23,786)</b>                        | (31,104)                               |
| Purchase of plant and equipment and intangible assets                |        | <b>(3,540)</b>                         | (2,718)                                |
| Acquisition of a subsidiary (net of cash acquired)                   |        | <b>(254,730)</b>                       | —                                      |
| Proceeds on disposal of properties (including held for sale)         | 14, 15 | <b>15,297</b>                          | 30                                     |
| Increase in loans receivable due from associates                     |        | <b>(1,124)</b>                         | (5,950)                                |
| Interest received                                                    |        | <b>2,986</b>                           | 1,627                                  |
| <b>Cash flows used in investing activities</b>                       |        | <b>(429,507)</b>                       | (73,534)                               |
| <b>Financing activities</b>                                          |        |                                        |                                        |
| Proceeds from issue of share capital                                 | 27     | <b>159,926</b>                         | —                                      |
| Transaction costs on issue of shares                                 | 27     | <b>(6,219)</b>                         | —                                      |
| Shares purchased                                                     |        | <b>(5,545)</b>                         | (1,613)                                |
| Payment relating to exercise of share options                        | 9      | <b>(3,519)</b>                         | —                                      |
| Dividends paid to owners of the Company                              | 29     | <b>(30,815)</b>                        | (24,248)                               |
| Dividends paid to non-controlling interest                           |        | <b>(5)</b>                             | (63)                                   |
| Proceeds from loans                                                  |        | <b>750,000</b>                         | 20,000                                 |
| Repayment of loans                                                   |        | <b>(399,431)</b>                       | (33,753)                               |
| Payment of principal portion of lease liabilities                    |        | <b>(5,871)</b>                         | (5,681)                                |
| Exit fees/prepayment of financing penalties                          |        | <b>(5,335)</b>                         | —                                      |
| Capitalised loan issue cost                                          |        | <b>(14,369)</b>                        | (134)                                  |
| Finance charges paid                                                 |        | <b>(7,067)</b>                         | (7,558)                                |
| <b>Cash flows from/(used in) financing activities</b>                |        | <b>431,750</b>                         | (53,050)                               |
| <b>Increase/(decrease) in cash and cash equivalents</b>              |        | <b>83,993</b>                          | (55,589)                               |
| <b>Net exchange difference</b>                                       |        | <b>1,299</b>                           | —                                      |
| Cash and cash equivalents as at the beginning of the year            |        | <b>65,674</b>                          | 121,263                                |
| <b>Cash and cash equivalents as at the year end</b>                  | 22     | <b>150,966</b>                         | 65,674                                 |

# Notes to the financial statements

for the year ended 31 March 2022

## 1. General information

Sirius Real Estate Limited (the "Company" or "Sirius") is a company incorporated in Guernsey and resident in the United Kingdom for tax purposes, whose shares are publicly traded on the Main Market of the London Stock Exchange ("LSE") (primary listing) and the Main Board of the Johannesburg Stock Exchange ("JSE") (primary listing).

The consolidated financial information of the Company comprises that of the Company and its subsidiaries (together referred to as the "Group") for the year ended 31 March 2022.

The principal activity of the Group is the investment in, and development of, commercial property to provide conventional and flexible workspace in Germany and the United Kingdom ("UK").

## 2. Significant accounting policies

### (a) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for investment properties, investment properties held for sale and derivative financial instruments, which have been measured at fair value. The consolidated financial information is presented in euros and all values are rounded to the nearest thousand (€000), except where otherwise indicated.

The Company has chosen to prepare its annual consolidated financial statements in accordance with International Financial Reporting Standards as issued by the IASB ("IFRS") as a result of the primary listing on the JSE. See also note 2(c) for statement of compliance.

As at 31 March 2022 the Group's consolidated financial statements reflect consistent accounting policies and methods of computation as used in the previous financial year, except for the changes in the application of accounting policies as described in note 2(b), in accordance with IFRS.

### (b) Changes in accounting policies

There were several new and amendments to standards and interpretations which are applicable for the first time for the Group from 1 April 2021. None of them have had a significant impact on the Group or Company's income statement or balance sheet. In May 2021, the IASB published amendments to IAS 12 "Income Taxes". The IASB issued "Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. As earlier application is permitted the Group has adopted the amendments early as described in note 11.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. See note 2(ab).

### (c) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Disclosure and Transparency Rules of the United Kingdom Financial Conduct Authority, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the listing requirements of the JSE Limited, IFRS and Companies (Guernsey) Law, 2008. The consolidated financial statements have been prepared on the same basis as the accounting policies set out in the Group's annual financial statements for the year ended 31 March 2021, except for the changes in accounting policies as shown in note 2(b). All forward-looking information is the responsibility of the Board of Directors and has not been reviewed or reported on by the Group's auditors.

### (d) Going concern

The Group has prepared its going concern assessment for the period to the end of June 2023 (the "going concern period"). The Group's going concern assessment is based on a forecast of the Group's future cash flows. This considers management's base case scenario and a severe but plausible scenario where sensitivities are applied to model the outcome on the occurrence of downside assumptions explained below. It considers the Group's principal risks and uncertainties and is dependent on a number of factors including financial performance, continued access to lending facilities (see note 24) and the ability to continue to operate the Group's secured and unsecured debt structure within its financial covenants.

The severe but plausible scenario models a potential downturn in the Group's performance, including the potential impact of downside macro-factors such as the Ukrainian crisis and new Covid-19 variants, on the Group's financial position and future prospects. The cash flow projections incorporate assumptions on future trading performance and potential valuation movements in order to estimate the level of headroom on facilities and covenants for loan to value, debt service cover and occupancy ratios set out within the relevant finance agreements.

The impact of the crisis in Ukraine and Covid-19 on the business in the year to 31 March 2022 did not result in any deterioration in the Group's income streams or falls in asset values, both of which increased in the period.

The base case and severe but plausible downside scenarios include the following assumptions:

Base case:

- growth in rent roll at 31 March 2022, principally from contractual increases in rents and organic growth through lease renewals;
- increasing cost levels in line with forecast inflation of 7%;
- continuation of forecast capex investment;
- continuation of forecast dividend payments;
- payment of loan interest and loan amortisation amounts and assumed refinancing of the €15 million of the Schuldschein facility in December 2022 and January 2023; and

- no acquisitions over and above those legally committed to.

*Severe but plausible downside scenario:*

- reduction in occupancy of 5% per annum from the 31 March 2022 rent roll;
- reduction in service charge recovery of 5% per annum from the 31 March 2022 recovery levels; and
- reduction in property valuations of 5% per annum.

In the severe but plausible downside scenario, the Group is expected to comply with its loan covenants with no cure payments or breaches forecast, continue to operate within the terms of its facilities and have sufficient cash reserves.

The Directors also evaluated potential events and conditions beyond 30 June 2023 that may cast significant doubt on the Group's ability to continue as a going concern, specifically, the ability of the Group to refinance or extend the €20 million Schuldschein facility in July 2023, €172 million Berlin Hyp AG loan in October 2023 and €58 million Deutsche Pfandbriefbank AG loan in December 2023. The Directors are of the view that they have a realistic prospect of securing this refinancing or an alternative source of secured or unsecured funding, a judgement which was informed by the Group's financial forecasts, the Group's track-record in previously refinancing maturing debt (including the recent €300 million corporate bond issuance in November 2021) and the period of time the Group has to arrange refinancing. Should the debt facilities falling due in July 2023, October 2023 and December 2023 not be refinanced or extended, alternative options could be considered, including the use of mitigating factors referred to below. The mitigating factors are within the control of the Directors and there is sufficient time for such mitigating factors to be implemented, if required.

In each of the scenarios considered for going concern, the Group is not dependent on any mitigating actions which would be available to the Group in the going concern review period to June 2023, which include restricting dividends, reducing capital expenditure or the disposal of unencumbered assets that have a book value of €1.6 billion as at 31 March 2022.

The Directors have not identified any material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern for the duration of the going concern period. After due consideration, the Board believes it is appropriate to adopt the going concern basis in preparing the financial statements.

**(e) Basis of consolidation**

The consolidated financial information comprises the financial information of the Group as at 31 March 2022. The financial information of the subsidiaries is prepared for the same reporting period as the Company, using consistent accounting policies.

All intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from the Company's shareholders' equity.

**(f) Acquisitions**

Where a property is acquired through the acquisition of corporate interests, management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business.

The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property (see policy in note 2(aa)). More specifically, consideration is made of the extent to which substantive processes are acquired and, in particular, the extent of services provided by the subsidiary. IFRS 3 "Business Combinations" sets out an optional concentration test designed to simplify the evaluation of whether an acquired set of activities and assets is not a business. An acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Where such acquisitions are not deemed to be an acquisition of a business, they are not treated as business combinations. Instead, they are treated as asset acquisitions, with the cost to acquire the corporate entity being allocated between the identifiable assets and liabilities of the entity based on their relative fair values on the acquisition date. Accordingly, no goodwill arises.

**(g) Foreign currency translation**

The consolidated financial information is presented in euros, which is the functional and presentational currency of the parent company. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using the functional currency.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the exchange rate ruling at the statement of financial position date. All differences are taken to the statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

On consolidation, the assets and liabilities of foreign operations are translated into euros at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at the exchange rates at the dates of the transactions, or where appropriate, the average exchange rates for the period. The foreign exchange differences arising on translation for consolidation are recognised in other comprehensive income ("OCI"). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

#### **(h) Revenue recognition**

##### *Rental income*

Rental income from operating leases and licence agreements containing leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which the benefit derived from the leased asset is diminished. Fixed or determinable rental increases, which can take the form of actual amounts or agreed percentages, are recognised on a straight-line basis over the term of material leases. If the increases are related to a price index to cover inflationary cost increases, then the policy is not to spread the amount but to recognise them when the increase takes place.

The value of rent free periods and all similar lease incentives is spread on a straight-line basis over the term of material leases only. Where there is a reasonable expectation that the tenant will exercise break options, the value of rent free periods and all similar lease incentives is booked up to the break date.

##### *Revenue from contracts with customers*

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group mainly generates revenue from contracts with customers for services rendered to tenants including management charges and other expenses recoverable from tenants based on the Group's right to recharge tenants for costs incurred (with or without markup) on a day-to-day basis ("service charge income"). These services are specified in the lease agreements and separately invoiced. Service charge income is recognised as revenue when the performance obligations of the services specified in the lease agreements are met.

The individual activities vary significantly throughout the day and from day to day; however, the nature of the overall promise of providing property management service remains the same each day. Accordingly, the service performed each day is distinct and substantially the same. These services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Group. The actual service provided during each reporting period is determined using cost incurred as the input method.

Transaction prices are regularly updated and are estimated at the beginning of each year based on previous costs and estimated spend. Service charge budgets are prepared carefully to make sure that they are realistic and reasonable. Variable consideration is only included in the transaction price to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Performance obligations related to service charge revenue is discharged by the Company continuously and on a daily basis, through the provision of utilities and other services to tenants. Changes in service charge revenue are linked to changes in the cost of fulfilling the obligation or the value to a tenant at a given period of time. Accordingly, the variable consideration is allocated to each distinct period of service (i.e. each day) as it meets the variable consideration allocation exception criteria.

Service charge expenses are based on actual costs incurred and invoiced together with an estimate of costs to be invoiced in future periods as receipt of final invoices from suppliers can take up to twelve months after the end of the financial period. The estimates are based on expected consumption rates and historical trends and take into account market conditions at the time of recording.

Service charge income is based on service charge expense and takes into account recovery rates which are largely derived from estimated occupancy levels. Service charge costs related to vacant space are irrecoverable.

The Group acts as a principal in relation to these services, and records revenue on a gross basis, as it controls the specified goods or services before transferring them to tenants.

Where amounts invoiced to tenants are greater than the revenue recognised at the period end date, the difference is recognised as unearned revenue when the Group has unconditional right to consideration, even if the payments are non-refundable. Where amounts invoiced are less than the revenue recognised at the period end date, the difference is recognised as contract assets or, when the Group has a present right to payment, as receivables albeit unbilled.

##### *Rental income, fee income and other income from managed properties*

As the Group derives income and incurs expenses relating to properties it manages but does not own, such income and expense is disclosed separately within revenue and direct costs. Income relating to managed properties is accounted for according to revenue recognition accounting policies set out above.

##### *Allocation of revenues earned through all-inclusive lease and licence arrangements*

The Group has entered into leases and licensing arrangements (which contain a lease) where the revenue due from the tenant is an all-inclusive price, representing lease income (recognised in accordance with IFRS 16) and service charge income (recognised in accordance with IFRS 15). Management have estimated the allocation of the revenues using the relevant service charge costs incurred and the occupancy of the properties where all-inclusive lease and license arrangements are in place. The allocation resulted in €5.7 million being recorded as service charge income.

##### *Interest income*

Interest income is recognised as it accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument).

#### **(i) Leases**

##### *Group as lessor*

Leases where the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases.

### *Group as lessee*

All contracts that give the Group the right to control the use of an identified asset over a certain period of time in return for consideration are considered leases within the meaning of IFRS 16 "Leases" ("IFRS 16").

For all contracts that meet the definition of leases according to IFRS 16, the Group, at the commencement date of the lease (i.e. the date the underlying asset is available for use), recognises lease liabilities equal to the present value of the future lease payments, discounted to reflect the term-specific incremental borrowing rate if the interest rate implicit in the lease is not readily determinable. Lease liabilities are subsequently increased by the periodic interest expenses and reduced by the lease payments made during the financial year.

Correspondingly, right of use assets are initially recognised at cost under IFRS 16 which is the amount of the lease liabilities (plus any advance payments that have already been made or any initial direct costs). Subsequently, the right of use assets are generally measured at cost, taking depreciation (calculated straight line over the lease term) and impairments into account and are presented separately in the statement of financial position except for right of use assets that meet the definition of IAS 40 "Investment Property" ("IAS 40") which are presented as investment property and subsequently measured at fair value in line with the measurement rules set out in IAS 40.

Periods resulting from extension or termination options granted on a unilateral basis are assessed on a case-by-case basis and are only taken into account if their use is sufficiently probable.

The Group utilises the recognition exemptions provided by IFRS 16 and does not apply IFRS 16 to leases with a contractual term of twelve months or less or to leases in which the underlying asset is of low value (on a case-by-case basis).

Lease payments associated with short-term leases and with leases of low-value assets are recognised as expenses on a straight-line basis over the lease term.

Right-of-use assets relating to office spaces are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

### ***(j) Income tax***

#### *Current income tax*

Current income tax assets and liabilities are measured at the reporting date at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Certain subsidiaries may be subject to foreign taxes in respect of foreign sources of income. Sirius Real Estate Limited is a UK resident for tax purposes.

#### *Deferred income tax*

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred tax assets are only recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply in the year when the related asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Group has converted the UK business into a UK Real Estate Investment Trust ("REIT") with effect from 1 April 2022, with all relevant steps for the REIT conversion taken prior to the accounting period end date of 31 March 2022, resulting in the Group no longer being subject to UK corporation tax on income from its property rental business, as well as on profits on disposals of assets. Accordingly, the Group reflected the impact of the conversion into a UK REIT as at 31 March 2022 and all deferred tax balances in relation to the change in fair value of investment property, lease liabilities and right of use assets according to IFRS 16, losses and other short term related deferred tax assets have been released as at 31 March 2022.

### ***(k) Sales tax***

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

### ***(l) Investment properties***

Investment properties are properties that are either owned by the Group or held under a lease which are held for long-term rental income and/or capital appreciation.

Investment properties owned by the Group are initially recognised at cost, including transaction costs when the control of the property is transferred. Where recognition criteria are met, the carrying amount includes subsequent costs to add to or replace part of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market

conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the period in which they arise.

The fair value of the Group's owned investment properties at 31 March 2022 is based on a valuation carried out at that date by Cushman & Wakefield LLP (2021: Cushman & Wakefield LLP), an independent valuer, on the basis of highest and best use. The valuation is in accordance with standards complying with the Royal Institute of Chartered Surveyors' ("RICS's") approval and the conceptual framework that has been set by the International Valuation Standards Committee.

The Cushman & Wakefield LLP valuation is based upon assumptions including those relating to current rental rates, market rental rates, occupancy, gross initial yields, discount factors and void periods. The German properties are valued on the basis of a ten to fourteen year discounted cash flow model supported by comparable evidence. The discounted cash flow calculation is a valuation of rental income considering non-recoverable costs and applying a discount rate for the current income risk over a ten to fourteen year period. After ten to fourteen years, a determining residual value (exit scenario) is calculated, discounted to present value. The UK properties are valued on a traditional basis, where the income being generated is capitalised by an appropriate yield. Yields are based on comparable evidence of similar quality assets which have traded in the open market. The yield applied reflects the age, location, ownership, customer base and agreement type.

Investment properties relating to leased assets are recognised in accordance with IFRS 16 (see policy in note 2(i)). Subsequent to initial recognition, investment properties relating to leased assets are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the period in which they arise.

The fair value of investment properties relating to leased assets at 31 March 2022 has been arrived at on the basis of a valuation carried out at that date by management. The valuation is based upon assumptions including future rental income and expenditure in accordance with the conditions of the related lease agreements. The properties are valued on the basis of a discounted cash flow model with the measurement period equal to the term of the lease agreements.

#### ***(m) Disposals of investment property***

Investment property disposals are recognised when control of the property transfers to the buyer, which typically occurs on the date of completion. Profit or loss arising on disposal of investment properties is calculated by reference to the most recent carrying value of the asset adjusted for subsequent capital expenditure.

#### ***(n) Assets held for sale and disposal groups***

##### ***(i) Investment properties held for sale***

Investment properties held for sale are separately disclosed at the asset's fair value. In order for an investment property held for sale to be recognised, the following conditions must be met:

- the asset must be available for immediate sale in its present condition and location;
- the asset is being actively marketed;
- the asset's sale is expected to be completed within twelve months of classification as held for sale;
- there must be no expectation that the plan for selling the asset will be withdrawn or changed significantly; and
- the successful sale of the asset must be highly probable.

##### ***(ii) Disposal groups***

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of a disposal group, excluding finance costs and income tax expense.

The criteria for held-for-sale classification is regarded as met only when the sale is highly probable and the disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset with the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

Additional disclosures are provided in note 15.

#### ***(o) Plant and equipment***

##### ***Recognition and measurement***

Items of plant and equipment are stated at cost less accumulated depreciation and impairment losses.

##### ***Depreciation***

Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

Depreciation is charged in the income statement on a straight-line basis over the estimated useful lives of each part of an item of the fixed assets. The estimated useful lives are as follows:

|                       |                        |
|-----------------------|------------------------|
| Plant and equipment   | three to ten years     |
| Fixtures and fittings | three to fifteen years |

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

***(p) Intangible assets***

The Group recognises only acquired intangible assets. These intangibles are valued at cost.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets with a definite useful life are amortised on a straight-line basis over their respective useful lives. Their useful lives are between three and five years. Any amortisation of these assets is recognised as such under administrative expenses in the consolidated income statement.

Intangible assets with an indefinite useful life, including goodwill, are not amortised.

Goodwill arising on consolidation represents the excess of the cost of the purchase consideration over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition.

Goodwill is initially recognised at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is tested annually for impairment, or more frequently when there is an indication that the business to which the goodwill applies may be impaired.

***(q) Trade and other receivables***

Rent and service charge receivables and any contract assets do not contain significant financing components and are measured at the transaction price. Other receivables are initially measured at fair value plus transaction costs. Subsequently, trade and other receivables are measured at amortised cost and are subject to impairment (see note 2(y)). The Group applies the simplified impairment model of IFRS 9 in order to determine expected credit losses in trade and other receivables, including lease incentives.

The Group assesses on a forward-looking basis the expected credit losses associated with its trade and other receivables. A provision for impairment is made for the lifetime expected credit losses on initial recognition of the receivable. If collection is expected in more than one year, the balance is presented within non-current assets.

***(r) Treasury Shares and shares issued to the Employee Benefit Trust***

Own equity instruments are deducted from equity. No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of the Group's equity instruments.

***(s) Share-based payments***

The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards.

The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

***(t) Cash and cash equivalents***

Cash and cash equivalents comprise cash at bank and in hand, demand deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

***(u) Bank borrowings***

Interest-bearing bank loans and borrowings are initially recorded at fair value net of directly attributable transaction costs.

Subsequent to initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest rate method.

When debt refinancing exercises are carried out, existing liabilities will be treated as being extinguished when the new liability is substantially different from the existing liability. In making this assessment, the Group will consider the transaction as a whole, taking into account both qualitative and quantitative characteristics in order to make the assessment.

***(v) Trade payables***

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

***(w) Equity instruments***

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

***(x) Dividends***

Interim dividend distributions to shareholders are recognised in the financial statements when paid. Final dividend distributions to the Company's shareholders are recognised as a liability in the consolidated financial information in the period in which the dividends are approved by the shareholders. The final dividend relating to the year ended 31 March 2022 will be approved and recognised in the financial year ending 31 March 2023.

***(y) Impairment excluding investment properties******(i) Financial assets***

A financial asset (excluding financial assets at fair value through profit and loss) is assessed at each reporting date to determine whether there is any impairment. The Group recognises an allowance for expected credit losses ("ECLs") for all receivables and contract assets held by the Group. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms and that are not recognised separately by the Group.

For rent and other trade receivables and any contract assets, the Group applies a simplified approach in calculating ECLs. The Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date (i.e. a loss allowance for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default). In

determining the ECLs the Group takes into account any recent payment behaviours and future expectations of likely default events (i.e. not making payment on the due date) based on individual customer credit ratings, actual or expected insolvency filings or Company voluntary arrangements and market expectations and trends in the wider macroeconomic environment in which our customers operate.

Impairment losses are recognised in the income statement. For more information refer to note 7. Trade and other receivables are written off once all avenues to recover the balances are exhausted and the lease has ended.

*(ii) Non-financial assets*

The carrying amounts of the Group's non-financial assets, other than investment property, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the income statement. Impairment losses recognised in profit or loss in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis.

**(z) Current versus non-current classification**

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification, except for deferred tax assets and liabilities which are classified as non-current assets and liabilities. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

**(aa) Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. Assets acquired and liabilities assumed (including contingent liabilities) are recognised at fair value. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 "Financial Instruments" is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to

measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss (see policy in note 2(y)).

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, monitored at the lowest level within the entity at which is monitored for internal management purposes (see policy in note 2(y)).

Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

***(ab) Standards and interpretations in issue and not yet effective***

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective for the Group. The application of these new standards, amendments and interpretations is not expected to have a significant impact on the Group's income statement or balance sheet.

***(ac) Non-IFRS measures***

The Directors have chosen to disclose EPRA earnings and EPRA net asset value metrics, which are widely used alternative metrics to their IFRS equivalents (further details on EPRA best practice recommendations can be found at [www.epra.com](http://www.epra.com)). Note 12 to the financial statements includes a reconciliation of basic and diluted earnings to EPRA earnings. Note 13 to the financial statements includes a reconciliation of net assets to EPRA net asset value metrics.

The Directors are required, as part of the JSE Listing Requirements, to disclose headline earnings; accordingly, headline earnings are calculated using basic earnings adjusted for revaluation gain net of related tax, gain/loss on sale of properties net of related tax, recoveries from prior disposals of subsidiaries net of related tax, NCI relating to revaluation and revaluation gain/loss on investment property relating to associates net of related tax. Note 12 to the financial statements includes a reconciliation between IFRS and headline earnings.

The Directors have chosen to disclose adjusted earnings in order to provide an alternative indication of the Group's underlying business performance; accordingly, it excludes the effect of adjusting items net of related tax. Note 12 to the financial statements includes a reconciliation of adjusting items included within adjusted earnings, with certain adjusting items stated within administrative expenses in note 7 and certain finance costs in note 10.

The Directors have chosen to disclose adjusted profit before tax and funds from operations in order to provide an alternative indication of the Group's underlying business performance and to facilitate the calculation of its dividend pool; a reconciliation between profit before tax and funds from operations is included within note 29 to the financial statements. Within adjusted profit before tax are adjusting items as described above gross of related tax.

Further details on non-IFRS measures can be found in the business analysis section of this document.

**3. Significant accounting judgements, estimates and assumptions**

***Judgements***

In the process of applying the Group's accounting policies, which are described in note 2, the Directors have made the following judgements that have the most significant effect on the amounts recognised in the financial information:

***Acquisition and disposal of properties***

Property transactions can be complex in nature and material to the financial statements. To determine when an acquisition or disposal should be recognised, management considers whether the Group assumes or relinquishes control of the property, and the point at which this is obtained or relinquished. Consideration is given to the terms of the acquisition or disposal contracts and any conditions that must be satisfied before the contract is fulfilled. In the case of an acquisition, management must also consider whether the transaction represents an asset acquisition or business combination.

On 15 November 2021 the Group acquired the BizSpace Group. A key judgment was made by Management as to whether the acquisition represented a business combination or asset acquisition, concluding it represented a business combination. Refer to note 2aa above.

***Estimates and assumptions***

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

***Assessing goodwill for impairment (see also note 17)***

Each year the Group considers cashflow forecasts from cash generating units in order to estimate whether an impairment provision is required in respect of goodwill. In making this estimate, judgement is applied as to the extent to which the cash flow forecasts prepared to assess value in use are distinguishable and separate from cash flows already considered in the carrying value of other assets held by the group, such as investment property.

Goodwill arose during the year following the acquisition of Helix Investments Limited. Having performed the assessment of value in use, the Group determined that the identified cash flows could not be distinguished from those included in other assets held by the cash generating units, in particular those associated with the fair value of investment property. Consequently, the goodwill was impaired during the year.

Historic goodwill was recognised in January 2012 following the internalisation of the Asset Management Agreement. Given the time that has passed and performance and investment in the business since acquisition, the Group has determined that the identified cash flows could no longer be distinguished from those included in other assets held by the cash generating units. Consequently, the goodwill was impaired during the year.

*Valuation of owned and leased investment properties (including those recognised within assets held for sale or a disposal group)*

The fair value of the Group's owned investment properties was determined by Cushman & Wakefield LLP (2021: Cushman & Wakefield LLP), an independent valuer. After adjusting investment properties for lease incentive accounting, the book value of investment properties including assets held for sale is shown as €2,074.9 million (2021: €1,347.2 million) as disclosed in note 14.

The Cushman & Wakefield LLP valuation approach is explained in note 2(l).

The fair value of the Group's leased investment properties was determined by the management. The book value of leased investment properties is shown as €25.1 million (2021: €15.0 million) as disclosed in note 14.

As a result of the level of judgement used in arriving at the market valuations, the amounts which may ultimately be realised in respect of any given property may differ from the valuations shown on the statement of financial position.

*Cash flow and covenant compliance forecasts*

Cash flow forecasts and covenant compliance forecasts are prepared by management to assess the going concern assumption and viability of the Group. Estimations of future revenue and expenditure are made to determine the expected cash inflows and outflows, considering expectations for occupancy levels, forecast expenditure and the current market climate. The impact of the forecasted cash flows and underlying property valuations are considered when assessing forecast covenant compliance and anticipated levels of headroom on the Group's debt facilities.

Refer to note 2(d) for further details, which includes the assessment of forecasted cash flows and covenant compliance in management's going concern assessment.

*Sustainability*

In preparing the financial statements, management considered the impact of climate change, taking into account the relevant disclosures in the Strategic Report, including those made in accordance with the recommendations of the Taskforce on Climate related Financial Disclosure. The Group also considered the work performed to date in preparing its net zero pathway which it plans to be in line with the Science Based Targets Initiative (SBTIs). At the time of preparing the financial statements, the Group expects a limited exposure in relation to the investment properties, based on the current climate-related requirements. On this basis, the Directors concluded that climate change did not have a material impact on the financial reporting judgements and estimates, consistent with the assessment that this is not expected to have a significant impact on the Group's going concern or viability assessment.

#### **4. Business combinations**

The provisions of IFRS 3 are applied to all business combinations.

##### **Acquisitions in 2022**

###### *Acquisition of Helix Investments Limited*

| Company                           | Type of acquisition | Date of acquisition | Acquired voting rights |
|-----------------------------------|---------------------|---------------------|------------------------|
| Helix Investments Limited, Jersey | Purchase            | 15 Nov 2021         | 100%                   |

The purchase price amounted to €242,779,000 (£206,763,000). The consideration was transferred in the form of cash. On completion a loan advanced by the seller and held by Helix Investments Limited of €45,021,000 (£38,342,000) was also repaid in cash.

The Group incurred costs of €5,299,000 for legal advice and due diligence in connection with the business combination and these are included in administrative expenses.

Helix Investments Limited is the holding company of the BizSpace Group business, which is a leading provider of regional flexible workspace, offering light industrial, workshop, studio and out of town office units to a wide range of businesses across the UK. The acquisition therefore provides Sirius with a unique opportunity to enter with immediate scale an under-served market via a one-step acquisition of an established platform. It provides Sirius with a high-quality portfolio, offering significant organic growth potential in rental pricing in a UK market characterised by supply constraints. The BizSpace Group business is also highly complementary to Sirius' existing platform, allowing for meaningful operational and financial synergies to drive value creation for Sirius shareholders. The acquired identifiable assets and liabilities as at 15 November 2021 are presented at their fair values in the following table in accordance with the final purchase price allocation:

|                           | Helix Investments Limited<br>€000 |
|---------------------------|-----------------------------------|
| Investment property       | 421,105                           |
| Other non-current assets  | 3,033                             |
| Current assets            | 3,478                             |
| Cash and cash equivalents | 33,069                            |
| Loans                     | (214,495)                         |
| Current liabilities       | (23,727)                          |
| Lease liabilities         | (12,182)                          |
| Deferred tax liabilities  | (4,670)                           |
| <b>Net assets</b>         | <b>205,611</b>                    |
| Purchase price            | 242,779                           |
| <b>Goodwill</b>           | <b>37,168</b>                     |

Based on final purchase price allocation, goodwill arising on the purchase of Helix Investments Limited amounts to €37,168,000 as at 15 November 2021. At 31 March 2022, the Directors assessed the computed goodwill to determine if it represented recoverable value over and above the value included in the acquired investment properties and other net assets, and concluded that there was insufficient evidence to support such recovery and so wrote-off the goodwill. As at 31 March 2022 the carrying amount of the

goodwill is €nil as it has been impaired as per note 17. The gross amounts of acquired trade receivables and impairment losses recognised were as follows as at 15 November 2021:

|                                | Helix Investments<br>Limited<br>€000 |
|--------------------------------|--------------------------------------|
| Gross trade receivables        | 1,111                                |
| Expected credit loss provision | (498)                                |
| <b>Trade receivables</b>       | <b>613</b>                           |

Due to first-time consolidation as at 15 November 2021, the acquired company has contributed revenue of €20,954,000 and profit after tax of €47,891,000 to consolidated revenue and consolidated profit.

Had the company already been fully consolidated as at 1 April 2021, consolidated revenue and consolidated profit after tax would have been as follows:

|                        | 1 April 2021 to<br>31 March 2022<br>€000 |
|------------------------|------------------------------------------|
| Group revenue          | 243,879                                  |
| Group profit after tax | 211,060                                  |

## 5. Operating segments

Information on each operating segment based on geographical location in which the Group operates is provided to the chief operating decision maker, namely the Group's executive management team, on an aggregated basis and represented as operating profit and expenses.

The investment properties that the Group owns are aggregated into segments with similar economic characteristics such as the nature of the property, the products and services it provides, the customer type for the product served, and the method in which the services are provided. Executive management considers that this is best achieved through the operating segments of German assets and United Kingdom assets. The Group's investment properties are considered to be their own segment. The properties at each location (Germany and UK) have similar economic characteristics. These have been aggregated into two operating segments based on location in accordance with the requirements of IFRS 8.

Consequently, the Group is considered to have two reportable operating segments, as follows:

- Germany; and
- United Kingdom ("UK").

Consolidated information by segment is provided on a net operating income basis, which includes revenues made up of gross rents from third parties and direct expenses, gains and losses on property valuations, property disposals, and control of subsidiaries. All of the Group's share of profit of associates and administrative expenses including goodwill impairment, amortisation and depreciation are separately disclosed as part of operating profit. Group administrative costs, finance income and expenses and change in fair value of derivative financial instruments are disclosed.

Income taxes and depreciation are not reported to the executive management team on a segmented basis. There are no sales between segments.

The operating segment UK is a result of a business combination as disclosed in note 4. As such the UK segment reportable figures are those from 15 November 2021 until 31 March 2022 whilst the Germany segment consists of the full annual period ended 31 March 2022.

|                                                    | Year ended<br>31 March 2022 |               |                | Year ended<br>31 March 2021 |            |                |
|----------------------------------------------------|-----------------------------|---------------|----------------|-----------------------------|------------|----------------|
|                                                    | Germany<br>€000             | UK<br>€000    | Total<br>€000  | Germany<br>€000             | UK<br>€000 | Total<br>€000  |
| Rental and other income from investment properties | 108,716                     | 15,258        | 123,974        | 95,288                      | —          | 95,288         |
| Service charge income from investment properties   | 55,009                      | 5,696         | 60,705         | 51,041                      | —          | 51,041         |
| Rental and other income from managed properties    | 10,884                      | —             | 10,884         | 9,699                       | —          | 9,699          |
| Service charge income from managed properties      | 14,619                      | —             | 14,619         | 9,333                       | —          | 9,333          |
| <b>Revenue</b>                                     | <b>189,228</b>              | <b>20,954</b> | <b>210,182</b> | <b>165,361</b>              | <b>—</b>   | <b>165,361</b> |
| Direct costs                                       | (80,118)                    | (7,571)       | (87,689)       | (71,541)                    | —          | (71,541)       |
| <b>Net operating income</b>                        | <b>109,110</b>              | <b>13,383</b> | <b>122,493</b> | <b>93,820</b>               | <b>—</b>   | <b>93,820</b>  |
| Gain on revaluation of investment properties       | 100,872                     | 40,012        | 140,884        | 99,585                      | —          | 99,585         |
| (Gain)/loss on disposal of properties              | (363)                       | (260)         | (623)          | 54                          | —          | 54             |
| Recoveries from prior disposals of subsidiaries    | 94                          | —             | 94             | 65                          | —          | 65             |
| Depreciation and amortisation                      | (2,685)                     | (486)         | (3,171)        | (2,087)                     | —          | (2,087)        |
| Other administrative expenses                      | (34,321)                    | (3,226)       | (37,547)       | (25,736)                    | —          | (25,736)       |
| Goodwill impairment                                | (3,738)                     | (37,168)      | (40,906)       | —                           | —          | —              |
| Share of profit of associates                      | 6,940                       | —             | 6,940          | 4,977                       | —          | 4,977          |
| <b>Operating profit</b>                            | <b>175,909</b>              | <b>12,255</b> | <b>188,164</b> | <b>170,678</b>              | <b>—</b>   | <b>170,678</b> |

|                                                          |                 |                |                 |                |          |                |
|----------------------------------------------------------|-----------------|----------------|-----------------|----------------|----------|----------------|
| Finance income                                           | 2,986           | —              | 2,986           | 2,712          | —        | 2,712          |
| Amortisation of capitalised finance costs                | (2,544)         | (30)           | (2,574)         | (1,683)        | —        | (1,683)        |
| Other finance expense                                    | (15,759)        | (4,886)        | (20,645)        | (8,186)        | —        | (8,186)        |
| Change in fair value of derivative financial instruments | 996             | —              | 996             | 136            | —        | 136            |
| <b>Net finance costs</b>                                 | <b>(14,321)</b> | <b>(4,916)</b> | <b>(19,237)</b> | <b>(7,021)</b> | <b>—</b> | <b>(7,021)</b> |
| <b>Segment profit for the year before tax</b>            | <b>161,588</b>  | <b>7,339</b>   | <b>168,927</b>  | <b>163,657</b> | <b>—</b> | <b>163,657</b> |

|                                         | 31 March 2022    |                |                  | 31 March 2021    |            |                  |
|-----------------------------------------|------------------|----------------|------------------|------------------|------------|------------------|
|                                         | Germany<br>€000  | UK<br>€000     | Total<br>€000    | Germany<br>€000  | UK<br>€000 | Total<br>€000    |
| <b>Segment assets</b>                   |                  |                |                  |                  |            |                  |
| Investment properties                   | 1,635,221        | 464,783        | 2,100,004        | 1,362,192        | —          | 1,362,192        |
| Investment in associates                | 24,142           | —              | 24,142           | 17,202           | —          | 17,202           |
| Other non-current assets                | 21,535           | 3,236          | 24,771           | 11,169           | —          | 11,169           |
| <b>Total segment non-current assets</b> | <b>1,680,898</b> | <b>468,019</b> | <b>2,148,917</b> | <b>1,390,563</b> | <b>—</b>   | <b>1,390,563</b> |

## 6. Revenue

|                                                    | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|----------------------------------------------------|-------------------------------------|-------------------------------------|
| Rental and other income from investment properties | 123,974                             | 95,288                              |
| Service charge income from investment properties   | 60,705                              | 51,041                              |
| Rental and other income from managed properties    | 10,884                              | 9,699                               |
| Service charge income from managed properties      | 14,619                              | 9,333                               |
| <b>Total revenue</b>                               | <b>210,182</b>                      | <b>165,361</b>                      |

Other income relates primarily to income associated with conferencing and catering of €2,977,000 (2021: €2,314,000) and fee income from managed properties of €4,084,000 (2021: €7,338,000).

The total revenue from contracts with customers includes service charge income and other income totalling €63,682,000 from investment properties (2021: €53,355,000) and €18,703,000 from managed properties (2021: €16,671,000).

## 7. Operating profit

The following items have been charged in arriving at operating profit:

### Direct costs

|                                                        | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|--------------------------------------------------------|-------------------------------------|-------------------------------------|
| Service charge costs relating to investment properties | 66,128                              | 56,184                              |
| Costs relating to managed properties                   | 16,985                              | 11,274                              |
| Non-recoverable maintenance                            | 4,576                               | 4,083                               |
| <b>Direct costs</b>                                    | <b>87,689</b>                       | <b>71,541</b>                       |

### Administrative expenses

|                                                   | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|---------------------------------------------------|-------------------------------------|-------------------------------------|
| Audit and non-audit fees to audit firm            | 1,426                               | 683                                 |
| Legal and professional fees                       | 3,901                               | 2,778                               |
| Expected credit loss provision (see note 25)      | 2,291                               | 1,791                               |
| Other administration costs                        | (328)                               | 2,781                               |
| LTIP and SIP                                      | 4,173                               | 3,395                               |
| Employee costs                                    | 16,004                              | 11,109                              |
| Director fees and expenses                        | 604                                 | 493                                 |
| Depreciation of plant and equipment (see note 16) | 1,167                               | 669                                 |
| Amortisation of intangible assets (see note 17)   | 1,164                               | 897                                 |
| Depreciation of right of use assets (see note 18) | 843                                 | 521                                 |
| Marketing                                         | 2,345                               | 2,009                               |
| Selling costs relating to assets held for sale    | 20                                  | —                                   |
| Exceptional items                                 | 7,108                               | 697                                 |
| <b>Administrative expenses</b>                    | <b>40,718</b>                       | <b>27,823</b>                       |

The expected credit loss provision has increased during the year mainly due to the increase of gross trade receivables as a result of acquired assets in the financial year.

Other administration costs include net foreign exchange gains in amount of €1,975,000 as a result of the increased foreign currency cash balances as at the period end.

Employee costs as stated above relate to costs which are not recovered through service charge.

Exceptional items relate to the following:

|                                                        | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|--------------------------------------------------------|-------------------------------------|-------------------------------------|
| Acquisition costs in relation to business combinations | 5,299                               | —                                   |
| Legal case costs                                       | 894                                 | 247                                 |
| Office termination fees                                | 500                                 | —                                   |
| Internal tax restructuring costs                       | 415                                 | 250                                 |
| Signage and hygiene costs related to Covid-19          | —                                   | 200                                 |
| <b>Total</b>                                           | <b>7,108</b>                        | <b>697</b>                          |

The following services have been provided by the Group's auditors:

|                                            | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|--------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Audit fees to audit firm:</b>           |                                     |                                     |
| Audit of consolidated financial statements | 1,135                               | 532                                 |
| Audit of subsidiary undertakings           | 226                                 | 88                                  |
| <b>Total audit fees</b>                    | <b>1,361</b>                        | <b>620</b>                          |
| Audit related assurance services           | 65                                  | 63                                  |
| Other assurance services                   | 234                                 | —                                   |
| <b>Total assurance services</b>            | <b>299</b>                          | <b>63</b>                           |
| <b>Total fees for non-audit services</b>   | <b>299</b>                          | <b>63</b>                           |
| <b>Total fees</b>                          | <b>1,660</b>                        | <b>683</b>                          |

The other assurance services include services relating to the corporate bond issuances in amount of €234,000 which have been capitalised to the loan issue costs.

## 8. Employee costs and numbers

|                        | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|------------------------|-------------------------------------|-------------------------------------|
| Wages and salaries     | 24,337                              | 19,013                              |
| Social security costs  | 3,848                               | 2,925                               |
| Pension                | 336                                 | 253                                 |
| Other employment costs | 335                                 | 71                                  |
| <b>Total</b>           | <b>28,856</b>                       | <b>22,262</b>                       |

Included in the costs related to wages and salaries for the year are expenses of €4,173,000 (2021: €3,395,000) relating to the granting or award of shares under LTIPs and SIPs (see note 9). The costs for all periods include those relating to Executive Directors.

All employees are employed directly by one of the following Group subsidiary companies: Sirius Facilities GmbH, Sirius Facilities (UK) Limited, Curris Facilities & Utilities Management GmbH, SFG NOVA GmbH, Sirius Finance (Guernsey) Limited, BizSpace Limited, BizSpace II Limited, M25 Business Centres Limited and Sirius Corporate Services B.V. The average number of people employed by the Group during the year was 416 (2021: 256), expressed in full-time equivalents. In addition, as at 31 March 2022, the Board of Directors consists of six Non-Executive Directors (2021: five) and three Executive Directors (2021: two).

## 9. Employee schemes

### Equity-settled share-based payments

#### 2018 LTIP

The LTIP for the benefit of the Executive Directors and the Senior Management Team was approved in 2018 with three separate grant dates. Awards granted under the LTIP are made in the form of nil-cost options which vest after the three year performance period with vested awards being subject to a further holding period of two years. Awards are split between ordinary and outperformance awards. Ordinary awards carry both adjusted net asset value per share ("TNR") (two-thirds of award) and relative total shareholder return ("TSR") (one-third of award) performance conditions and outperformance awards carry a sole TNR performance condition. The employee's tax obligation will be determined upon the vesting date of the share issue.

#### June 2020 grant

3,600,000 ordinary share awards were granted under the scheme on 15 June 2020 with a total charge for the award of €2,265,552. Charges for the awards are based on fair values calculated at the grant date and expensed on a straight-line basis over the period that individuals are providing service to the Company in respect of the awards. For the 15 June 2020 LTIP grant an expense of €811,000 is recognised in the consolidated income statement to 31 March 2022.

The following assumptions were used in calculating the fair value per share for the TNR and TSR elements of the award that were granted on 15 June 2020:

|                       | TNR                | TSR                |
|-----------------------|--------------------|--------------------|
| Valuation methodology | Black-Scholes      | Monte-Carlo        |
| Calculation for       | 2/3 ordinary award | 1/3 ordinary award |

|                                                                    |              |              |
|--------------------------------------------------------------------|--------------|--------------|
| Share price at grant date – €                                      | 0.84         | 0.84         |
| Exercise price – €                                                 | nil          | nil          |
| Expected volatility – %                                            | 38.5         | 38.5         |
| Performance projection period – years                              | 2.79         | 2.67         |
| Expected dividend yield – %                                        | 4.28         | 4.28         |
| Risk-free rate based on European treasury bonds rate of return – % | (0.677) p.a. | (0.677) p.a. |
| Expected outcome of performance conditions – %                     | 100          | 67.2         |
| Fair value per share – €                                           | 0.745        | 0.564        |

The weighted average fair value of share options granted on 15 June 2020 is €0.68.

Assumptions considered in this model include: expected volatility of the Company's share price, as determined by calculating the historical volatility of the Company's share price over the period immediately prior to the date of grant and commensurate with the expected life of the awards; dividend yield based on the actual dividend yield as a percentage of the share price at the date of grant; performance projection period; risk-free rate; and correlation between comparators.

#### June 2019 grant

3,760,000 ordinary share awards and 690,000 outperformance share awards were granted under the scheme on 16 June 2019 with a total charge for the awards of €2,145,511 over three years. Charges for the awards are based on fair values calculated at the grant date and expensed on a straight-line basis over the period that individuals are providing service to the Company in respect of the awards. For the 16 June 2019 LTIP grant an expense of €1,126,000 is recognised in the consolidated income statement to 31 March 2022.

The fair value per share for the TNR and TSR elements of the award was determined using Black-Scholes and Monte-Carlo models respectively with the following assumptions used in the calculation:

|                                                                    | TNR                                         | TSR                |
|--------------------------------------------------------------------|---------------------------------------------|--------------------|
| Valuation methodology                                              | Black-Scholes                               | Monte-Carlo        |
| Calculation for                                                    | 2/3 ordinary award/<br>outperformance award | 1/3 ordinary award |
| Share price at grant date – €                                      | 0.73                                        | 0.73               |
| Exercise price – €                                                 | nil                                         | nil                |
| Expected volatility – %                                            | 23.8                                        | 23.8               |
| Performance projection period – years                              | 2.80                                        | 2.67               |
| Expected dividend yield – %                                        | 4.56                                        | 4.56               |
| Risk-free rate based on European treasury bonds rate of return – % | (0.695) p.a.                                | (0.695) p.a.       |
| Expected outcome of performance conditions – %                     | 100/24.5                                    | 46.6               |
| Fair value per share – €                                           | 0.643                                       | 0.340              |

The weighted average fair value of share options granted on 16 June 2019 is €0.54.

Assumptions considered in this model include: expected volatility of the Company's share price, as determined by calculating the historical volatility of the Company's share price over the period immediately prior to the date of grant and commensurate with the expected life of the awards; dividend yield based on the actual dividend yield as a percentage of the share price at the date of grant; performance projection period; risk-free rate; and correlation between comparators.

#### January 2019 grant

In addition, as disclosed in the 2019 Annual Report, 4,000,000 ordinary share awards and 700,000 outperformance share awards were previously granted under the scheme on 15 January 2019.

The January 2019 grant vested on 21 May 2021. Vesting was at maximum level for all participants resulting in the exercise of 3,266,210 shares with a weighted average share price of €1.20 at the date of exercise. 1,433,790 shares have been surrendered in relation to the partial settlement of certain participants' tax liabilities arising in respect of the vesting. An amount of €1,944,000 was paid for the participants' tax liabilities.

#### 2021 LTIP

The LTIP for the benefit of the Executive Directors and the Senior Management Team was approved in 2021. Awards granted under the LTIP are made in the form of nil-cost options which vest after the three year performance period with vested awards being subject to a further restricted period of two years when shares acquired on exercise cannot be sold. Awards are subject to adjusted net asset value per share ("TNR") (two-thirds of award) and relative total shareholder return ("TSR") (one-third of award) performance conditions. The employees' tax obligation will be determined upon the vesting date of the share issue.

#### August 2021 grant

4,154,119 ordinary share awards were granted under the scheme on 2 August 2021 with a total charge for the award of €4,705,196. Charges for the awards are based on fair values calculated at the grant date and expensed on a straight-line basis over the period that individuals are providing service to the Company in respect of the awards. For the 2 August 2021 LTIP grant an expense of €1,066,000 is recognised in the consolidated income statement to 31 March 2022.

The following assumptions were used in calculating the fair value per share for the TNR and TSR elements of the award that were granted on 2 August 2021:

|                               | TNR                | TSR                |
|-------------------------------|--------------------|--------------------|
| Valuation methodology         | Black-Scholes      | Monte-Carlo        |
| Calculation for               | 2/3 ordinary award | 1/3 ordinary award |
| Share price at grant date – € | 1.39               | 1.39               |

|                                                                    |              |              |
|--------------------------------------------------------------------|--------------|--------------|
| Exercise price – €                                                 | nil          | nil          |
| Expected volatility – %                                            | 40.5         | 40.5         |
| Expected life – years                                              | 2.91         | 2.91         |
| Performance projection period – years                              | 2.66         | 2.66         |
| Expected dividend yield – %                                        | 2.79         | 2.79         |
| Risk-free rate based on European treasury bonds rate of return – % | (0.817) p.a. | (0.817) p.a. |
| Fair value per share – €                                           | 1.28*        | 0.84**       |

\* In accordance with IFRS 2, TNR is classed as a non-market performance condition. As such, the fair value has been calculated using a Black-Scholes model and does not take the expected outcome of the performance condition into account. The Company currently estimates the expected vesting outcome for the TNR award to be 100%.

\*\* In accordance with IFRS 2, relative TSR is classed as a market-based performance condition. As such, projected performance and the likelihood of achieving the condition have been taken into account when calculating the fair value using a Monte-Carlo model. The model also uses assumptions for the expected volatility of comparator companies, the pairwise correlation between comparator companies and TSR performance between the start of the performance period and the date of grant.

The weighted average fair value of share options granted on 2 August 2021 is €1.13.

Expected volatility of the Company's share price was determined by calculating the historical volatility of the Company's share price over the period immediately prior to the date of grant, commensurate with the term to the end of the performance period.

#### 2019 SIP

A SIP for the benefit of senior employees of the Company was approved in August 2019. The fair value was based on the Company's estimate of the shares that will eventually vest. Under the SIP, the awards were granted in the form of whole shares at no cost to the participants. Shares will vest after a three year performance period followed by a holding period of twelve months. The performance conditions used to determine the vesting of the award were based on the adjusted net asset value including dividends paid. As a result, under the scheme in August 2019 2,784,750 shares were granted (with an additional 70,000 allocated in the 2021 financial year), subject to performance criteria, and an expense including related costs of €567,000 is recognised in the consolidated income statement to 31 March 2022.

The SIP 2019 grant vested on 14 March 2022. Vesting was at maximum level for all participants resulting in the exercise of 2,534,750 shares with a weighted average share price of €1.45 at the date of exercise. 1,020,775 shares have been surrendered in relation to the partial settlement of certain participants' tax liabilities arising in respect of the vesting. An amount of €1,500,000 was paid for the participants' tax liabilities.

During the year 195,000 shares were forfeited due to employees in the scheme leaving the employment of the Company.

#### 2020 SIP

Another SIP for the benefit of senior employees of the Company was approved in July 2020. The July 2020 grant vested on 21 May 2021. Vesting was at maximum level for all participants resulting in the exercise of 95,537 shares with a weighted average share price of €1.26 at the date of exercise. 24,463 shares have been surrendered in relation to the partial settlement of certain participants' tax liabilities arising in respect of the vesting. An amount of €75,000 was paid for the participants' tax liabilities.

#### 2021 SIP

Another SIP for the benefit of the senior employees was approved in 2021. Awards granted under the SIP are made in the form of a conditional right to receive a specified number of shares for nil cost which vest after the three year performance period (on 1 March 2025 for the 2021 award) with vested awards being subject to a further restricted period of one year when shares cannot be sold. Awards are subject to adjusted net asset value per share ("TNR") (two-thirds of award) and relative total shareholder return ("TSR") (one-third of award) performance conditions. Awards are equity settled. The employees' tax obligation will be determined upon the vesting date of the share issue.

#### September 2021 grant

3,074,500 share awards were granted under the scheme on 7 September 2021 with a total charge for the award of €3,735,689 on the basis that 0% of awards are forfeited during the vesting period. Charges for the awards are based on fair values calculated at the grant date and expensed on a straight-line basis over the period that individuals are providing service to the Company in respect of the awards. For the 7 September 2021 SIP grant an expense of €603,000 is recognised in the consolidated income statement to 31 March 2022.

The following assumptions were used in calculating the fair value per share for the TNR and TSR elements of the award that were granted on 7 September 2021:

|                                                                    | TNR                | TSR                |
|--------------------------------------------------------------------|--------------------|--------------------|
| Valuation methodology                                              | Black-Scholes      | Monte-Carlo        |
| Calculation for                                                    | 2/3 ordinary award | 1/3 ordinary award |
| Share price at grant date – €                                      | 1.49               | 1.49               |
| Exercise price – €                                                 | n/a                | n/a                |
| Expected volatility – %                                            | 40.7               | 40.7               |
| Expected life – years                                              | 3.48               | 3.48               |
| Performance projection period – years                              | 2.56               | 2.56               |
| Expected dividend yield – %                                        | 2.60               | 2.60               |
| Risk-free rate based on European treasury bonds rate of return – % | (0.737) p.a.       | (0.737) p.a.       |
| Fair value per share – €                                           | 1.36*              | 0.92**             |

\* In accordance with IFRS 2, TNR is classed as a non-market performance condition. As such, the fair value has been calculated using a Black-Scholes model and does not take the expected outcome of the performance condition into account. The Company currently estimates the expected vesting outcome for the TNR award to be 100%.

\*\* In accordance with IFRS 2, relative TSR is classed as a market-based performance condition. As such, projected performance and the likelihood of achieving the condition have been taken into account when calculating the fair value using a Monte-Carlo model. The model also uses assumptions for the expected volatility of comparator companies and the pairwise correlation between comparator companies and TSR performance between the start of the performance period and the date of grant. Expected volatility of the Company's share price was determined by calculating the historical volatility of the Company's share price over the period immediately prior to the date of grant, commensurate with the term to the end of the performance period.

The weighted average fair value of share options granted on 7 September 2021 is €1.21.

Expected volatility of the Company's share price was determined by calculating the historical volatility of the Company's share price over the period immediately prior to the date of grant, commensurate with the term to the end of the performance period.

Movements in the number of awards outstanding are as follows:

|                                                                              | Year ended<br>31 March 2022 |                                                  | Year ended<br>31 March 2021 |                                                  |
|------------------------------------------------------------------------------|-----------------------------|--------------------------------------------------|-----------------------------|--------------------------------------------------|
|                                                                              | Number of<br>share awards   | Weighted<br>average<br>exercise<br>price<br>€000 | Number of<br>share awards   | Weighted<br>average<br>exercise<br>price<br>€000 |
| <b>Balance outstanding as at the beginning of the year (nil exercisable)</b> | <b>15,584,750</b>           | <b>—</b>                                         | <b>11,934,750</b>           | <b>—</b>                                         |
| Maximum granted during the year                                              | 7,302,831                   | —                                                | 3,790,000                   | —                                                |
| Forfeited during the year                                                    | (195,000)                   | —                                                | (140,000)                   | —                                                |
| Exercised during the year                                                    | (4,934,934)                 | —                                                | —                           | —                                                |
| Shares surrendered to cover employee tax obligations                         | (2,479,028)                 | —                                                | —                           | —                                                |
| <b>Balance outstanding as at year end (nil exercisable)</b>                  | <b>15,278,619</b>           | <b>—</b>                                         | <b>15,584,750</b>           | <b>—</b>                                         |

#### Employee benefit schemes

A reconciliation of share-based payments and employee benefit schemes and their impact on the consolidated income statement is as follows:

|                                                                            | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|----------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Charge relating to 2018 LTIP – January 2019 grant                          | —                                   | 1,202                               |
| Charge relating to 2018 LTIP – June 2019 grant                             | 1,126                               | 766                                 |
| Charge relating to 2018 LTIP – June 2020 grant                             | 811                                 | 645                                 |
| Charge relating to 2021 LTIP – August 2021 grant                           | 1,066                               | —                                   |
| Charge relating to 2019 SIP – August 2019 grant                            | 567                                 | 679                                 |
| Charge relating to 2020 SIP – July 2020 grant                              | —                                   | 103                                 |
| Charge relating to 2021 SIP – September 2021 grant                         | 603                                 | —                                   |
| <b>Total consolidated income statement charge relating to LTIP and SIP</b> | <b>4,173</b>                        | <b>3,395</b>                        |

An amount of €1,945,000 is recognised in other distributable reserves as per the consolidated statement of changes in equity. Own shares held in amount of €1,868,000 have been used to settle the 2019 SIP award. In addition, an amount of €360,000 has been accrued for future employers' tax obligations in relation to share based payment schemes.

#### 10. Finance income, finance expense and change in fair value of derivative financial instruments

|                                                             | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|-------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Bank interest income                                        | 95                                  | 38                                  |
| Finance income from associates                              | 2,891                               | 2,674                               |
| <b>Finance income</b>                                       | <b>2,986</b>                        | <b>2,712</b>                        |
| Bank loan interest expense                                  | (11,482)                            | (7,402)                             |
| Interest expense related to lease liabilities (see note 18) | (479)                               | (349)                               |
| Amortisation of capitalised finance costs                   | (2,574)                             | (1,683)                             |
| <b>Total interest expense</b>                               | <b>(14,535)</b>                     | <b>(9,434)</b>                      |
| Bank charges and bank interest expense on deposits          | (863)                               | (435)                               |
| Refinancing costs, exit fees and prepayment penalties       | (7,821)                             | —                                   |
| <b>Other finance costs</b>                                  | <b>(8,684)</b>                      | <b>(435)</b>                        |
| <b>Finance expense</b>                                      | <b>(23,219)</b>                     | <b>(9,869)</b>                      |
| Change in fair value of derivative financial instruments    | 996                                 | 136                                 |
| <b>Net finance expense</b>                                  | <b>(19,237)</b>                     | <b>(7,021)</b>                      |

Included within refinancing costs are exit fees and early prepayment penalties of €6,947,000 that directly related to the early repayment of loans and cost in relation to the restructuring of debt in amount of €874,000.

The change in fair value of derivative financial instruments of €996,000 (2021: €136,000) reflects the change in the market valuation of these financial instruments.

## 11. Taxation

### Consolidated income statement

|                                                                          | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|--------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Current income tax</b>                                                |                                     |                                     |
| Current income tax charge                                                | (6,220)                             | (1,641)                             |
| Current income tax charge relating to disposals of investment properties | —                                   | (87)                                |
| Adjustments in respect of prior periods                                  | 112                                 | (189)                               |
| <b>Total current income tax</b>                                          | <b>(6,108)</b>                      | <b>(1,917)</b>                      |
| <b>Deferred tax</b>                                                      |                                     |                                     |
| Relating to origination and reversal of temporary differences            | (14,827)                            | (14,180)                            |
| <b>Total deferred tax</b>                                                | <b>(14,827)</b>                     | <b>(14,180)</b>                     |
| <b>Income tax charge reported in the income statement</b>                | <b>(20,935)</b>                     | <b>(16,097)</b>                     |

The German corporation tax rate of 15.825% is used in the tax reconciliation for the Group. Taxation for other jurisdictions is calculated at the rates prevailing in each jurisdiction.

The reconciliation of the effective tax rate is explained below:

|                                                                                                                        | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Profit before tax</b>                                                                                               | <b>168,927</b>                      | <b>163,657</b>                      |
| Current tax using the German corporation tax rate of 15.825% (2021: 15.825%)                                           | 26,733                              | 25,899                              |
| Effects of:                                                                                                            |                                     |                                     |
| Deductible interest on internal financing <sup>(1)</sup>                                                               | (5,398)                             | (7,207)                             |
| Tax exempt gain from selling of investments and dividends <sup>(2)</sup>                                               | (1,113)                             | (798)                               |
| Non-deductible expenses                                                                                                | 452                                 | 290                                 |
| Change in unrecognised deferred tax – tax effect of utilisation of tax losses not previously recognised <sup>(3)</sup> | (10,478)                            | (2,498)                             |
| Property valuation movements due to differences in accounting treatments                                               | —                                   | (210)                               |
| Adjustments in respect of prior periods                                                                                | (112)                               | 189                                 |
| German trade tax                                                                                                       | 19                                  | 236                                 |
| Other                                                                                                                  | —                                   | 196                                 |
| Goodwill impairment <sup>(4)</sup>                                                                                     | 6,473                               | —                                   |
| Difference in foreign tax rates <sup>(5)</sup>                                                                         | 1,452                               | —                                   |
| Deferred tax – current year movements <sup>(6)</sup>                                                                   | 961                                 | —                                   |
| Rate difference between current tax and deferred tax <sup>(7)</sup>                                                    | 1,946                               | —                                   |
| <b>Total income tax charge in the income statement</b>                                                                 | <b>20,935</b>                       | <b>16,097</b>                       |

(1) Amounts non-taxable on interest on internal financing have decreased from the prior year as a result of the financing company being tax resident in Cyprus for the full period and taxed on a portion of its interest income, with the remainder not taxed at 15.825% being included in the reconciliation above to show the difference in foreign tax rates.

(2) The tax exempt gain from selling of investments and dividends in the current year relates to the profits of joint ventures/associates only.

(3) Following the acquisition of the BizSpace Group on 15 November 2021, the BizSpace Group has entered into the UK REIT regime effective from 1 April 2022. The result of the REIT conversion included the de-recognition of deferred tax assets and deferred tax liabilities on investment properties, shown above in the reconciliation.

(4) An impairment of €40.9 million in relation to the goodwill is included as a permanent item in the tax reconciliation.

(5) As the current UK corporation tax rate is 19% this item shows the difference between this rate and the German corporation tax rate of 15.825% used in the above reconciliation.

(6) The deferred tax only adjustment relates to movements in UK temporary differences on investment properties and lease liabilities which do not impact the income statement or current taxes.

(7) As the substantively enacted UK main corporation tax rate effective from 1 April 2023 is currently 25%, the difference between the current UK corporation tax rate of 19% and the deferred tax rate of 25% (for deferred tax unwinding after 1 April 2023) is also included within the tax reconciliation.

### Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities are attributable to the following:

|                                          | Assets                |                       | Liabilities           |                       | Net                   |                       |
|------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                          | 31 March 2022<br>€000 | 31 March 2021<br>€000 | 31 March 2022<br>€000 | 31 March 2021<br>€000 | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
| Revaluation of investment property       | —                     | —                     | (95,411)              | (73,946)              | (95,411)              | (73,946)              |
| Rent free adjustments                    | —                     | —                     | (640)                 | (570)                 | (640)                 | (570)                 |
| Capitalised own works                    | —                     | —                     | (55)                  | (43)                  | (55)                  | (43)                  |
| Hedging (swaps)                          | —                     | 249                   | (52)                  | —                     | (52)                  | 249                   |
| IFRS 16                                  | 4,059                 | —                     | (4,283)               | —                     | (224)                 | —                     |
| Tax losses                               | 20,330                | 17,979                | —                     | —                     | 20,330                | 17,979                |
| Fixed asset temporary differences        | 159                   | —                     | —                     | —                     | 159                   | —                     |
| <b>Deferred tax assets/(liabilities)</b> | <b>24,548</b>         | <b>18,228</b>         | <b>(100,441)</b>      | <b>(74,559)</b>       | <b>(75,893)</b>       | <b>(56,331)</b>       |

In respect of IFRS 16, deferred tax had not previously been recognised due to the application of the initial recognition exemption. To align with IASB ED/2019/5, which amends the application of the initial recognition exemption for transactions giving rise to

offsetting deferred tax assets and deferred tax liabilities, a deferred tax liability has been recognised on the IFRS 16 right of use asset and a deferred tax asset in respect of the IFRS 16 lease liability resulting in a net deferred tax liability recognised as at 31 March 2022. The amendments to the initial recognition exemption under IAS 12 are effective for accounting periods beginning on or after 1 January 2023 and have been adopted early.

Movement in deferred tax during the year is as follows:

|                                        | 31 March 2021<br>€000 | Recognised<br>in income<br>€000 | Exchange<br>differences<br>€000 | Acquisition<br>of a subsidiary<br>€000 | 31 March 2022<br>€000 |
|----------------------------------------|-----------------------|---------------------------------|---------------------------------|----------------------------------------|-----------------------|
| Revaluation of investment property     | (73,946)              | (8,646)                         | —                               | (12,819)                               | (95,411)              |
| Rent free adjustments                  | (570)                 | (70)                            | —                               | —                                      | (640)                 |
| Capitalised own works                  | (43)                  | (12)                            | —                               | —                                      | (55)                  |
| Hedging (swaps)                        | 249                   | (301)                           | —                               | —                                      | (52)                  |
| IFRS 16                                | —                     | (5,697)                         | —                               | 5,473                                  | (224)                 |
| Tax losses                             | 17,979                | 2,272                           | (2)                             | 81                                     | 20,330                |
| Fixed asset temporary differences      | —                     | (1,128)                         | (32)                            | 1,319                                  | 159                   |
| Other short-term temporary differences | —                     | (1,245)                         | (31)                            | 1,276                                  | —                     |
| <b>Total</b>                           | <b>(56,331)</b>       | <b>(14,827)</b>                 | <b>(65)</b>                     | <b>(4,670)</b>                         | <b>(75,893)</b>       |

The Group has not recognised a deferred tax asset on €257 million (2021: €238 million) of tax losses carried forward and future share scheme deductions due to uncertainties over recovery. There is no expiration date on €257 million of the losses and future share scheme tax deductions will convert to tax losses on realisation.

Recognised and unrecognised temporary differences in the acquired BizSpace Group of €54 million, largely driven by deferred tax liability on investment properties, has been derecognised as at 31 March 2022 following the BizSpace Group's entry to the UK REIT regime effective 1 April 2022 (see note 2(j) above for further discussion of this). A deferred tax asset of €0.2 million relating to the excess of capital allowances over qualifying net book value in the BizSpace Group is expected to be recoverable by the residual business of the BizSpace Group post REIT conversion. A change in ownership of the Group may result in restriction on the Group's ability to use tax losses in certain tax jurisdictions.

A deferred tax liability is recognised on temporary differences of €nil (2021: €nil) relating to the unremitted earnings of overseas subsidiaries as the Group is able to control the timing of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future. In his Budget Statement of 3 March 2021, the UK Chancellor announced that the main rate of UK corporation tax would increase to 25% from 1 April 2023. This may have a potential impact on any taxable profits made by the residual business of the BizSpace Group post REIT conversion and other UK operations only from that date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

|                                          | 31 March 2022  |                     |                 |
|------------------------------------------|----------------|---------------------|-----------------|
|                                          | Assets<br>€000 | Liabilities<br>€000 | Net<br>€000     |
| UK                                       | 159            | —                   | 159             |
| Germany                                  | 24,389         | (100,441)           | (76,052)        |
| Cyprus                                   | —              | —                   | —               |
| <b>Deferred tax assets/(liabilities)</b> | <b>24,548</b>  | <b>(100,441)</b>    | <b>(75,893)</b> |

|                                         | 31 March 2022  |                     |                 |
|-----------------------------------------|----------------|---------------------|-----------------|
|                                         | Assets<br>€000 | Liabilities<br>€000 | Net<br>€000     |
| UK                                      | —              | (7,316)             | (7,316)         |
| Germany                                 | —              | (2,690)             | (2,690)         |
| Cyprus                                  | —              | (417)               | (417)           |
| <b>Current tax assets/(liabilities)</b> | <b>—</b>       | <b>(10,423)</b>     | <b>(10,423)</b> |

## 12. Earnings per share

The calculations of the basic, diluted, EPRA, headline and adjusted earnings per share are based on the following data:

|                                                           | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|-----------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Earnings attributable to the owners of the Company</b> |                                     |                                     |
| Basic earnings                                            | 147,873                             | 147,451                             |
| Diluted earnings                                          | 147,873                             | 147,451                             |
| EPRA earnings                                             | 70,695                              | 58,633                              |
| Diluted EPRA earnings                                     | 70,695                              | 58,633                              |
| Headline earnings                                         | 58,368                              | 58,848                              |
| Diluted headline earnings                                 | 58,368                              | 58,848                              |
| <b>Adjusted</b>                                           |                                     |                                     |
| Basic earnings                                            | 147,873                             | 147,451                             |
| Deduct gain on revaluation of investment properties       | (140,884)                           | (99,585)                            |

|                                                                                                                                                                          |               |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| Add loss/(deduct gain) on sale of properties                                                                                                                             | 623           | (54)          |
| Deduct recoveries from prior disposals of subsidiaries                                                                                                                   | (94)          | (65)          |
| Tax in relation to the gain on revaluation of investment properties and gain on sale of properties above less REIT related tax effects                                   | 14,624        | 14,346        |
| Non-controlling interest ("NCI") relating to revaluation, net of related tax                                                                                             | 85            | 82            |
| Goodwill impairment                                                                                                                                                      | 40,906        | —             |
| Deduct revaluation gain on investment property relating to associates                                                                                                    | (6,021)       | (4,199)       |
| Tax in relation to the revaluation gain on investment property relating to associates above                                                                              | 1,256         | 872           |
| <b>Headline earnings after tax</b>                                                                                                                                       | <b>58,368</b> | <b>58,848</b> |
| Deduct change in fair value of derivative financial instruments, net of related tax and NCI                                                                              | (793)         | (215)         |
| Deduct revaluation expense relating to leased investment properties                                                                                                      | (5,572)       | (4,325)       |
| Add adjusting items, net of related tax and NCI <sup>(1)</sup>                                                                                                           | 19,122        | 4,092         |
| <b>Adjusted earnings after tax</b>                                                                                                                                       | <b>71,125</b> | <b>58,400</b> |
| <b>Number of shares</b>                                                                                                                                                  |               |               |
| Weighted average number of ordinary shares for the purpose of basic, headline, adjusted and basic EPRA earnings per share                                                | 1,097,082,162 | 1,040,956,722 |
| Weighted average number of ordinary shares for the purpose of diluted earnings, diluted headline earnings, diluted adjusted earnings and diluted EPRA earnings per share | 1,112,360,781 | 1,056,541,472 |
| <b>Basic earnings per share</b>                                                                                                                                          | <b>13.48c</b> | <b>14.16c</b> |
| <b>Diluted earnings per share</b>                                                                                                                                        | <b>13.29c</b> | <b>13.96c</b> |
| <b>Basic EPRA earnings per share</b>                                                                                                                                     | <b>6.44c</b>  | <b>5.63c</b>  |
| <b>Diluted EPRA earnings per share</b>                                                                                                                                   | <b>6.36c</b>  | <b>5.55c</b>  |
| <b>Headline earnings per share</b>                                                                                                                                       | <b>5.32c</b>  | <b>5.65c</b>  |
| <b>Diluted headline earnings per share</b>                                                                                                                               | <b>5.25c</b>  | <b>5.57c</b>  |
| <b>Adjusted earnings per share</b>                                                                                                                                       | <b>6.48c</b>  | <b>5.61c</b>  |
| <b>Adjusted diluted earnings per share</b>                                                                                                                               | <b>6.39c</b>  | <b>5.53c</b>  |

(1) See reconciliation between adjusting items as stated within earnings per share and those stated within administrative expenses in note 7.

|                                                       | Notes | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|-------------------------------------------------------|-------|-------------------------------------|-------------------------------------|
| Exceptional items                                     | 7     | 7,108                               | 697                                 |
| Refinancing costs, exit fees and prepayment penalties | 10    | 7,821                               | —                                   |
| Selling costs relating to assets held for sale        | 7     | 20                                  | —                                   |
| LTIP and SIP                                          | 7     | 4,173                               | 3,395                               |
| <b>Adjusting items as per note 12</b>                 |       | <b>19,122</b>                       | <b>4,092</b>                        |

The following table shows the reconciliation of basic to headline earnings, separately disclosing the impact before tax (gross column) and after tax (net column):

|                                                                       | Year ended<br>31 March 2022 |               | Year ended<br>31 March 2021 |               |
|-----------------------------------------------------------------------|-----------------------------|---------------|-----------------------------|---------------|
|                                                                       | Gross<br>€000               | Net<br>€000   | Gross<br>€000               | Net<br>€000   |
| Basic earnings                                                        |                             | 147,873       |                             | 147,451       |
| Deduct gain on revaluation of investment properties                   | (140,884)                   | (126,260)     | (99,585)                    | (85,326)      |
| Add loss on sale of properties                                        | 623                         | 623           | (54)                        | 33            |
| Deduct recoveries from prior disposals of subsidiaries                | (94)                        | (94)          | (65)                        | (65)          |
| NCI relating to revaluation                                           | 104                         | 85            | 101                         | 82            |
| Goodwill impairment                                                   | 40,906                      | 40,906        | —                           | —             |
| Deduct revaluation gain on investment property relating to associates | (6,021)                     | (4,765)       | (4,199)                     | (3,327)       |
| <b>Headline earnings</b>                                              |                             | <b>58,368</b> |                             | <b>58,848</b> |

#### EPRA earnings

|                                                                                       | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|---------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Basic and diluted earnings attributable to owners of the Company                      | 147,873                             | 147,451                             |
| Gain on revaluation of investment properties                                          | (140,884)                           | (99,585)                            |
| Add loss on disposal of properties (including tax)                                    | 623                                 | 33                                  |
| Deduct recoveries from prior disposals of subsidiaries                                | (94)                                | (65)                                |
| Refinancing costs, exit fees and prepayment penalties                                 | 7,821                               | —                                   |
| Goodwill impairment                                                                   | 40,906                              | —                                   |
| Acquisition costs in relation to business combinations                                | 5,299                               | —                                   |
| Change in fair value of derivative financial instruments                              | (996)                               | (136)                               |
| Deferred tax in respect of EPRA earnings adjustments                                  | 14,827                              | 14,180                              |
| NCI in respect of the above                                                           | 85                                  | 82                                  |
| Deduct revaluation gain on investment property relating to associates                 | (6,021)                             | (4,199)                             |
| Tax in relation to the revaluation gain on investment property relating to associates | 1,256                               | 872                                 |
| <b>EPRA earnings</b>                                                                  | <b>70,695</b>                       | <b>58,633</b>                       |

For more information on EPRA earnings refer to Annex 1.

For the calculation of basic, headline, adjusted, EPRA and diluted earnings per share the number of shares has been reduced by 5,280,308 own shares held (2021: 3,684,608 shares), which are held by an Employee Benefit Trust on behalf of the Group.

The weighted average number of shares for the purpose of diluted, diluted EPRA, diluted headline and adjusted diluted earnings per share is calculated as follows:

|                                                                                                                                                      | Year ended<br>31 March 2022 | Year ended<br>31 March 2021 |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Weighted average number of ordinary shares for the purpose of basic, basic EPRA, headline and adjusted earnings per share                            | 1,097,082,162               | 1,040,956,722               |
| Effect of grant of SIP shares                                                                                                                        | 3,074,500                   | 2,834,750                   |
| Effect of grant of LTIP shares                                                                                                                       | 12,204,119                  | 12,750,000                  |
| <b>Weighted average number of ordinary shares for the purpose of diluted, diluted EPRA, diluted headline and adjusted diluted earnings per share</b> | <b>1,112,360,781</b>        | <b>1,056,541,472</b>        |

The Company has chosen to report EPRA earnings per share ("EPRA EPS"). EPRA EPS is a definition of earnings as set out by the European Public Real Estate Association. EPRA earnings represents earnings after adjusting for the revaluation of investment properties, changes in fair value of derivative financial instruments, gains and losses on disposals of properties (net of related tax), recoveries from prior disposals of subsidiaries (net of related tax), refinancing costs, exit fees and prepayment penalties (collectively the "EPRA earnings adjustments"), deferred tax in respect of the EPRA earnings adjustments, NCI relating to gain on revaluation and gain on sale of properties net of related tax, revaluation gain on investment property relating to associates and the related tax thereon.

### 13. Net asset value per share

|                                                                                                               | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|---------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Net asset value</b>                                                                                        |                       |                       |
| Net asset value for the purpose of assets per share (assets attributable to the owners of the Company)        | 1,190,652             | 926,533               |
| Deferred tax liabilities/(assets) (see note 11)                                                               | 75,893                | 56,331                |
| Derivative financial instruments at fair value                                                                | (329)                 | 1,141                 |
| <b>Adjusted net asset value attributable to the owners of the Company</b>                                     | <b>1,266,216</b>      | <b>984,005</b>        |
| <b>Number of shares</b>                                                                                       |                       |                       |
| Number of ordinary shares for the purpose of net asset value per share and adjusted net asset value per share | 1,166,880,684         | 1,049,132,259         |
| Number of ordinary shares for the purpose of EPRA NTA per share                                               | 1,182,159,303         | 1,064,717,009         |
| <b>Net asset value per share</b>                                                                              | <b>102.04c</b>        | <b>88.31c</b>         |
| <b>Adjusted net asset value per share</b>                                                                     | <b>108.51c</b>        | <b>93.79c</b>         |
| <b>EPRA NTA per share</b>                                                                                     | <b>107.28c</b>        | <b>92.29c</b>         |
| Net asset value as at year end (basic)                                                                        | 1,190,652             | 926,533               |
| Derivative financial instruments at fair value                                                                | (329)                 | 1,141                 |
| Deferred tax in respect of EPRA earnings adjustments                                                          | 75,566                | 56,331                |
| Goodwill as per note 17                                                                                       | —                     | (3,738)               |
| Intangibles as per note 17                                                                                    | (4,283)               | (2,830)               |
| Deferred tax in respect of EPRA adjustments in relation to investment in associates                           | 6,563                 | 5,212                 |
| <b>EPRA NTA</b>                                                                                               | <b>1,268,169</b>      | <b>982,649</b>        |

| 31 March 2022                                        | EPRA NRV<br>€000 | EPRA NTA<br>€000 | EPRA NDV<br>€000 |
|------------------------------------------------------|------------------|------------------|------------------|
| Net asset value as at year end (basic)               | 1,190,652        | 1,190,652        | 1,190,652        |
| <b>Diluted EPRA net asset value at fair value</b>    | <b>1,190,652</b> | <b>1,190,652</b> | <b>1,190,652</b> |
| <b>Group</b>                                         |                  |                  |                  |
| Derivative financial instruments at fair value       | (329)            | (329)            | n/a              |
| Deferred tax in respect of EPRA earnings adjustments | 75,893           | 75,566*          | n/a              |
| Goodwill as per note 17                              | n/a              | —                | —                |
| Intangibles as per note 17                           | n/a              | (4,283)          | n/a              |
| Fair value of fixed interest rate debt               | n/a              | n/a              | (22,229)         |
| Real estate transfer tax                             | 160,692          | n/a              | n/a              |
| <b>Investment in associate</b>                       |                  |                  |                  |
| Deferred tax in respect of EPRA earnings adjustments | 6,563            | 6,563*           | n/a              |
| Fair value of fixed interest rate debt               | n/a              | n/a              | 2,196            |
| Real estate transfer tax                             | 9,147            | n/a              | n/a              |
| <b>Total EPRA NRV, NTA and NDV</b>                   | <b>1,442,618</b> | <b>1,268,169</b> | <b>1,170,619</b> |
| <b>EPRA NRV, NTA and NDV per share</b>               | <b>122.03c</b>   | <b>107.28c</b>   | <b>99.02c</b>    |

| 31 March 2021                                     | EPRA NRV<br>€000 | EPRA NTA<br>€000 | EPRA NDV<br>€000 |
|---------------------------------------------------|------------------|------------------|------------------|
| Net asset value as at year end (basic)            | 926,533          | 926,533          | 926,533          |
| <b>Diluted EPRA net asset value at fair value</b> | <b>926,533</b>   | <b>926,533</b>   | <b>926,533</b>   |

## Group

|                                                      |                  |                |                |
|------------------------------------------------------|------------------|----------------|----------------|
| Derivative financial instruments at fair value       | 1,141            | 1,141          | n/a            |
| Deferred tax in respect of EPRA earnings adjustments | 56,331           | 56,331*        | n/a            |
| Goodwill as per note 17                              | n/a              | (3,738)        | (3,738)        |
| Intangibles as per note 17                           | n/a              | (2,830)        | n/a            |
| Fair value of fixed interest rate debt               | n/a              | n/a            | (3,485)        |
| Real estate transfer tax                             | 106,274          | n/a            | n/a            |
| <b>Investment in associate</b>                       |                  |                |                |
| Deferred tax in respect of EPRA earnings adjustments | 5,212            | 5,212*         | n/a            |
| Fair value of fixed interest rate debt               | n/a              | n/a            | (1,772)        |
| Real estate transfer tax                             | 6,772            | n/a            | n/a            |
| <b>Total EPRA NRV, NTA and NDV</b>                   | <b>1,102,263</b> | <b>982,649</b> | <b>917,538</b> |
| <b>EPRA NRV, NTA and NDV per share</b>               | <b>103.53c</b>   | <b>92.29c</b>  | <b>86.18c</b>  |

\* The Company intends to hold and does not intend in the long term to sell any of the investment properties and has excluded such deferred taxes for the whole portfolio as at year end except for deferred tax in relation to assets held for sale.

For more information on adjusted net asset value and EPRA NRV, NTA and NDV, refer to Annex 1.

The number of ordinary shares for the purpose of EPRA NRV, NTA and NDV per share is calculated as follows:

|                                                                                                               | 31 March 2022        | 31 March 2021 |
|---------------------------------------------------------------------------------------------------------------|----------------------|---------------|
| Number of ordinary shares for the purpose of net asset value per share and adjusted net asset value per share | <b>1,166,880,684</b> | 1,049,132,259 |
| Effect of grant of SIP shares                                                                                 | <b>3,074,500</b>     | 2,834,750     |
| Effect of grant of LTIP shares                                                                                | <b>12,204,119</b>    | 12,750,000    |
| <b>Number of ordinary shares for the purpose of EPRA NRV, NTA and NDV per share</b>                           | <b>1,182,159,303</b> | 1,064,717,009 |

The number of shares has been reduced by 5,280,308 own shares held (2021: 3,684,608 shares), which are held by an Employee Benefit Trust on behalf of the Group.

## 14. Investment properties

The movement in the book value of investment properties is as follows:

|                                                                               | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|-------------------------------------------------------------------------------|-----------------------|-----------------------|
| Total investment properties at book value as at the beginning of the year     | <b>1,362,192</b>      | 1,193,915             |
| Acquisition of a subsidiary (see note 4)*                                     | <b>421,105</b>        | —                     |
| Additions – owned investment properties                                       | <b>162,844</b>        | 35,484                |
| Additions – leased investment properties                                      | <b>3,366</b>          | 1,518                 |
| Capital expenditure and broker fees                                           | <b>22,607</b>         | 31,720                |
| Disposals                                                                     | <b>(1,808)</b>        | (30)                  |
| Reclassified as investment properties held for sale (see note 15)             | <b>(13,739)</b>       | —                     |
| Gain on revaluation above capex and broker fees                               | <b>147,017</b>        | 104,156               |
| Adjustment in respect of lease incentives                                     | <b>(561)</b>          | (246)                 |
| Deficit on revaluation relating to leased investment properties               | <b>(5,572)</b>        | (4,325)               |
| Foreign exchange differences                                                  | <b>2,553</b>          | —                     |
| <b>Total investment properties at book value as at year end<sup>(1)</sup></b> | <b>2,100,004</b>      | 1,362,192             |

\* An amount of €12,182,000 relate to leased investment properties.

The reconciliation of the valuation carried out by the external valuer to the carrying values shown in the statement of financial position is as follows:

|                                                                                | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|--------------------------------------------------------------------------------|-----------------------|-----------------------|
| Owned investment properties at market value per valuer's report <sup>(1)</sup> | <b>2,079,079</b>      | 1,350,770             |
| Adjustment in respect of lease incentives                                      | <b>(4,153)</b>        | (3,603)               |
| Leased investment property market value                                        | <b>25,078</b>         | 15,025                |
| <b>Total investment properties at book value as at year end<sup>(1)</sup></b>  | <b>2,100,004</b>      | 1,362,192             |

(1) Excluding assets held for sale.

The fair value (market value) of the Group's owned investment properties as at year end has been arrived at on the basis of a valuation carried out at that date by Cushman & Wakefield LLP (2021: Cushman & Wakefield LLP), an independent valuer accredited in terms of the RICS. The fee arrangement with Cushman & Wakefield LLP for the valuation of the Group's properties is fixed, subject to an adjustment for acquisitions and disposals.

The value of each of the properties has been assessed in accordance with the RICS valuation standards on the basis of market value. The methodology and assumptions used to determine the fair values of the properties are consistent with the previous year.

The weighted average lease expiry remaining across the owned portfolio in Germany as at year end was 2.9 years (2021: 2.9 years). The weighted average lease expiry remaining across the owned portfolio in the UK as at year end was 0.9 years. Licence agreements in the UK are rolling and are included in the valuation.

The fair value (market value) of the Group's leased investment properties as at year end has been arrived at on the basis of a valuation carried out by management using discounted cash flows similar to the approach of Cushman & Wakefield LLP.

The reconciliation of gain on revaluation above capex as per the income statement is as follows:

|                                                                                      | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|--------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Gain on revaluation above capex and broker fees                                      | 147,017                             | 104,156                             |
| Adjustment in respect of lease incentives                                            | (561)                               | (246)                               |
| Deficit on revaluation relating to leased investment properties                      | (5,572)                             | (4,325)                             |
| <b>Gain on revaluation of investment properties reported in the income statement</b> | <b>140,884</b>                      | <b>99,585</b>                       |

Included in the gain on revaluation of investment properties reported in the income statement (excluding the revaluation effects in respect of leased investment properties) are gross gains of €160.4 million and gross losses of €19.5 million (2021: gross gains of €106.4 million and gross losses of €6.8 million).

Other than the capital commitments disclosed in note 31, the Group is under no contractual obligation to purchase, construct or develop any investment property. The Group is responsible for routine maintenance of the investment properties.

All investment properties are categorised as Level 3 fair values as they use significant unobservable inputs. There have not been any transfers between levels during the year. Investment properties have been classed according to their asset type. Information on these significant unobservable inputs per class of investment property is disclosed below (excluding leased investment properties).

The valuation for owned investment properties is (including assets classified as held for sale) performed on a lease-by-lease basis due to the mixed-use nature of the sites using the discounted cash flow technique for the German portfolio and on a capitalised income basis, where income is capitalised by an appropriate yield which reflects the age, location, ownership, customer base and agreement type for the UK portfolio. This gives rise to large ranges in the inputs.

|                                         | Market value<br>(€000) | Current rental rate<br>per sqm<br>€ |              | Market rental rate<br>per sqm<br>€ |              | Occupancy<br>% |              | Gross initial yield<br>% |            | Net initial yield<br>% |            | Discount factor<br>% |            | Void period<br>months |           |
|-----------------------------------------|------------------------|-------------------------------------|--------------|------------------------------------|--------------|----------------|--------------|--------------------------|------------|------------------------|------------|----------------------|------------|-----------------------|-----------|
|                                         |                        | Low                                 | High         | Low                                | High         | Low            | High         | Low                      | High       | Low                    | High       | Low                  | High       | Low                   | High      |
| <b>31 March 2022</b>                    |                        |                                     |              |                                    |              |                |              |                          |            |                        |            |                      |            |                       |           |
| <b>Traditional business parks</b>       |                        |                                     |              |                                    |              |                |              |                          |            |                        |            |                      |            |                       |           |
| Mature                                  | 329,100                | 2.67                                | 8.32         | 2.65                               | 7.42         | 91.5           | 100.0        | 4.5                      | 8.5        | 3.7                    | 6.7        | 3.6                  | 5.4        | 6                     | 12        |
| Value add                               | 625,540                | —*                                  | 8.16         | 3.49                               | 8.46         | —*             | 97.3         | —*                       | 9.0        | (3.7)                  | 6.8        | 3.9                  | 7.1        | 9                     | 18        |
| <b>Total traditional business parks</b> | <b>954,640</b>         | <b>—*</b>                           | <b>8.32</b>  | <b>2.65</b>                        | <b>8.46</b>  | <b>—*</b>      | <b>100.0</b> | <b>—*</b>                | <b>9.0</b> | <b>(3.7)</b>           | <b>6.8</b> | <b>3.6</b>           | <b>7.1</b> | <b>6</b>              | <b>18</b> |
| <b>Modern business parks</b>            |                        |                                     |              |                                    |              |                |              |                          |            |                        |            |                      |            |                       |           |
| Mature                                  | 195,750                | 5.03                                | 8.13         | 3.74                               | 7.68         | 91.8           | 100.0        | 5.0                      | 9.8        | 4.1                    | 8.4        | 3.6                  | 5.0        | 6                     | 15        |
| Value add                               | 213,140                | 2.86                                | 10.28        | 3.76                               | 10.15        | 74.9           | 97.8         | 2.9                      | 9.4        | 1.6                    | 6.6        | 4.4                  | 7.3        | 9                     | 24        |
| <b>Total modern business parks</b>      | <b>408,890</b>         | <b>2.86</b>                         | <b>10.28</b> | <b>3.74</b>                        | <b>10.15</b> | <b>74.9</b>    | <b>100.0</b> | <b>2.9</b>               | <b>9.8</b> | <b>1.6</b>             | <b>8.4</b> | <b>3.6</b>           | <b>7.3</b> | <b>6</b>              | <b>24</b> |
| <b>Office</b>                           |                        |                                     |              |                                    |              |                |              |                          |            |                        |            |                      |            |                       |           |
| Mature                                  | 10,200                 | 10.07                               | 10.07        | 9.38                               | 9.38         | 87.1           | 87.1         | 6.4                      | 6.4        | 5.2                    | 5.2        | 4.5                  | 4.5        | 9                     | 9         |
| Value add                               | 266,880                | 2.03                                | 11.78        | 6.15                               | 12.18        | 40.0           | 92.0         | 2.0                      | 9.5        | —*                     | 7.2        | 4.6                  | 6.6        | 9                     | 18        |
| <b>Total office</b>                     | <b>277,080</b>         | <b>2.03</b>                         | <b>11.78</b> | <b>6.15</b>                        | <b>12.18</b> | <b>40.0</b>    | <b>92.0</b>  | <b>2.0</b>               | <b>9.5</b> | <b>—*</b>              | <b>7.2</b> | <b>4.5</b>           | <b>6.6</b> | <b>9</b>              | <b>18</b> |
| <b>Total Germany</b>                    | <b>1,640,610</b>       | <b>—*</b>                           | <b>11.78</b> | <b>2.65</b>                        | <b>12.18</b> | <b>—*</b>      | <b>100.0</b> | <b>—*</b>                | <b>9.8</b> | <b>(3.7)</b>           | <b>8.4</b> | <b>3.6</b>           | <b>7.3</b> | <b>6</b>              | <b>24</b> |

|                                | Market value<br>(€000) | Average current rental rate<br>per sqm<br>€ |              | Average market rental rate<br>per sqm<br>€ |              | Occupancy<br>% |              | Net initial yield<br>% |             | Void period<br>months |              |
|--------------------------------|------------------------|---------------------------------------------|--------------|--------------------------------------------|--------------|----------------|--------------|------------------------|-------------|-----------------------|--------------|
|                                |                        | Low                                         | High         | Low                                        | High         | Low            | High         | Low                    | High        | Low                   | High         |
| <b>31 March 2022</b>           |                        |                                             |              |                                            |              |                |              |                        |             |                       |              |
| <b>Total mixed-use schemes</b> | <b>123,263</b>         | <b>1.71</b>                                 | <b>26.49</b> | <b>5.78</b>                                | <b>23.59</b> | <b>48.6</b>    | <b>96.8</b>  | <b>3.0</b>             | <b>10.0</b> | <b>4.00</b>           | <b>12.00</b> |
| <b>Total office</b>            | <b>153,112</b>         | <b>—*</b>                                   | <b>25.38</b> | <b>5.83</b>                                | <b>26.50</b> | <b>—*</b>      | <b>100.0</b> | <b>—*</b>              | <b>10.0</b> | <b>4.00</b>           | <b>12.00</b> |
| <b>Total industrial</b>        | <b>175,394</b>         | <b>1.04</b>                                 | <b>10.94</b> | <b>2.39</b>                                | <b>11.24</b> | <b>65.1</b>    | <b>100.0</b> | <b>3.0</b>             | <b>10.0</b> | <b>4.00</b>           | <b>12.00</b> |
| <b>Total UK</b>                | <b>451,769</b>         | <b>—*</b>                                   | <b>26.49</b> | <b>2.39</b>                                | <b>26.50</b> | <b>—*</b>      | <b>100.0</b> | <b>—*</b>              | <b>10.0</b> | <b>4.00</b>           | <b>12.00</b> |

\* The Group has acquired vacant investment properties during the financial year. As a result the lower range for rental rates, occupancy and yields is 0.

|                                         | Market value<br>(€000) | Current rental rate<br>per sqm<br>€ |             | Market rental rate<br>per sqm<br>€ |             | Occupancy<br>% |              | Gross initial yield<br>% |            | Net initial yield<br>% |            | Discount factor<br>% |            | Void period<br>months |           |
|-----------------------------------------|------------------------|-------------------------------------|-------------|------------------------------------|-------------|----------------|--------------|--------------------------|------------|------------------------|------------|----------------------|------------|-----------------------|-----------|
|                                         |                        | Low                                 | High        | Low                                | High        | Low            | High         | Low                      | High       | Low                    | High       | Low                  | High       | Low                   | High      |
| <b>31 March 2021</b>                    |                        |                                     |             |                                    |             |                |              |                          |            |                        |            |                      |            |                       |           |
| <b>Traditional business parks</b>       |                        |                                     |             |                                    |             |                |              |                          |            |                        |            |                      |            |                       |           |
| Mature                                  | 326,650                | 2.67                                | 8.16        | 2.65                               | 8.46        | 91.3           | 100.0        | 4.7                      | 8.8        | 3.8                    | 7.2        | 3.8                  | 5.9        | 6                     | 12        |
| Value add                               | 439,100                | 1.99                                | 6.44        | 3.33                               | 6.91        | 49.5           | 97.3         | 4.7                      | 9.3        | 3.4                    | 7.2        | 4.3                  | 7.4        | 9                     | 18        |
| <b>Total traditional business parks</b> | <b>765,750</b>         | <b>1.99</b>                         | <b>8.16</b> | <b>2.65</b>                        | <b>8.46</b> | <b>49.5</b>    | <b>100.0</b> | <b>4.7</b>               | <b>9.3</b> | <b>3.4</b>             | <b>7.2</b> | <b>3.8</b>           | <b>7.4</b> | <b>6</b>              | <b>18</b> |
| <b>Modern business parks</b>            |                        |                                     |             |                                    |             |                |              |                          |            |                        |            |                      |            |                       |           |
| Mature                                  | 209,600                | 4.78                                | 10.01       | 3.63                               | 9.79        | 91.6           | 100.0        | 5.4                      | 10.0       | 4.5                    | 8.6        | 3.8                  | 5.4        | 6                     | 15        |

|                                    |                  |             |              |             |              |             |              |            |             |            |            |            |            |          |           |
|------------------------------------|------------------|-------------|--------------|-------------|--------------|-------------|--------------|------------|-------------|------------|------------|------------|------------|----------|-----------|
| Value add                          | 144,400          | 3.61        | 7.09         | 4.35        | 8.24         | 77.2        | 88.2         | 5.9        | 8.6         | 4.7        | 7.1        | 5.0        | 5.9        | 9        | 24        |
| <b>Total modern business parks</b> | <b>354,000</b>   | <b>3.61</b> | <b>10.01</b> | <b>3.63</b> | <b>9.79</b>  | <b>77.2</b> | <b>100.0</b> | <b>5.4</b> | <b>10.0</b> | <b>4.5</b> | <b>8.6</b> | <b>3.8</b> | <b>5.9</b> | <b>6</b> | <b>24</b> |
| <b>Office</b>                      |                  |             |              |             |              |             |              |            |             |            |            |            |            |          |           |
| Mature                             | 17,080           | 7.81        | 9.70         | 9.19        | 9.21         | 91.6        | 94.0         | 4.7        | 6.9         | 3.6        | 5.8        | 4.6        | 4.8        | 9        | 9         |
| Value add                          | 213,940          | 3.93        | 11.35        | 6.02        | 10.30        | 57.9        | 99.5         | 2.6        | 10.4        | 0.7        | 8.3        | 4.9        | 6.9        | 9        | 15        |
| <b>Total office</b>                | <b>231,020</b>   | <b>3.93</b> | <b>11.35</b> | <b>6.02</b> | <b>10.30</b> | <b>57.9</b> | <b>99.5</b>  | <b>2.6</b> | <b>10.4</b> | <b>0.7</b> | <b>8.3</b> | <b>4.6</b> | <b>6.9</b> | <b>9</b> | <b>15</b> |
| <b>Total Germany</b>               | <b>1,350,770</b> | <b>1.99</b> | <b>11.35</b> | <b>2.65</b> | <b>10.30</b> | <b>49.5</b> | <b>100.0</b> | <b>2.6</b> | <b>10.4</b> | <b>0.7</b> | <b>8.6</b> | <b>3.8</b> | <b>7.4</b> | <b>6</b> | <b>24</b> |

As a result of the level of judgement and estimates used in arriving at the market valuations, the amounts which may ultimately be realised in respect of any given property may differ from valuations shown in the statement of financial position. Key inputs are considered to be inter-related whereby changes in one key input can result in changes in other key inputs. The impact of changes in relation to the key inputs is also shown in the table below:

| 31 March 2022                           | Market value<br>€000 | Change of 5%<br>in market rental rates<br>€000 |                 | Change of 0.25%<br>in discount rates<br>€000 |               | Change of 0.5%<br>in gross initial yield<br>€000 |                | Change of 0.5%<br>in net initial yield<br>€000 |                |
|-----------------------------------------|----------------------|------------------------------------------------|-----------------|----------------------------------------------|---------------|--------------------------------------------------|----------------|------------------------------------------------|----------------|
|                                         |                      | Increase                                       | Decrease        | Increase                                     | Decrease      | Increase                                         | Decrease       | Increase                                       | Decrease       |
| <b>Total traditional business parks</b> | <b>954,640</b>       | <b>48,450</b>                                  | <b>(48,380)</b> | <b>(19,640)</b>                              | <b>20,070</b> | <b>(84,224)</b>                                  | <b>82,247</b>  | <b>(98,020)</b>                                | <b>126,295</b> |
| <b>Total modern business parks</b>      | <b>408,890</b>       | <b>19,260</b>                                  | <b>(19,420)</b> | <b>(8,540)</b>                               | <b>8,510</b>  | <b>(30,840)</b>                                  | <b>36,820</b>  | <b>(38,033)</b>                                | <b>48,091</b>  |
| <b>Total office</b>                     | <b>277,080</b>       | <b>14,470</b>                                  | <b>(14,340)</b> | <b>(5,840)</b>                               | <b>5,760</b>  | <b>(23,005)</b>                                  | <b>28,467</b>  | <b>(37,901)</b>                                | <b>27,766</b>  |
| <b>Market value Germany</b>             | <b>1,640,610</b>     | <b>82,180</b>                                  | <b>(82,140)</b> | <b>(34,020)</b>                              | <b>34,340</b> | <b>(138,069)</b>                                 | <b>147,534</b> | <b>(173,954)</b>                               | <b>202,152</b> |

| 31 March 2022                  | Market value<br>€000 | Change of 5%<br>in market rental rates<br>€000 |                 | Change of 0.5%<br>in net initial yield<br>€000 |               |
|--------------------------------|----------------------|------------------------------------------------|-----------------|------------------------------------------------|---------------|
|                                |                      | Increase                                       | Decrease        | Increase                                       | Decrease      |
| <b>Total mixed-use schemes</b> | <b>123,263</b>       | <b>3,967</b>                                   | <b>(4,423)</b>  | <b>(4,494)</b>                                 | <b>4,389</b>  |
| <b>Total office</b>            | <b>153,112</b>       | <b>5,754</b>                                   | <b>(5,325)</b>  | <b>(4,295)</b>                                 | <b>5,029</b>  |
| <b>Total industrial</b>        | <b>175,394</b>       | <b>7,139</b>                                   | <b>(6,333)</b>  | <b>(5,822)</b>                                 | <b>6,843</b>  |
| <b>Market value UK</b>         | <b>451,769</b>       | <b>16,860</b>                                  | <b>(16,081)</b> | <b>(14,611)</b>                                | <b>16,261</b> |

| 31 March 2021                           | Market value<br>€000 | Change of 5%<br>in market rental rates<br>€000 |                 | Change of 0.25%<br>in discount rates<br>€000 |               | Change of 0.5%<br>in gross initial yield<br>€000 |                | Change of 0.5%<br>in net initial yield<br>€000 |                |
|-----------------------------------------|----------------------|------------------------------------------------|-----------------|----------------------------------------------|---------------|--------------------------------------------------|----------------|------------------------------------------------|----------------|
|                                         |                      | Increase                                       | Decrease        | Increase                                     | Decrease      | Increase                                         | Decrease       | Increase                                       | Decrease       |
| <b>Total traditional business parks</b> | <b>765,750</b>       | <b>38,310</b>                                  | <b>(38,000)</b> | <b>(15,030)</b>                              | <b>15,950</b> | <b>(58,824)</b>                                  | <b>69,947</b>  | <b>(74,243)</b>                                | <b>93,306</b>  |
| <b>Total modern business parks</b>      | <b>354,000</b>       | <b>17,350</b>                                  | <b>(17,190)</b> | <b>(7,560)</b>                               | <b>7,960</b>  | <b>(24,479)</b>                                  | <b>28,561</b>  | <b>(29,189)</b>                                | <b>35,288</b>  |
| <b>Total office</b>                     | <b>231,020</b>       | <b>11,680</b>                                  | <b>(11,480)</b> | <b>(4,520)</b>                               | <b>4,850</b>  | <b>(18,859)</b>                                  | <b>23,308</b>  | <b>(26,769)</b>                                | <b>53,359</b>  |
| <b>Market value Germany</b>             | <b>1,350,770</b>     | <b>67,340</b>                                  | <b>(66,670)</b> | <b>(27,110)</b>                              | <b>28,760</b> | <b>(102,162)</b>                                 | <b>121,816</b> | <b>(130,201)</b>                               | <b>181,953</b> |

## 15. Assets held for sale

### Investment properties held for sale

|                               | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|-------------------------------|-----------------------|-----------------------|
| Magdeburg                     | 13,750                | —                     |
| <b>Balance as at year end</b> | <b>13,750</b>         | <b>—</b>              |

The disclosures regarding valuation in note 14 are also applicable to assets held for sale. An amount of €13,750,000 relating to the sale of the Magdeburg asset was received prior to the completion date of 1 April 2022 and is included in the cash at bank per note 22. As a result, an equal and opposite position within other payables was recognised. See note 23 for further details.

## 16. Plant and equipment

|                                          | Plant and equipment<br>€000 | Fixtures and fittings<br>€000 | Total<br>€000 |
|------------------------------------------|-----------------------------|-------------------------------|---------------|
| <b>Cost</b>                              |                             |                               |               |
| As at 31 March 2021                      | 1,035                       | 6,052                         | 7,087         |
| Acquisition of a subsidiary (see note 4) | 727                         | 1,826                         | 2,553         |
| Additions in year                        | 889                         | 519                           | 1,408         |

|                                           |                |                |                |
|-------------------------------------------|----------------|----------------|----------------|
| Disposals in year                         | —              | (3)            | (3)            |
| Foreign exchange differences              | 13             | 22             | 35             |
| <b>As at 31 March 2022</b>                | <b>2,664</b>   | <b>8,416</b>   | <b>11,080</b>  |
| <b>Depreciation</b>                       |                |                |                |
| As at 31 March 2021                       | (691)          | (3,714)        | (4,405)        |
| Charge for year                           | (389)          | (778)          | (1,167)        |
| Disposals in year                         | —              | 3              | 3              |
| Foreign exchange differences              | (8)            | (11)           | (19)           |
| <b>As at 31 March 2022</b>                | <b>(1,088)</b> | <b>(4,500)</b> | <b>(5,588)</b> |
| <b>Net book value as at 31 March 2022</b> | <b>1,576</b>   | <b>3,916</b>   | <b>5,492</b>   |
| <b>Cost</b>                               |                |                |                |
| As at 31 March 2020                       | 716            | 5,394          | 6,110          |
| Additions in year                         | 319            | 658            | 977            |
| Disposals in year                         | —              | —              | —              |
| <b>As at 31 March 2021</b>                | <b>1,035</b>   | <b>6,052</b>   | <b>7,087</b>   |
| <b>Depreciation</b>                       |                |                |                |
| As at 31 March 2020                       | (615)          | (3,121)        | (3,736)        |
| Charge for year                           | (76)           | (593)          | (669)          |
| Disposals in year                         | —              | —              | —              |
| <b>As at 31 March 2021</b>                | <b>(691)</b>   | <b>(3,714)</b> | <b>(4,405)</b> |
| <b>Net book value as at 31 March 2021</b> | <b>344</b>     | <b>2,338</b>   | <b>2,682</b>   |

## 17. Intangible assets

|                                            | Software and<br>licences with<br>definite useful life<br>€000 | Goodwill<br>€000 | Total<br>€000   |
|--------------------------------------------|---------------------------------------------------------------|------------------|-----------------|
| <b>Cost</b>                                |                                                               |                  |                 |
| As at 31 March 2021                        | 7,848                                                         | 3,738            | 11,586          |
| Acquisition of a subsidiary (see note 4)   | 480                                                           | 37,168           | 37,648          |
| Additions in year                          | 2,132                                                         | —                | 2,132           |
| Disposals in year                          | —                                                             | —                | —               |
| Foreign exchange differences               | 5                                                             | —                | 5               |
| <b>As at 31 March 2022</b>                 | <b>10,465</b>                                                 | <b>40,906</b>    | <b>51,371</b>   |
| <b>Amortisation</b>                        |                                                               |                  |                 |
| As at 31 March 2021                        | (5,018)                                                       | —                | (5,018)         |
| Charge for year                            | (1,164)                                                       | —                | (1,164)         |
| Disposals in year                          | —                                                             | —                | —               |
| Impairment                                 | —                                                             | (40,906)         | (40,906)        |
| Foreign exchange differences               | —                                                             | —                | —               |
| <b>As at 31 March 2022</b>                 | <b>(6,182)</b>                                                | <b>(40,906)</b>  | <b>(47,088)</b> |
| <b>Net book value as at 31 March 2022*</b> | <b>4,283</b>                                                  | <b>—</b>         | <b>4,283</b>    |
| <b>Cost</b>                                |                                                               |                  |                 |
| As at 31 March 2020                        | 6,107                                                         | 3,738            | 9,845           |
| Additions in year                          | 1,741                                                         | —                | 1,741           |
| Disposals in year                          | —                                                             | —                | —               |
| <b>As at 31 March 2021</b>                 | <b>7,848</b>                                                  | <b>3,738</b>     | <b>11,586</b>   |
| <b>Amortisation</b>                        |                                                               |                  |                 |
| As at 31 March 2020                        | (4,121)                                                       | —                | (4,121)         |
| Charge for year                            | (897)                                                         | —                | (897)           |
| Disposals in year                          | —                                                             | —                | —               |
| <b>As at 31 March 2021</b>                 | <b>(5,018)</b>                                                | <b>—</b>         | <b>(5,018)</b>  |
| <b>Net book value as at 31 March 2021*</b> | <b>2,830</b>                                                  | <b>3,738</b>     | <b>6,568</b>    |

\* Included in the net book value is an amount of €2,393,000 relating to intangible assets under development not yet amortised (2021: €1,600,000). All these development projects are expected to finalise in the next financial year.

### Internalisation of Asset Management Agreement

On 30 January 2012, a transaction was completed to internalise the Asset Management Agreement and, as a result of the consideration given exceeding the net assets acquired, goodwill of €3,738,000 was recognised. The goodwill is allocated to the cash-generating units comprising the Germany segment.

As explained in note 3, in the year ended 31 March 2022 indicators of impairment relating to the goodwill balance were noted as the Group has determined that the identified cash flows could no longer be distinguished from those included in other assets held by the cash generating units in the Germany segment. This resulted in the entirety of the balance being impaired and a consequent impairment loss of €3,738,000 being recognised. Goodwill which has been impaired may not be reversed in future periods.

### Helix Investment Limited

On 15 November 2021, the business combination described in note 4 resulted in the recognition of goodwill due to the consideration given exceeding the net assets required by €37,168,000. The goodwill balance was allocated to the cash-generating units comprising the UK segment and an impairment test was performed at 31 March 2022 to determine whether the recoverable amount of the cash-generating units exceed the carrying value. The key assumptions regarding value in use were three-year cash

flow forecasts as prepared by management of the group of cash-generating units and the discount rate applied. Cash flows beyond three years are extrapolated using an inflation figure of 2%. The discount rate used is a pre-tax rate and reflects the risks specific to the real estate industry in the UK. A discount rate of 7.13% and terminal value of 5.13% were applied in the impairment review.

In the period since acquisition, the properties held by BizSpace and the rent roll of the UK segment have increased in value significantly. The Group has considered these factors along with the value in use calculation in assessing whether the goodwill is recoverable and has concluded that it is not. Whilst the Group's longer term plans for the business and the potential synergies with the broader Group are at an early stage, based on the impairment review conducted the Group has concluded that there is not sufficient evidence to support the goodwill balance over and above the cash flows already included in the assessment of the fair value of investment properties and other assets held by the Group. As a result, an impairment loss of €37,168,000 was recognised for the year ended 31 March 2022. Goodwill which has been impaired may not be reversed in future periods.

#### 18. Right of use assets and lease liabilities

Set out below are the carrying amounts of right of use assets (excluding those disclosed under investment properties) recognised and the movements during the year:

|                            | Office<br>€000 | Total<br>€000 |
|----------------------------|----------------|---------------|
| As at 31 March 2020        | 2,440          | 2,440         |
| Additions                  | —              | —             |
| Depreciation expense       | (521)          | (521)         |
| <b>As at 31 March 2021</b> | <b>1,919</b>   | <b>1,919</b>  |
| Additions                  | 15,047         | 15,047        |
| Depreciation expense       | (843)          | (843)         |
| Lease modifications*       | (1,127)        | (1,127)       |
| <b>As at 31 March 2022</b> | <b>14,996</b>  | <b>14,996</b> |

\* Lease modifications relate to the early termination of the head office lease.

In addition to office spaces the Group is also counterparty to long-term leasehold agreements and head leases relating to commercial property. Right of use assets amounting to €25,078,000 (2021: €15,025,000) are classified as investment properties, of which €3,979,000 (2021: €9,355,000) relate to commercial property.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

|                                                     | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|-----------------------------------------------------|-----------------------|-----------------------|
| Balance as at the beginning of the year             | (14,987)              | (19,150)              |
| Acquisition of a subsidiary (see note 4)            | (12,182)              | —                     |
| Accretion of interest                               | (479)                 | (349)                 |
| Additions                                           | (18,413)              | (1,518)               |
| Lease modifications                                 | 1,127                 | —                     |
| Payments                                            | 6,350                 | 6,030                 |
| Foreign exchange differences                        | (77)                  | —                     |
| <b>Balance as at year end</b>                       | <b>(38,661)</b>       | <b>(14,987)</b>       |
| <b>Current lease liabilities as at year end</b>     | <b>(1,090)</b>        | <b>(5,857)</b>        |
| <b>Non-current lease liabilities as at year end</b> | <b>(37,571)</b>       | <b>(9,130)</b>        |

The following table sets out the carrying amount, by maturity, of the Group's lease liabilities:

|                      | Within 1 year<br>€000 | 1–5 years<br>€000 | 5+ years<br>€000 | Total<br>€000   |
|----------------------|-----------------------|-------------------|------------------|-----------------|
| <b>31 March 2022</b> |                       |                   |                  |                 |
| Commercial property* | (667)                 | (945)             | (528)            | (2,140)         |
| Long-term leasehold* | (239)                 | (1,013)           | (19,848)         | (21,100)        |
| Office space         | (184)                 | (6,197)           | (9,040)          | (15,421)        |
| <b>Total</b>         | <b>(1,090)</b>        | <b>(8,155)</b>    | <b>(29,416)</b>  | <b>(38,661)</b> |
| <b>31 March 2021</b> |                       |                   |                  |                 |
| Commercial property* | (5,208)               | (1,364)           | (776)            | (7,348)         |
| Long-term leasehold* | (133)                 | (560)             | (4,977)          | (5,670)         |
| Office space         | (516)                 | (1,453)           | —                | (1,969)         |
| <b>Total</b>         | <b>(5,857)</b>        | <b>(3,377)</b>    | <b>(5,753)</b>   | <b>(14,987)</b> |

\* These lease liabilities relate to right of use assets recorded as investment properties.

Maturity analysis of lease liabilities using contractual undiscounted payments is disclosed in note 25.

The overall weighted average discount rate used for the year is 2.3% (2021: 1.9%).

During the year expenses paid for leases of low-value assets and short-term leases which are recognised straight line over the lease term (included in the administrative expenses) amounted to €494,000 (2021: €379,000).

In addition to leases of low-value assets and payments resulting from short-term leases that are included in the cash flow from operating activities, interest payments and repayments of lease liabilities totalling €6,350,000 (2021: €6,030,000) were incurred for the year and are included in the cash flow from financing activities.

## 19. Other non-current financial assets

|                               | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|-------------------------------|-----------------------|-----------------------|
| Guarantees and deposits       | 4,052                 | 1,806                 |
| Loans to associates           | 44,278                | 43,154                |
| <b>Balance as at year end</b> | <b>48,330</b>         | <b>44,960</b>         |

Loans to associates relate to shareholder loans granted to associates by the Group. The loans terminate on 31 December 2026, are fully subordinated and are charged at a fixed interest rate. The ECL has been considered based on multiple factors such as history of repayments, forward looking budgets and forecasts. Based on the assessment the ECL was immaterial.

## 20. Investment in associates

The principal activity of the associates is the investment in, and development of, commercial property located in Germany and to provide conventional and flexible workspace. Since the associates are individually immaterial the Group is disclosing aggregated information of the associates.

The following table illustrates the summarised financial information of the Group's investment in associates:

|                                 | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|---------------------------------|-----------------------|-----------------------|
| Current assets                  | 20,031                | 31,183                |
| Non-current assets              | 349,796               | 244,289               |
| Current liabilities             | (10,406)              | (10,224)              |
| Non-current liabilities         | (294,121)             | (221,756)             |
| Equity                          | 65,300                | 43,492                |
| Unrecognised accumulated losses | 3,679                 | 5,657                 |
| <b>Subtotal</b>                 | <b>68,979</b>         | <b>49,149</b>         |
| Group's share in equity – 35%   | 24,142                | 17,202                |

|                                                          | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|----------------------------------------------------------|-------------------------------------|-------------------------------------|
| Net operating income                                     | 19,872                              | 14,063                              |
| Gain on revaluation of investment properties             | 18,856                              | 12,693                              |
| Administrative expense                                   | (3,001)                             | (1,976)                             |
| Operating profit                                         | 35,727                              | 24,780                              |
| Net finance costs                                        | (9,753)                             | (9,078)                             |
| Profit before tax                                        | 25,974                              | 15,702                              |
| Taxation                                                 | (4,166)                             | (2,590)                             |
| Unrecognised (profit)/losses                             | (1,978)                             | 1,109                               |
| <b>Total comprehensive income for the year after tax</b> | <b>19,830</b>                       | <b>14,221</b>                       |
| Group's share of profit for the year – 35%               | 6,940                               | 4,977                               |

Included within the non-current liabilities are shareholder loans amounting to €126,509,000 (2021: €123,296,000). As at year end no contingent liabilities existed (2021: none). The associates had contracted capital expenditure for development and enhancements of €2,010,000 as at year end (2021: €296,000).

The following table illustrates the movement in investment in associates:

|                                         | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|-----------------------------------------|-----------------------|-----------------------|
| Balance as at the beginning of the year | 17,202                | 12,306                |
| Dividend received                       | —                     | (81)                  |
| Share of profit                         | 6,940                 | 4,977                 |
| <b>Balance as at year end</b>           | <b>24,142</b>         | <b>17,202</b>         |

## 21. Trade and other receivables

|                                                   | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|---------------------------------------------------|-----------------------|-----------------------|
| Gross trade receivables                           | 18,791                | 11,758                |
| Expected credit loss provision (refer to note 25) | (7,722)               | (5,431)               |
| Net trade receivables                             | 11,069                | 6,327                 |
| Other receivables                                 | 8,865                 | 11,334                |
| Prepayments                                       | 4,637                 | 1,070                 |
| <b>Balance as at year end</b>                     | <b>24,571</b>         | <b>18,731</b>         |

Other receivables include lease incentives of €4,036,000 (2021: €3,603,000).

Prepayments include costs totalling €1,860,000 (31 March 2021: €nil) relating to the acquisition of a new site in Düsseldorf that was notarised before 31 March 2022 and is expected to complete in the first half of the next financial year (see note 31).

## 22. Cash and cash equivalents

|              | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|--------------|-----------------------|-----------------------|
| Cash at bank | 127,285               | 49,305                |

|                               |                |               |
|-------------------------------|----------------|---------------|
| Restricted cash               | 23,681         | 16,369        |
| <b>Balance as at year end</b> | <b>150,966</b> | <b>65,674</b> |

Cash at bank earns interest at floating rates based on daily bank deposit rates. The fair value of cash as at year end is €150,966,000 (2021: €65,674,000). Cash is held by reputable banks and the Group assessed the ECL to be immaterial.

The following table illustrates the breakdown of cash held in restricted accounts:

|                                                                                                         | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|---------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| Deposits received from tenants                                                                          | 22,210                | 12,736                |
| Office rent deposits                                                                                    | 131                   | 131                   |
| Cash reserved for future bank loan interest and amortisation payments of the Group's banking facilities | —                     | 2,192                 |
| Deposit for bank guarantees                                                                             | 1,340                 | 1,310                 |
| <b>Total</b>                                                                                            | <b>23,681</b>         | <b>16,369</b>         |

The majority of the restricted cash is in relation to tenant deposits. Tenants' deposits are legal securities of tenants retained by the Group without the right to use these cash deposits for purposes other than strictly tenant related transactions (e.g. move-out costs, costs due to non-compliance with certain terms of the lease agreement or late rent/service charge payments).

### 23. Trade and other payables

|                                   | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|-----------------------------------|-----------------------|-----------------------|
| Trade payables                    | 6,488                 | 7,107                 |
| Accrued expenses                  | 25,093                | 19,034                |
| Interest and amortisation payable | 5,625                 | 489                   |
| Tenant deposits                   | 22,210                | 12,736                |
| Unearned revenue                  | 7,913                 | 4,642                 |
| Other payables                    | 22,006                | 6,519                 |
| <b>Balance as at year end</b>     | <b>89,335</b>         | <b>50,527</b>         |

Accrued expenses include costs totalling €10,279,000 (2021: €9,465,000) relating to service charge costs that have not been invoiced to the Group.

Included within other payables are mainly credit balances due to tenants in relation to over collections of service charge in amount of €2,624,000 (2021: €3,830,000). As at 31 March 2022, other payables included €13,750,000 of proceeds relating to the sale of the Magdeburg asset that is categorised as an asset held for sale at 31 March 2022 in advance of the completion date of 1 April 2022. See note 15 for details of assets held for sale.

Unearned revenue includes service charge amounts of €1,164,000 (2021: €1,068,000). Service charge income is only recognised as income when the performance obligations are met. All unearned revenue of the prior year was recognised as revenue in the current year.

### 24. Interest-bearing loans and borrowings

|                                          | Interest rate<br>%      | Loan maturity date | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|------------------------------------------|-------------------------|--------------------|-----------------------|-----------------------|
| <b>Current</b>                           |                         |                    |                       |                       |
| SEB AG                                   |                         |                    |                       |                       |
| – fixed rate facility                    | 1.84                    | 1 September 2022   | —                     | 1,180                 |
| – hedged floating rate facility          | Hedged <sup>(4)</sup>   | 30 October 2024    | —                     | 459                   |
| – capped floating rate facility          | Capped <sup>(3)</sup>   | 25 March 2025      | —                     | 760                   |
| Berlin Hyp AG/Deutsche Pfandbriefbank AG |                         |                    |                       |                       |
| – fixed rate facility                    | 1.66                    | 27 April 2023      | —                     | 2,968                 |
| Berlin Hyp AG                            |                         |                    |                       |                       |
| – fixed rate facility                    | 1.48                    | 31 October 2023    | 1,909                 | 1,881                 |
| – fixed rate facility                    | 0.90                    | 31 October 2023    | 1,480                 | 1,467                 |
| Saarbrücken Sparkasse                    |                         |                    |                       |                       |
| – fixed rate facility                    | 1.53                    | 28 February 2025   | 771                   | 760                   |
| Deutsche Pfandbriefbank AG               |                         |                    |                       |                       |
| – hedged floating rate facility          | Hedged <sup>(1)</sup>   | 31 December 2023   | 1,111                 | 1,110                 |
| – floating rate facility                 | Floating <sup>(2)</sup> | 31 December 2023   | 140                   | 140                   |
| Schuldschein                             |                         |                    |                       |                       |
| – floating rate facility                 | Floating <sup>(2)</sup> | 5 December 2022    | 5,000                 | —                     |
| – floating rate facility                 | Floating <sup>(2)</sup> | 6 January 2023     | 10,000                | —                     |
| Capitalised finance charges on all loans |                         |                    | (781)                 | (1,611)               |
|                                          |                         |                    | <b>19,630</b>         | <b>9,114</b>          |
| <b>Non-current</b>                       |                         |                    |                       |                       |
| SEB AG                                   |                         |                    |                       |                       |
| – fixed rate facility                    | 1.84                    | 1 September 2022   | —                     | 51,330                |
| – hedged floating rate facility          | Hedged <sup>(4)</sup>   | 30 October 2024    | —                     | 21,325                |
| – floating rate facility                 | Floating <sup>(4)</sup> | 30 October 2024    | —                     | 2,000                 |
| – capped floating rate facility          | Capped <sup>(3)</sup>   | 25 March 2025      | —                     | 34,960                |
| Berlin Hyp AG/Deutsche Pfandbriefbank AG |                         |                    |                       |                       |
| – fixed rate facility                    | 1.66                    | 27 April 2023      | —                     | 56,135                |

|                                          | Interest rate<br>%      | Loan maturity date | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|------------------------------------------|-------------------------|--------------------|-----------------------|-----------------------|
| Berlin Hyp AG                            |                         |                    |                       |                       |
| – fixed rate facility                    | 1.48                    | 31 October 2023    | 58,228                | 60,137                |
| – fixed rate facility                    | 0.90                    | 31 October 2023    | 110,363               | 111,843               |
| Saarbrücken Sparkasse                    |                         |                    |                       |                       |
| – fixed rate facility                    | 1.53                    | 28 February 2025   | 14,258                | 15,030                |
| Deutsche Pfandbriefbank AG               |                         |                    |                       |                       |
| – hedged floating rate facility          | Hedged <sup>(1)</sup>   | 31 December 2023   | 51,056                | 52,166                |
| – floating rate facility                 | Floating <sup>(1)</sup> | 31 December 2023   | 6,241                 | 6,381                 |
| Schuldschein                             |                         |                    |                       |                       |
| – floating rate facility                 | Floating <sup>(2)</sup> | 5 December 2022    | —                     | 5,000                 |
| – floating rate facility                 | Floating <sup>(2)</sup> | 6 January 2023     | —                     | 10,000                |
| – floating rate facility                 | Floating <sup>(2)</sup> | 6 January 2025     | 5,000                 | 5,000                 |
| – fixed rate facility                    | 1.70                    | 3 March 2025       | 10,000                | 10,000                |
| – fixed rate facility                    | 1.60                    | 3 July 2023        | 20,000                | 20,000                |
| Corporate bond I                         |                         |                    |                       |                       |
| – fixed rate                             | 1.125                   | 22 June 2026       | 400,000               | —                     |
| Corporate bond II                        |                         |                    |                       |                       |
| – fixed rate                             | 1.75                    | 24 November 2028   | 300,000               | —                     |
| Capitalised finance charges on all loans |                         |                    | (13,283)              | (2,367)               |
|                                          |                         |                    | 961,863               | 458,940               |
| <b>Total</b>                             |                         |                    | <b>981,493</b>        | <b>468,054</b>        |

- (1) Tranche 1 of this facility is fully hedged with a swap charged at a rate of 1.40%; tranche 2 of this facility is fully hedged with a swap charged at a rate of 1.25%; and €19.1 million of tranche 3 of this facility is fully hedged with a swap charged at a rate of 0.91%. A €6.5 million extension and the tranche 3 related €0.5 million arrangement fee are charged with a floating rate of 1.20% over three-month EURIBOR (not less than 0%).
- (2) This unsecured facility has a floating rate of 1.50% over six month EURIBOR (not less than 0%) for the first two tranches and a floating rate of 1.70% over six month EURIBOR (not less than 0%) for tranche 3.
- (3) This facility was hedged with a cap rate at 0.75% and charged with a floating rate of 1.58% over six month EURIBOR (not less than 0%) for the full term of the loan.
- (4) Tranche 1 of this facility was fully hedged with a swap charged at a rate of 2.58%; tranche 2 of this facility was fully hedged with a swap charged at a rate of 2.56%. The capex facility was charged with a floating rate of 1.88% over six month EURIBOR (not less than 0%) for the full term of the loan.

The borrowings (excluding capitalised loan issue cost) are repayable as follows:

|                                       | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|---------------------------------------|-----------------------|-----------------------|
| On demand or within one year          | 20,411                | 10,724                |
| In the second year                    | 246,671               | 75,977                |
| In the third to tenth years inclusive | 728,475               | 385,331               |
| <b>Total</b>                          | <b>995,557</b>        | <b>472,032</b>        |

The Group has pledged 15 (2021: 42) investment properties to secure several separate interest-bearing debt facilities granted to the Group. The 15 (2021: 42) properties had a combined valuation of €504,709,000 as at year end (2021: €1,101,689,000).

#### SEB AG

On 2 September 2015, the Group agreed to a facility agreement with SEB AG for €59.0 million to refinance two existing Macquarie loan facilities. The loan was scheduled to terminate on 1 September 2022. Amortisation was charged at 2% per annum with the remainder scheduled to be due in the seventh year. The loan facility was charged at a fixed interest rate of 1.84%. This facility was secured over eleven property assets that were previously financed through the Macquarie loan facilities. The facility was subject to various covenants with which the Group had complied. The facility was repaid in full during the year.

On 30 October 2017, the Group agreed to a second facility agreement with SEB AG for €22.9 million. Tranche 1, totalling €20.0 million, was hedged at a rate of 2.58% until 30 October 2024 by way of an interest rate swap. Tranche 2, totalling €2.9 million, was hedged at a rate of 2.56% until 30 October 2024 by way of an interest rate swap. The loan was scheduled to terminate on 30 October 2024. Amortisation was 2.0% per annum across the full facility with the remainder scheduled to be due in one instalment on the final maturity date. The facility was secured over three property assets and was subject to various covenants with which the Group had complied. In addition, the Group agreed a capex facility for €7.1 million until 30 October 2024. The capex facility was not subject to amortisation and was charged with a floating interest rate of 1.88% over six month EURIBOR (not less than 0%) for the full term of the loan. The capex facility is no longer available following the repayment of the SEB AG debt facilities during the year.

On 26 March 2018, the Group agreed to a third facility agreement with SEB AG for €38.0 million. The loan was scheduled to terminate on 25 March 2025. Amortisation was 2% per annum with the remainder scheduled to be due in one instalment on the final maturity date. The loan facility was charged with a floating rate of 1.58% over six month EURIBOR (not less than 0%) for the full term of the loan. In accordance with the requirements of the loan facility the Group hedged its exposure to floating interest rates by purchasing a cap in June 2018 which limited the Group's interest rate exposure on the facility to 2.33%. The facility was secured over six property assets and was subject to various covenants with which the Group had complied. In addition, the Group agreed a capex facility for €8.0 million until 25 March 2025. The capex facility was not subject to amortisation and was charged at an interest rate of 1.58%. The capex facility was undrawn and is no longer available following the repayment of the SEB AG debt facilities during the twelve month period ended 31 March 2022.

#### Berlin Hyp AG/Deutsche Pfandbriefbank AG

On 31 March 2014, the Group agreed to a facility agreement with Berlin Hyp AG and Deutsche Pfandbriefbank AG for €115.0 million. Amortisation was 2% p.a. for the first two years, 2.5% for the third year and 3.0% thereafter, with the remainder due in the fifth year. Half of the facility (€55.2 million) was charged interest at 3% plus three months' EURIBOR and was capped at 4.5%, and the other half (€55.2 million) was hedged at a rate of 4.265% until 31 March 2019. This facility was secured over nine property

assets and was subject to various covenants with which the Group has complied. On 28 April 2016, the Group agreed to refinance this facility which had an outstanding balance of €110.4 million at 31 March 2016. The new facility was split in two tranches totalling €137.0 million and was scheduled to terminate on 27 April 2023. Tranche 1, totalling €94.5 million, was charged at a fixed interest rate of 1.66% for the full term of the loan. Tranche 2, totalling €42.5 million, was charged with a floating rate of 1.57% over three month EURIBOR (not less than 0%) for the full term of the loan. Amortisation was set at 2.5% across the full facility with the remainder scheduled to be due in one instalment on the final maturity date.

On 30 June 2017, the Group repaid a total of €5.8 million following the disposal of the Düsseldorf asset. On 30 September 2017, the Group repaid tranche 2 of the loan in full, amounting to €40.9 million, following the disposal of the Munich Rupert Mayer Strasse asset.

On 1 August 2019, the Group repaid a total of €16.8 million including €10.1 million recorded within liabilities directly associated with assets held for sale as at 31 March 2019, following the disposal of two assets that acted as security for the loan into the Titanium venture with AXA Investment Managers – Real Assets.

The facility was repaid in full during the twelve month period ended 31 March 2022.

#### **Berlin Hyp AG**

On 20 October 2016, the Group concluded an agreement with Berlin Hyp AG to refinance and extend a facility which had an outstanding balance of €39.2 million on 30 September 2016. The facility totals €70.0 million and was scheduled to terminate on 29 October 2023. Amortisation was 2.5% per annum with the remainder due at maturity. The facility was charged with an all-in fixed interest rate of 1.48% for the full term of the loan. The facility was secured over six property assets. The loan was subject to various covenants with which the Group had complied. On 13 September 2019, the facility was incorporated into the agreement as detailed below. As a result, the maturity date of the loan was extended to 31 October 2023 with all other conditions remaining unchanged.

On 13 September 2019, the Group agreed to a facility agreement with Berlin Hyp AG for €115.4 million. The loan terminates on 31 October 2023. Amortisation is 1.25% per annum with the remainder due in the fourth year. The loan facility is charged at a fixed interest rate of 0.90%. This facility is secured over nine property assets. The facility is subject to various covenants with which the Group has complied. No changes to the terms of the facility have occurred during the twelve month period ended 31 March 2022.

#### **Saarbrücken Sparkasse**

On 28 March 2018, the Group agreed to a facility agreement with Saarbrücken Sparkasse for €18.0 million. The loan terminates on 28 February 2025. Amortisation is 4.0% per annum with the remainder due in one instalment on the final maturity date. The facility is charged with an all-in fixed interest rate of 1.53% for the full term of the loan. The facility is secured over one property asset and is subject to various covenants with which the Group has complied. No changes to the terms of the facility have occurred during the twelve month period ended 31 March 2022.

#### **Deutsche Pfandbriefbank AG**

On 19 January 2019, the Group agreed to a facility agreement with Deutsche Pfandbriefbank AG for €56.0 million. Tranche 1, totalling €21.6 million, has been hedged at a rate of 1.40% until 31 December 2023 by way of an interest rate swap. A first drawdown of tranche 3 totalling €0.5 million was charged at a fixed interest rate of 1.20%. On 3 April 2019, tranche 2 was drawn down, totalling €14.8 million, and has been hedged at a rate of 1.25% until 31 December 2023 by way of an interest rate swap. On 28 June 2019, tranche 3 has been drawn down, totalling €19.1 million. Tranche 3 has been hedged at a rate of 0.91% until 31 December 2023 by way of an interest rate swap. The facility is secured over five property assets and is subject to various covenants with which the Group has complied.

On 19 February 2020, the Group agreed to extend tranche 3 of its existing facility by €6.5 million. The loan is coterminous with the existing facility maturing in December 2023. The loan has been treated as a new loan and is charged with a floating interest rate of 1.20% plus three month EURIBOR (not less than 0%). Amortisation is 2% per annum with the remainder due in one instalment on the final maturity date. No changes to the terms of the facility have occurred during the twelve month period ended 31 March 2022.

#### **Schuldschein**

On 2 December 2019, the Group agreed to new loan facilities in the form of unsecured Schuldschein for €20.0 million. On 25 February 2020, the Group agreed new loan facilities in the form of unsecured Schuldschein for €30.0 million. In total the unsecured facility amounts to €50.0 million spread over five tranches and is charged at a blended interest rate of 1.60% and average maturity of 2.6 years with no amortisation. The Schuldschein is subject to various covenants with which the Group has complied. No changes to the terms of the facility have occurred during the twelve month period ended 31 March 2022.

#### **Corporate bond I**

On 22 June 2021, the Group raised its inaugural corporate bond for €400.0 million. The bond has a term of five years and an interest rate of 1.125% due annually on its anniversary date, with the principal balance coming due on 22 June 2026. The funds from the bond have been partially utilised to repay the SEB AG and Berlin Hyp AG/Deutsche Pfandbriefbank AG loans and fund acquisitions. The corporate bond is subject to various covenants with which the Group has complied. No changes to the terms of the facility have occurred since the date of issuance.

#### **Corporate bond II**

On 24 November 2021, the Group issued its second corporate bond for €300.0 million. The bond has a term of seven years and an interest rate of 1.750% due annually on its anniversary date, with the principal balance coming due on 24 November 2028. The funds from the bond have been utilised to fund the BizSpace Group acquisition and fund repayment of external loans held by BizSpace Group amounting to €214.5 million at acquisition date. The corporate bond is subject to various covenants with which the Group has complied. No changes to the terms of the facility have occurred since the date of issuance.

#### **HSBC revolving credit facility**

On 4 November 2021 the Company agreed a €75.0 million bi-lateral revolving credit facility with HSBC Trinkaus & Burkhardt. The loan facility is charged with a variable interest rate tied to the Company's Fitch credit rating as follows: (a) BBB+ (1.2%), (b) BBB (1.2%) and (c) BBB- or lower (1.5%) with a 0% EURIBOR floor. In addition, the facility's loan covenants are consistent with the corporate bond covenants. The loan facility is comprised of a (i) €25.0 million bilateral credit facility which has a two year term and which may be extended twice for an additional year per extension and (ii) a €50 million bilateral top-up credit facility which is

repayable in full six months after draw down. The Company €50 million top-up credit facility was drawn down and subsequently repaid in full during the period.

### Group debt covenants

A summary of the Group's debt covenants is set out below:

|                                                                    | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|--------------------------------------------------------------------|-----------------------|-----------------------|
| Carrying amount of interest-bearing loans and borrowings (note 24) | <b>981,493</b>        | 468,054               |
| Unamortised borrowing costs                                        | <b>14,064</b>         | 3,978                 |
| Book value of owned investment properties*                         | <b>2,088,665</b>      | 1,347,167             |
| <b>Gross loan to value ratio</b>                                   | <b>47.7%</b>          | 35.0%                 |

\* Includes assets held for sale.

Banking covenants vary according to each loan agreement and typically include loan to value and income related covenants.

During the year, the Group did not breach any of its loan covenants, nor did it default on any of its obligations under its loan agreements.

Reconciliation of movements of liabilities arising from financing activities:

|                                       | 31 March<br>2021<br>€000 | Cash flows<br>€000 | New leases<br>€000 | Acquisition<br>of a subsidiary<br>€000 | Changes in<br>fair values<br>€000 | Other*          | 31 March<br>2022<br>€000 |
|---------------------------------------|--------------------------|--------------------|--------------------|----------------------------------------|-----------------------------------|-----------------|--------------------------|
| Interest-bearing loans and borrowings | 468,054                  | 523,524            | —                  | —                                      | —                                 | (10,085)        | <b>981,493</b>           |
| Lease liabilities                     | 14,987                   | (6,350)            | 18,413             | 12,182                                 | —                                 | (571)           | <b>38,661</b>            |
| Derivative financial instruments      | 1,211                    | (544)              | —                  | —                                      | (996)                             | —               | <b>(329)</b>             |
| <b>Total</b>                          | <b>484,252</b>           | <b>516,630</b>     | <b>18,413</b>      | <b>12,182</b>                          | <b>(996)</b>                      | <b>(10,656)</b> | <b>1,019,825</b>         |

|                                       | 31 March<br>2020<br>€000 | Cash flows<br>€000 | New leases<br>€000 | Non-cash<br>settlement<br>€000 | Changes in<br>fair values<br>€000 | Other*       | 31 March<br>2021<br>€000 |
|---------------------------------------|--------------------------|--------------------|--------------------|--------------------------------|-----------------------------------|--------------|--------------------------|
| Interest-bearing loans and borrowings | 480,228                  | (13,887)           | —                  | —                              | —                                 | 1,713        | 468,054                  |
| Lease liabilities                     | 19,150                   | (5,681)            | 1,518              | —                              | —                                 | —            | 14,987                   |
| Derivative financial instruments      | 1,368                    | —                  | —                  | —                              | (157)                             | —            | 1,211                    |
| <b>Total</b>                          | <b>500,746</b>           | <b>(19,568)</b>    | <b>1,518</b>       | <b>—</b>                       | <b>(157)</b>                      | <b>1,713</b> | <b>484,252</b>           |

\* Changes in the capitalised finance charges on all loans, foreign exchange differences and accretion of interest on lease liabilities.

## 25. Financial risk management objectives and policies

The Group's principal financial liabilities comprise bank loans, derivative financial instruments and trade payables. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various financial assets, such as trade receivables and cash, which arise directly from its operations.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, market risk, currency risk and interest rate risk.

### Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. The risk management policies employed by the Group to manage these risks are discussed below.

In the event of a default by an occupational tenant, the Group will suffer a rental shortfall and incur additional costs, including expenses incurred to try and recover the defaulted amounts and legal expenses in maintaining, insuring and marketing the property until it is re-let. During the year, the Group monitored the tenants in order to anticipate and minimise the impact of defaults by occupational tenants, as well as to ensure that the Group has a diversified tenant base. The credit risk on tenants is also addressed through the performance of credit checks, collection of deposits and regular communication with the tenants.

Included in loans to associates are loans provided to associate entities from Group entities. During the year the Group assessed credit risk relating to loans to associates by reviewing business plans and monitoring cash collection rates and the operational performance of each associate in order to anticipate and minimise the impact of any impairment.

Included in other receivables are lease incentives. During the year the Group monitored tenants in order to anticipate and minimise the impact of defaults and move-outs from tenants which received lease incentives.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

|                                  | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|----------------------------------|-----------------------|-----------------------|
| Trade receivables                | <b>11,069</b>         | 6,327                 |
| Other receivables                | <b>8,764</b>          | 9,537                 |
| Loans to associates              | <b>44,278</b>         | 43,154                |
| Derivative financial instruments | <b>329</b>            | 70                    |
| Cash and cash equivalents        | <b>150,966</b>        | 65,674                |
| <b>Total</b>                     | <b>215,406</b>        | <b>124,762</b>        |

Included in other receivables are guarantees and deposits in amount of €4,052,000 (2021: €1,806,000).

The ageing of trade receivables at the statement of financial position date was:

|                        | Year ended<br>31 March 2022 |                    | Year ended<br>31 March 2021 |                    |
|------------------------|-----------------------------|--------------------|-----------------------------|--------------------|
|                        | Gross<br>€000               | Impairment<br>€000 | Gross<br>€000               | Impairment<br>€000 |
| 0–30 days              | 12,117                      | (2,704)            | 6,287                       | (1,936)            |
| 31–120 days (past due) | 1,296                       | (406)              | 1,206                       | (585)              |
| More than 120 days     | 5,378                       | (4,612)            | 4,265                       | (2,910)            |
| Total                  | 18,791                      | (7,722)            | 11,758                      | (5,431)            |

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

|                                         | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|-----------------------------------------|-----------------------|-----------------------|
| Balance as at the beginning of the year | (5,431)               | (3,640)               |
| Expected credit loss recognised         | (2,291)               | (1,791)               |
| <b>Balance as at year end</b>           | <b>(7,722)</b>        | <b>(5,431)</b>        |

The allowance account for trade receivables is used to record impairment losses unless the Group believes that no recovery of the amount owing is possible; at that point the amounts considered irrecoverable are written off against the trade receivables directly.

Most trade receivables are generally due one month in advance. The exception is service charge balancing billing, which is due ten days after it has been invoiced. Included in the Group's trade receivables are debtors with carrying amounts of €11,069,000 (2021: €6,327,000) that are past due at the reporting date for which the Group has not provided significant impairment as there has not been a significant change in credit quality and the amounts are still considered recoverable.

No significant impairment has been recognised relating to non-current receivables in the period due to unchanged credit quality and the amounts are still considered recoverable.

### Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Group has procedures with the objective of minimising such losses, such as maintaining sufficient cash and other highly liquid current assets and having available an adequate amount of committed credit facilities. The Group prepares cash flow forecasts and continually monitors its ongoing commitments compared to available cash. Cash and cash equivalents are placed with financial institutions on a short-term basis which allows immediate access. This reflects the Group's desire to maintain a high level of liquidity in order to meet any unexpected liabilities that may arise due to the current financial position. Similarly, accounts receivable are due either in advance (e.g. rents and recharges) or within ten days (e.g. service charge reconciliations), further bolstering the Group's management of liquidity risk.

The table below summarises the maturity profile of the Group's financial liabilities, based on contractual undiscounted payments:

|                                  | Bank<br>loans<br>€000 | Derivative<br>financial<br>instruments<br>€000 | Trade<br>and other<br>payables<br>€000 | Lease<br>liabilities<br>€000 | Total<br>€000 |
|----------------------------------|-----------------------|------------------------------------------------|----------------------------------------|------------------------------|---------------|
| <b>31 March 2022</b>             |                       |                                                |                                        |                              |               |
| Undiscounted amounts payable in: |                       |                                                |                                        |                              |               |
| 6 months or less                 | (9,520)               | (119)                                          | (56,329)                               | (1,311)                      | (67,279)      |
| 6 months–1 year                  | (24,486)              | (118)                                          | —                                      | (789)                        | (25,393)      |
| 1–2 years                        | (258,758)             | (232)                                          | —                                      | (2,910)                      | (261,900)     |
| 2–5 years                        | (454,658)             | (58)                                           | —                                      | (9,001)                      | (463,717)     |
| 5–10+ years                      | (308,688)             | —                                              | —                                      | (92,307)                     | (400,995)     |
|                                  | (1,056,110)           | (527)                                          | (56,329)                               | (106,318)                    | (1,219,284)   |
| Interest                         | 60,553                | 527                                            | —                                      | 67,657                       | 128,737       |
|                                  | (995,557)             | —                                              | (56,329)                               | (38,661)                     | (1,090,547)   |

|                                  | Bank<br>loans<br>€000 | Derivative<br>financial<br>instruments<br>€000 | Trade<br>and other<br>payables<br>€000 | Lease<br>liabilities<br>€000 | Total<br>€000 |
|----------------------------------|-----------------------|------------------------------------------------|----------------------------------------|------------------------------|---------------|
| <b>31 March 2021</b>             |                       |                                                |                                        |                              |               |
| Undiscounted amounts payable in: |                       |                                                |                                        |                              |               |
| 6 months or less                 | (8,755)               | (220)                                          | (26,851)                               | (3,047)                      | (38,873)      |
| 6 months–1 year                  | (8,588)               | (216)                                          | —                                      | (3,048)                      | (11,852)      |
| 1–2 years                        | (81,895)              | (426)                                          | —                                      | (1,492)                      | (83,813)      |
| 2–5 years                        | (389,971)             | (435)                                          | —                                      | (2,428)                      | (392,834)     |
| 5–10+ years                      | —                     | —                                              | —                                      | (7,223)                      | (7,223)       |
|                                  | (489,209)             | (1,297)                                        | (26,851)                               | (17,238)                     | (534,595)     |
| Interest                         | 17,177                | 1,297                                          | —                                      | 2,251                        | 20,725        |
|                                  | (472,032)             | —                                              | (26,851)                               | (14,987)                     | (513,870)     |

## Currency risk

The Group's exposure to currency risk relates primarily to the Group's exposure to the British pound and to a lesser extent the South African rand. This exposure is driven primarily by the acquisition of the BizSpace Group as detailed in Note 4. In addition thereto, the Group has dividend obligations in both the British Pound and South African rand. The foreign currency risk in relation to the British pound is mitigated as a result of the BizSpace Group generating British pound denominated income in order to fund its obligations when they come due and, in addition, the Group's British pound dividend obligations. The Group holds small deposits in South African rand for the purposes of working capital and dividend obligations.

## Interest rate risk

The Group's exposure to interest rate risk relates primarily to the Group's long-term floating rate debt obligations. The Group's policy is to mitigate interest rate risk by ensuring that a minimum of 80% of its total borrowing is at fixed or capped interest rates by taking out fixed rate loans or derivative financial instruments to hedge interest rate exposure, or interest rate caps.

A change in interest will only have an impact on loans fixed by a swap. An increase of 100 bps in interest rate would result in a decreased post tax profit in the consolidated income statement of €275,000 (2021: €562,000) (excluding the movement on derivative financial instruments) and a decrease of 100 bps in interest rate would result in an increased post tax profit in the consolidated income statement of €275,000 (2021: €562,000) (excluding the movement on derivative financial instruments).

The following table sets out the carrying amount, by maturity, of the Group's financial instruments that are exposed to interest rate risk:

|                            | Within 1 year<br>€000 | 1–2 years<br>€000 | 2–3 years<br>€000 | 3–4 years<br>€000 | 4+ years<br>€000 | Total<br>€000 |
|----------------------------|-----------------------|-------------------|-------------------|-------------------|------------------|---------------|
| <b>31 March 2022</b>       |                       |                   |                   |                   |                  |               |
| Deutsche Pfandbriefbank AG | (140)                 | (6,241)           | —                 | —                 | —                | (6,381)       |
| Schuldschein               | (15,000)              | —                 | (5,000)           | —                 | —                | (20,000)      |
|                            |                       |                   |                   |                   |                  |               |
|                            | Within 1 year<br>€000 | 1–2 years<br>€000 | 2–3 years<br>€000 | 3–4 years<br>€000 | 4+ years<br>€000 | Total<br>€000 |
| <b>31 March 2021</b>       |                       |                   |                   |                   |                  |               |
| SEB AG – capped            | (760)                 | (760)             | (760)             | (33,440)          | —                | (35,720)      |
| SEB AG – floating          | —                     | —                 | —                 | (2,000)           | —                | (2,000)       |
| Deutsche Pfandbriefbank AG | (140)                 | (140)             | (6,241)           | —                 | —                | (6,521)       |
| Schuldschein               | —                     | (15,000)          | —                 | (5,000)           | —                | (20,000)      |

The other financial instruments of the Group that are not included in the above tables are non-interest bearing or have fixed interest rates and are therefore not subject to interest rate risk.

## Market risk

The Group's activities are within the real estate market, exposing it to very specific industry risks.

The yields available from investments in real estate depend primarily on the amount of revenue earned and capital appreciation generated by the relevant properties, as well as expenses incurred. If properties do not generate sufficient revenues to meet operating expenses, including debt service and capital expenditure, the Group's revenue will be adversely affected.

Revenues from properties may be adversely affected by: the general economic climate; local conditions, such as an oversupply of properties, or a reduction in demand for properties, in the market in which the Group operates; the attractiveness of the properties to the tenants; the quality of the management; competition from other available properties; and increased operating costs.

In addition, the Group's revenue would be adversely affected if a significant number of tenants were unable to pay rent or its properties could not be rented on favourable terms. Certain significant expenditures associated with each equity investment in real estate (such as external financing costs, real estate taxes and maintenance costs) are generally not reduced when circumstances cause a reduction in revenue from properties. By diversifying in product, risk categories and tenants, the Group expects to lower the risk profile of the portfolio.

## Capital management

For the purpose of the Group's capital management, capital includes all equity reserves attributable to the equity holders of the parent. The Group seeks to enhance shareholder value both by investing in the business so as to improve the return on investment and by managing the capital structure. The Group manages its capital structure and in doing so takes into consideration the impact of changes in economic conditions. The Group assesses its capital management through the total accounting shareholder return which was 20.0% as at 31 March 2022 (31 March 2021: 19.5%) and the net loan to value which was 41.6% as at 31 March 2022 (31 March 2021: 31.4%).

To maintain or adjust the capital structure, the Group may undertake a number of actions including but not limited to share issuances and changes to its distribution policy to shareholders. The transfer of amounts recorded in share capital to other distributable reserves is made in accordance with The Companies (Guernsey) Law, 2008. The Group's distribution policy takes into account the concept of solvency under The Companies (Guernsey) Law, 2008. The Group is not subject to externally imposed capital requirements other than those related to the covenants of the bank loan facilities. There have been no breaches of the financial covenants of any interest-bearing loans and borrowings in the current period.

## 26. Financial instruments

### Fair values

Set out below is a comparison by category of carrying amounts and fair values of all of the Group's financial instruments that are carried in the financial statements (excluding assets held for sale and liabilities directly associated with assets held for sale):

|                               | 31 March 2022              |                       | 31 March 2021              |                       |
|-------------------------------|----------------------------|-----------------------|----------------------------|-----------------------|
|                               | Carrying<br>amount<br>€000 | Fair<br>value<br>€000 | Carrying<br>amount<br>€000 | Fair<br>value<br>€000 |
| Fair value<br>hierarchy level |                            |                       |                            |                       |

**Financial assets**

|                                  |   |         |         |        |        |
|----------------------------------|---|---------|---------|--------|--------|
| Cash and cash equivalents        |   | 150,966 | 150,966 | 65,674 | 65,674 |
| Trade and other receivables      |   | 19,833  | 19,833  | 15,864 | 15,864 |
| Loans to associates              | 2 | 44,278  | 44,278  | 43,154 | 43,154 |
| Derivative financial instruments | 2 | 329     | 329     | 70     | 70     |

**Financial liabilities**

|                                                      |   |         |         |         |         |
|------------------------------------------------------|---|---------|---------|---------|---------|
| Trade and other payables                             |   | 56,329  | 56,329  | 26,851  | 26,851  |
| Derivative financial instruments                     | 2 | —       | —       | 1,211   | 1,211   |
| Interest-bearing loans and borrowings <sup>(1)</sup> |   |         |         |         |         |
| Floating rate borrowings                             | 2 | 26,381  | 26,381  | 28,521  | 28,521  |
| Floating rate borrowings – hedged <sup>(2)</sup>     | 2 | 52,167  | 52,167  | 75,060  | 75,060  |
| Floating rate borrowings – capped                    | 2 | —       | —       | 35,720  | 35,720  |
| Fixed rate borrowings                                | 2 | 917,009 | 939,238 | 332,731 | 336,216 |

All amounts in the table above are carried at amortised cost except for derivative financial instruments which are held at fair value.

(1) Excludes loan issue costs.

(2) The Group holds interest rate swap contracts designed to manage the interest rate and liquidity risks of expected cash flows of its borrowings with the variable rate facilities with Deutsche Pfandbriefbank AG. Please refer to note 24 for details of swap contracts.

**Fair value hierarchy**

For financial assets or liabilities measured at amortised cost and whose carrying value is a reasonable approximation to fair value there is no requirement to analyse their value in the fair value hierarchy.

The below analyses financial instruments measured at fair value into a fair value hierarchy based on the valuation technique used to determine fair value:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group holds interest rate swap contracts which are reset on a quarterly basis. The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. The average interest rate is based on the outstanding balances at the end of the reporting period. The interest rate swap is measured at fair value with changes recognised in profit or loss.

The fair values of the loans and borrowings have been calculated based on a discounted cash flow model using the prevailing market rates of interest.

**27. Issued share capital**

| Authorised                                   | Number of shares | Share capital<br>€ |
|----------------------------------------------|------------------|--------------------|
| Ordinary shares of no par value              | Unlimited        | —                  |
| <b>As at 31 March 2022 and 31 March 2021</b> | <b>Unlimited</b> | <b>—</b>           |

| Issued and fully paid                                     | Number of shares     | Share capital<br>€ |
|-----------------------------------------------------------|----------------------|--------------------|
| <b>As at 31 March 2020</b>                                | 1,036,257,101        | —                  |
| Issued ordinary shares                                    | 14,447,046           | 13,169,000         |
| Transfer of share capital to other distributable reserves | —                    | (13,169,000)       |
| Shares issued to Employee Benefit Trust                   | (1,883,980)          | —                  |
| Shares allocated by the Employee Benefit Trust            | 312,092              | —                  |
| <b>As at 31 March 2021</b>                                | 1,049,132,259        | —                  |
| Issued ordinary shares                                    | 119,344,125          | 167,380,000        |
| Transfer of share capital to other distributable reserves | —                    | (167,380,000)      |
| Shares issued to Employee Benefit Trust                   | (3,557,745)          | —                  |
| Shares allocated by the Employee Benefit Trust            | 1,962,045            | —                  |
| <b>As at 31 March 2022</b>                                | <b>1,166,880,684</b> | <b>—</b>           |

Holders of the ordinary shares are entitled to receive dividends and other distributions and to attend and vote at any general meeting. Shares held in treasury are not entitled to receive dividends or to vote at general meetings.

Pursuant to a scrip dividend offering on 14 June 2021, the Company issued 8,101,162 ordinary shares at an issue price of £1.00432 resulting in the Company's overall issued share capital being 1,064,184,239 ordinary shares.

Pursuant to an equity raise of €159.9 million on 12 November 2021, the Company issued 105,281,686 ordinary shares at an issue price of £1.30, resulting in the Company's overall issued share capital being 1,169,465,925 ordinary shares. Costs associated with the equity raise amounted to €6,219,000.

Pursuant to a scrip dividend offering on 29 November 2021, the Company issued 2,695,067 ordinary shares at an issue price of £1.37726 resulting in the Company's overall issued share capital being 1,172,160,992 ordinary shares.

In addition, during the year the Company issued 3,266,210 shares in relation to the exercise of the LTIP 2019 (January 2019 grant) as per note 9.

Treasury shares held by the Employee Benefit Trust are disclosed as own shares held. During the year 3,557,745 shares were acquired and 1,962,045 were allocated by the Employee Benefit Trust. A total of 5,280,308 own shares purchased at an average share price of €1.1882 are held by the Employee Benefit Trust (2021: 3,684,608 own shares purchased at an average share price of €0.7878). The total number of shares with voting rights was 1,172,160,992 (2021: 1,052,816,867). No votes are cast in respect of the shares held in the Employee Benefit Trust in connection with the Company's share plans and dividends paid and payable are subject to a standing waiver.

All shares issued in the year were issued under general authority. No shares were bought back in the year (2021: none) and there are no Treasury Shares held directly by the parent company at the year end (2021: none).

## 28. Other reserves

### **Other distributable reserve**

The other distributable reserve was created for the payment of dividends and the transfer of share capital in regard to scrip dividends, share-based payment transactions and the buyback of shares and is €570,369,000 in total at year end (2021: €449,051,000).

## 29. Dividends

On 1 June 2020, the Company announced a dividend of 1.80c per share, with a record date of 10 July 2020 for UK and South African shareholders and payable on 20 August 2020. On the record date, 1,038,369,821 shares were in issue with none held in treasury and 1,038,369,821 (including shares held by the EBT) were entitled to participate in the dividend. Holders of 335,705,489 shares elected to receive the dividend in ordinary shares under the scrip dividend alternative, representing a dividend of €6,043,000 (€5,830,000 as at settlement date), while holders of 700,213,704 shares opted for a cash dividend with a value of €12,603,000. The Company's Employee Benefit Trust waived its rights to the dividend, reducing the cash payable to €12,595,000 (€12,595,000 as at settlement date). The total dividend was €18,646,000.

On 30 November 2020, the Company announced a dividend of 1.82c per share, with a record date of 18 December 2020 for UK and South African shareholders and payable on 21 January 2021. On the record date, 1,045,351,272 shares were in issue. Since there were no shares held in treasury, 1,045,351,272 (including shares held by the EBT) shares were entitled to participate in the dividend. Holders of 403,075,659 shares elected to receive the dividend in ordinary shares under the scrip dividend alternative, representing a dividend of €7,336,000 (€7,339,000 as at settlement date) while holders of 638,591,005 shares opted for a cash dividend with a value of €11,622,000. The Company's Employee Benefit Trust waived its rights to the dividend, reducing the cash payable to €11,555,000 (€11,653,000 as at settlement date). The total dividend was €18,958,000.

On 7 June 2021, the Company announced a dividend of 1.98c per share, with a record date of 9 July 2021 for UK and South African shareholders and payable on 19 August 2021. On the record date, 1,054,755,527 shares were in issue. Since there were no shares held in treasury, 1,054,755,527 shares (including shares held by the Employee Benefit Trust) were entitled to participate in the dividend. Holders of 476,206,726 shares elected to receive the dividend in ordinary shares under the scrip dividend alternative, representing a dividend of €9,429,000 (€9,195,000 as at settlement date) while holders of 578,548,801 shares opted for a cash dividend with a value of €11,455,000. The Company's Employee Benefit Trust waived its rights to the dividend, reducing the cash payable to €11,388,000 (€11,381,000 as at settlement date). The total dividend was €20,817,000 (€20,576,000 as at settlement date).

On 8 November 2021, the Company announced a dividend of 2.04c per share, with a record date of 17 December 2021 for UK and South African shareholders and payable on 20 January 2022. On the record date, 1,169,465,925 shares were in issue. Since there were no shares held in treasury, 1,169,465,925 shares (including shares held by the Employee Benefit Trust) were entitled to participate in the dividend. Holders of 216,062,440 shares elected to receive the dividend in ordinary shares under the scrip dividend alternative, representing a dividend of €4,408,000 (€4,478,000 as at settlement date) while holders of 953,403,485 shares opted for a cash dividend with a value of €19,449,000. The Company's Employee Benefit Trust waived its rights to the dividend, reducing the cash payable to €19,373,000 (€19,434,000 as at settlement date). The total dividend was €23,781,000 (€23,912,000 as at settlement date).

The Group's profit attributable to the equity holders of the Company for the year was €147.9 million (2021: €147.5 million). The Board has authorised a dividend in respect of the second half of the financial year ended 31 March 2022 of 2.37c per share representing 65% of FFO, an increase of 19.7% on the equivalent dividend last year, which represented 65% of FFO<sup>(1)</sup>. The total dividend for the year is 4.41c, an increase of 16.1% on the 3.80c total dividend for the year ended 31 March 2021.

It is expected that, for the dividend authorised relating to the six month period ended 31 March 2022, the ex-dividend date will be 6 July 2022 for shareholders on the South African register and 7 July 2022 for shareholders on the UK register. It is further expected that for shareholders on both registers the record date will be 8 July 2022 and the dividend will be paid on 18 August 2022. A detailed dividend announcement was made on 20 June 2022, including details of a scrip dividend alternative.

The dividend paid per the statement of changes in equity is the value of the cash dividend.

(1) Adjusted profit before tax adjusted for foreign exchange effects, depreciation and amortisation (excluding depreciation relating to IFRS 16), amortisation of financing fees, adjustments in respect of IFRS 16 and current tax receivable/incurred and current tax relating to disposals.

The dividend per share was calculated as follows:

|                                                                         | Year ended<br>31 March 2022<br>€m | Year ended<br>31 March 2021<br>€m |
|-------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Reported profit before tax</b>                                       | <b>168.9</b>                      | 163.7                             |
| Adjustments for:                                                        |                                   |                                   |
| Gain on revaluation of investment properties                            | (140.9)                           | (99.6)                            |
| Deficit on revaluation expense relating to leased investment properties | (5.6)                             | (4.3)                             |
| Loss/(gain) of disposals of properties                                  | 0.6                               | (0.1)                             |
| Recoveries from prior disposals of subsidiaries                         | (0.1)                             | (0.1)                             |

|                                                                                |              |              |
|--------------------------------------------------------------------------------|--------------|--------------|
| Deduct revaluation gain on investment property from associates and related tax | (4.8)        | (3.3)        |
| Other adjusting items <sup>(1)</sup>                                           | 19.1         | 4.1          |
| Goodwill impairment                                                            | 40.9         | —            |
| Change in fair value of financial derivatives                                  | (1.0)        | (0.1)        |
| <b>Adjusted profit before tax</b>                                              | <b>77.1</b>  | <b>60.3</b>  |
| Adjustments for:                                                               |              |              |
| Foreign exchange effects <sup>(2)</sup>                                        | (1.9)        | —            |
| Depreciation and amortisation (excluding depreciation relating to IFRS 16)     | 2.3          | 1.6          |
| Amortisation of financing fees                                                 | 2.6          | 1.7          |
| Adjustment in respect of IFRS 16                                               | 0.6          | (0.9)        |
| Current taxes incurred (see note 11)                                           | (6.1)        | (1.9)        |
| Add back current tax relating to disposals                                     | —            | 0.1          |
| <b>Funds from operations, year ended 31 March</b>                              | <b>74.6</b>  | <b>60.9</b>  |
| <b>Funds from operations, 6 months ended 30 September</b>                      | <b>33.0</b>  | <b>29.1</b>  |
| <b>Funds from operations, 6 months ended 31 March</b>                          | <b>41.6</b>  | <b>31.8</b>  |
| Dividend pool, 6 months ended 30 September                                     | 21.6         | 19.0         |
| Dividend pool, 6 months ended 31 March <sup>(3)</sup>                          | 27.6         | 20.7         |
| <b>Dividend per share, 6 months ended 30 September</b>                         | <b>2.04c</b> | <b>1.82c</b> |
| <b>Dividend per share, 6 months ended 31 March</b>                             | <b>2.37c</b> | <b>1.98c</b> |

(1) Includes the effect of exceptional items, refinancing activity, share awards and expected selling costs relating to assets held for sale. See note 12 for details.

(2) Management decided to exclude foreign exchange effects from the funds from operations calculation (2021: €nil).

(3) Calculated as 65% of FFO of 3.64c per share (2021: 3.04c per share using 65% of FFO) based on average number of shares outstanding of 1,141,807,790 (2021: 1,044,538,046).

For more information on adjusted profit before tax and funds from operations refer to Annex 1.

Calculations contained in this table are subject to rounding differences.

### 30. Related parties

Fees paid to people considered to be key management personnel of the Group during the year include:

|                              | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|------------------------------|-------------------------------------|-------------------------------------|
| Directors' fees              | 530                                 | 437                                 |
| Salary and employee benefits | 4,294                               | 3,531                               |
| Share-based payments         | 2,643                               | 2,623                               |
| <b>Total</b>                 | <b>7,467</b>                        | <b>6,591</b>                        |

The share-based payments relating to key management personnel for the year include an expense of €2,643,000 (2021: €2,623,000) for the granting of shares under the LTIP (see note 8). Included within salary and employee benefits are pension contributions amounting to €180,000 (2021: €146,000).

Information on Directors' emoluments is given in the Remuneration report on pages 91 to 112. Related parties are defined as those persons and companies that control the Group, or that are controlled, jointly managed or subject to significant influence by the Group.

The following balances and transactions with associates exist as at the reporting date:

|                                              | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|----------------------------------------------|-----------------------|-----------------------|
| Consolidated statement of financial position |                       |                       |
| Loans to associates                          | 44,278                | 43,154                |
| Trade and other receivables                  | 2,527                 | 3,371                 |
| <b>Total</b>                                 | <b>46,805</b>         | <b>46,525</b>         |

Trade and other receivables relate to amounts owed from the services supplied to the associates and are due to be settled in the normal course of business.

As a result of unchanged credit quality no material impairments have been recognised in the year.

|                               | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|-------------------------------|-------------------------------------|-------------------------------------|
| Consolidated income statement |                                     |                                     |
| Services supplied             | 13,153                              | 7,338                               |
| Interest income               | 2,891                               | 2,674                               |
| <b>Total</b>                  | <b>16,044</b>                       | <b>10,012</b>                       |

Services provided to related parties primarily relate to the provision of property and asset management services. A performance fee arrangement is in place between the associates and the Group. The performance fee was €nil during the year (2021: €nil).

### 31. Capital and other commitments

As at year end, the Group had contracted capital expenditure for development and enhancements on existing properties of €7,846,000 (2021: €8,666,000) and capital commitments in relation to the notarised asset in Düsseldorf of €35,300,000.

These were committed but not yet provided for in the financial statements.

## 32. Operating lease arrangements

### Group as lessor

All properties leased by the Group are under operating leases and the future minimum lease payments receivable under non-cancellable leases are as follows:

|                   | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|-------------------|-----------------------|-----------------------|
| Less than 1 year  | 118,118               | 84,417                |
| 1–2 years         | 96,086                | 61,549                |
| 2–3 years         | 75,726                | 41,491                |
| 3–4 years         | 57,676                | 33,044                |
| 4–5 years         | 35,616                | 18,792                |
| More than 5 years | 68,566                | 35,211                |
| <b>Total</b>      | <b>451,788</b>        | <b>274,504</b>        |

The Group leases out its investment properties under operating leases. Most operating leases are for terms of one to ten years.

The Group consists of 122 subsidiary companies (2021: 94 subsidiary companies). All subsidiaries are consolidated in full in accordance with IFRS. The principal activity of the subsidiaries is the investment in, and development of, commercial property to provide conventional and flexible workspace in Germany and UK. The acquired subsidiaries in the UK have aligned their reporting period to the Group's reporting period.

| Company name                                  | Country<br>of incorporation | Ownership at<br>31 March 2022<br>% | Ownership at<br>31 March 2021<br>% |
|-----------------------------------------------|-----------------------------|------------------------------------|------------------------------------|
| BizSpace Acquisitions Ltd                     | Jersey                      | 100.00                             | n/a                                |
| BizSpace Developments Ltd                     | UK                          | 100.00                             | n/a                                |
| BizSpace Green Holdings Ltd                   | UK                          | 100.00                             | n/a                                |
| BizSpace Green Operations Ltd                 | UK                          | 100.00                             | n/a                                |
| BizSpace Holdings Ltd                         | UK                          | 100.00                             | n/a                                |
| BizSpace II Ltd                               | UK                          | 100.00                             | n/a                                |
| BizSpace Ltd                                  | UK                          | 100.00                             | n/a                                |
| BizSpace Property 100 Ltd                     | Jersey                      | 100.00                             | n/a                                |
| BizSpace Property I Ltd                       | UK                          | 100.00                             | n/a                                |
| BizSpace Property SSP Ltd                     | UK                          | 100.00                             | n/a                                |
| Curris Facilities & Utilities Management GmbH | Germany                     | 100.00                             | 100.00                             |
| DDS Aspen B.V.                                | Netherlands                 | 100.00                             | 100.00                             |
| DDS Bagnut B.V.                               | Netherlands                 | 100.00                             | 100.00                             |
| DDS Business Centres B.V.                     | Netherlands                 | 100.00                             | 100.00                             |
| DDS Coconut B.V.                              | Netherlands                 | 100.00                             | 100.00                             |
| DDS Conferencing & Catering GmbH              | Germany                     | 100.00                             | 100.00                             |
| DDS Elm B.V.                                  | Netherlands                 | 100.00                             | 100.00                             |
| DDS Fir B.V.                                  | Netherlands                 | 100.00                             | 100.00                             |
| DDS Hawthorn B.V.                             | Netherlands                 | 100.00                             | 100.00                             |
| DDS Hazel B.V.                                | Netherlands                 | 100.00                             | 100.00                             |
| DDS Hyacinth B.V.                             | Netherlands                 | 100.00                             | 100.00                             |
| DDS Lark B.V.                                 | Netherlands                 | 100.00                             | 100.00                             |
| DDS Mulberry B.V.                             | Netherlands                 | 100.00                             | 100.00                             |
| DDS Rose B.V.                                 | Netherlands                 | 100.00                             | 100.00                             |
| DDS Walnut B.V.                               | Netherlands                 | 100.00                             | 100.00                             |
| DDS Yew B.V.                                  | Netherlands                 | 100.00                             | 100.00                             |
| Helix FinCo Ltd                               | Jersey                      | 100.00                             | n/a                                |
| Helix Investments Ltd*                        | Jersey                      | 100.00                             | n/a                                |
| Helix Property Ltd                            | Jersey                      | 100.00                             | n/a                                |
| LB <sup>2</sup> Catering and Services GmbH    | Germany                     | 100.00                             | 100.00                             |
| M25 Business Centres Ltd                      | UK                          | 100.00                             | n/a                                |
| Marba Apple B.V.                              | Netherlands                 | 100.00                             | 100.00                             |
| Marba Bamboo B.V.                             | Netherlands                 | 100.00                             | 100.00                             |
| Marba Cherry B.V.                             | Netherlands                 | 100.00                             | 100.00                             |
| Marba Daffodil B.V.                           | Netherlands                 | 100.00                             | 100.00                             |
| Marba Holland B.V.*                           | Netherlands                 | 100.00                             | 100.00                             |
| Marba Lavender B.V.                           | Netherlands                 | 100.00                             | 100.00                             |
| Marba Mango B.V.                              | Netherlands                 | 100.00                             | 100.00                             |
| Marba Olive B.V.                              | Netherlands                 | 100.00                             | 100.00                             |
| Marba Sunflower B.V.                          | Netherlands                 | 100.00                             | 100.00                             |
| Marba Violin B.V.                             | Netherlands                 | 100.00                             | 100.00                             |
| Marba Willstätt B.V.                          | Netherlands                 | 100.00                             | 100.00                             |
| SFG NOVA Construction and Services GmbH       | Germany                     | 100.00                             | 100.00                             |
| Sirius Alder B.V.                             | Netherlands                 | 100.00                             | 100.00                             |
| Sirius Aloe GmbH & Co. KG                     | Germany                     | 100.00                             | 100.00                             |
| Sirius Ash B.V.                               | Netherlands                 | 100.00                             | 100.00                             |
| Sirius Aster GmbH & Co. KG                    | Germany                     | 100.00                             | 100.00                             |
| Sirius Beech B.V.                             | Netherlands                 | 100.00                             | 100.00                             |
| Sirius Birch GmbH & Co. KG                    | Germany                     | 100.00                             | 100.00                             |
| Sirius Coöperatief B.A.*                      | Netherlands                 | 100.00                             | 100.00                             |

|                                                          |             |               |        |
|----------------------------------------------------------|-------------|---------------|--------|
| Sirius Dahlia GmbH & Co. KG                              | Germany     | <b>100.00</b> | 100.00 |
| Sirius Facilities (UK) Ltd*                              | UK          | <b>100.00</b> | 100.00 |
| Sirius Facilities GmbH                                   | Germany     | <b>100.00</b> | 100.00 |
| Sirius Finance (Cyprus) Ltd.*                            | Cyprus      | <b>100.00</b> | 100.00 |
| Sirius Four B.V.                                         | Netherlands | <b>100.00</b> | 100.00 |
| Sirius Frankfurt Erste GmbH & Co. KG                     | Germany     | <b>100.00</b> | 100.00 |
| Sirius Frankfurt Zweite GmbH & Co. KG                    | Germany     | <b>100.00</b> | n/a    |
| Sirius Gum B.V.                                          | Netherlands | <b>100.00</b> | 100.00 |
| Sirius Ivy B.V.                                          | Netherlands | <b>100.00</b> | 100.00 |
| Sirius Jasmine GmbH & Co. KG                             | Germany     | <b>100.00</b> | n/a    |
| Sirius Juniper B.V.                                      | Netherlands | <b>100.00</b> | 100.00 |
| Sirius Kale GmbH & Co. KG                                | Germany     | <b>100.00</b> | n/a    |
| Sirius Krefeld Erste GmbH & Co. KG                       | Germany     | <b>100.00</b> | 100.00 |
| Sirius Lily B.V.                                         | Netherlands | <b>100.00</b> | 100.00 |
| Sirius Lotus GmbH & Co. KG                               | Germany     | <b>100.00</b> | n/a    |
| Sirius Management One GmbH                               | Germany     | <b>100.00</b> | 100.00 |
| Sirius Management Two GmbH                               | Germany     | <b>100.00</b> | 100.00 |
| Sirius Management Three GmbH                             | Germany     | <b>100.00</b> | 100.00 |
| Sirius Management Four GmbH                              | Germany     | <b>100.00</b> | 100.00 |
| Sirius Management Five GmbH                              | Germany     | <b>100.00</b> | 100.00 |
| Sirius Management Six GmbH                               | Germany     | <b>100.00</b> | 100.00 |
| Sirius Management Seven GmbH                             | Germany     | <b>100.00</b> | 100.00 |
| Sirius Management Eight GmbH                             | Germany     | <b>100.00</b> | 100.00 |
| Sirius Management Nine GmbH                              | Germany     | <b>100.00</b> | 100.00 |
| Sirius Management Ten GmbH                               | Germany     | <b>100.00</b> | 100.00 |
| Sirius Mannheim B.V.                                     | Netherlands | <b>100.00</b> | 100.00 |
| Sirius Narcissus GmbH & Co. KG                           | Germany     | <b>100.00</b> | n/a    |
| Sirius Oak B.V.                                          | Netherlands | <b>100.00</b> | 100.00 |
| Sirius One B.V.                                          | Netherlands | <b>100.00</b> | 100.00 |
| Sirius Orange B.V.                                       | Netherlands | <b>100.00</b> | 100.00 |
| Sirius Palm B.V.                                         | Netherlands | <b>100.00</b> | n/a    |
| Sirius Pear B.V.                                         | Netherlands | <b>100.00</b> | 100.00 |
| Sirius Pepper GmbH & Co. KG                              | Germany     | <b>100.00</b> | n/a    |
| Sirius Pine B.V.                                         | Netherlands | <b>100.00</b> | 100.00 |
| Sirius Tamarack B.V.                                     | Netherlands | <b>100.00</b> | 100.00 |
| Sirius Three B.V.                                        | Netherlands | <b>100.00</b> | 100.00 |
| Sirius Thyme B.V.                                        | Netherlands | <b>100.00</b> | n/a    |
| Sirius Tulip B.V.                                        | Netherlands | <b>100.00</b> | 100.00 |
| Sirius Two B.V.                                          | Netherlands | <b>100.00</b> | 100.00 |
| Sirius UK1 Ltd*                                          | UK          | <b>100.00</b> | n/a    |
| Sirius UK2 Ltd*                                          | UK          | <b>100.00</b> | n/a    |
| Sirius Willow B.V.                                       | Netherlands | <b>100.00</b> | 100.00 |
| Marba Bonn B.V.                                          | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Bremen B.V.                                        | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Brinkmann B.V.                                     | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Catalpa B.V.                                       | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Cedarwood B.V.                                     | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Chestnut B.V.                                      | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Dutch Holdings B.V.                                | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Foxglove B.V.                                      | Netherlands | <b>99.73</b>  | 99.73  |
| Marba HAG B.V.                                           | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Hornbeam B.V.                                      | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Königswinter B.V.                                  | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Maintal B.V.                                       | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Marigold B.V.                                      | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Merseburg B.V.                                     | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Mimosa B.V.                                        | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Regensburg B.V.                                    | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Saffron B.V.                                       | Netherlands | <b>99.73</b>  | 99.73  |
| Marba Troisdorf B.V.                                     | Netherlands | <b>99.73</b>  | 99.73  |
| Sirius Acerola GmbH & Co. KG                             | Germany     | <b>99.73</b>  | 99.73  |
| Sirius Almond GmbH & Co. KG                              | Germany     | <b>99.73</b>  | 99.73  |
| Sirius Bluebell GmbH & Co. KG                            | Germany     | <b>99.73</b>  | 99.73  |
| Sirius Cypress GmbH & Co. KG                             | Germany     | <b>99.73</b>  | 99.73  |
| Sirius Grape GmbH & Co. KG                               | Germany     | <b>99.73</b>  | 100.00 |
| Sirius Hibiscus GmbH & Co. KG                            | Germany     | <b>99.73</b>  | n/a    |
| Sirius Indigo GmbH & Co. KG                              | Germany     | <b>99.73</b>  | n/a    |
| Sirius Mayflower GmbH & Co. KG                           | Germany     | <b>99.73</b>  | n/a    |
| Sirius Oyster GmbH & Co. KG                              | Germany     | <b>99.73</b>  | n/a    |
| Sirius Administration One GmbH & Co KG                   | Germany     | <b>94.80</b>  | 94.80  |
| Sirius Administration Two GmbH & Co KG                   | Germany     | <b>94.80</b>  | 94.80  |
| Verwaltungsgesellschaft Gewerbepark Bilderstöckchen GmbH | Germany     | <b>94.15</b>  | 94.15  |

\* Subsidiary company directly held by the parent entity, Sirius Real Estate Limited.

Investment in associates which are accounted for with the equity method:

| Company name         | Country of incorporation | Ownership at 31 March 2022 % | Ownership at 31 March 2021 % |
|----------------------|--------------------------|------------------------------|------------------------------|
| DDS Daisy B.V.       | Netherlands              | 35.00                        | 35.00                        |
| DDS Edelweiss B.V.   | Netherlands              | 35.00                        | 35.00                        |
| DDS Lime B.V.        | Netherlands              | 35.00                        | 35.00                        |
| DDS Maple B.V.       | Netherlands              | 35.00                        | 35.00                        |
| Sirius Boxwood B.V.  | Netherlands              | 35.00                        | 35.00                        |
| Sirius Laburnum B.V. | Netherlands              | 35.00                        | 35.00                        |
| Sirius Orchid B.V.   | Netherlands              | 35.00                        | 35.00                        |

### 34. Post balance sheet events

The Group converted the UK business into a REIT with effect from 1 April 2022, resulting in the BizSpace Group no longer being subject to UK corporation tax on income from its property rental business, as well as on profits on disposals of assets.

On 29 October 2021, the Company notarised for the disposal of an asset in Magdeburg for a sale price of €13.8 million. The transaction completed on 1 April 2022.

On 1 May 2022, the Group completed the acquisition of an office building adjacent to and integrated into its existing business park in Potsdam. Total acquisition costs are expected to be €0.8 million. The property is 100% vacant and has a gross lettable area of 239 sqm.

On 16 May 2022 the Group notarised the sale of an asset in Camberwell, London, for £16.0 million (€18.9 million). The multi-tenanted business park, which comprises approx. 34,700 sq ft (3,224 sqm) of industrial and office space, is 91% occupied. The sale is expected to complete in July 2022.

## Business analysis (Unaudited Information)

### Non-IFRS measures

|                                                                                      | Year ended 31 March 2022<br>€000 | Year ended 31 March 2021<br>€000 |
|--------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| <b>Total profit for the year attributable to the owners of the Company</b>           | <b>147,873</b>                   | <b>147,451</b>                   |
| Gain on revaluation of investment properties                                         | (140,884)                        | (99,585)                         |
| Loss on disposal of properties (net of related tax)                                  | 623                              | 33                               |
| Recoveries from prior disposals of subsidiaries (net of related tax)                 | (94)                             | (65)                             |
| Add finance restructuring costs                                                      | 7,821                            | —                                |
| Goodwill impairment                                                                  | 40,906                           | —                                |
| Acquisition costs in relation to business combinations                               | 5,299                            | —                                |
| Change in fair value of derivative financial instruments                             | (996)                            | (136)                            |
| Deferred tax in respect of EPRA earnings adjustments                                 | 14,827                           | 14,180                           |
| NCI in respect of the above                                                          | 85                               | 82                               |
| Deduct revaluation surplus relating to investment in associates                      | (6,021)                          | (4,199)                          |
| Tax in relation to the above                                                         | 1,256                            | 872                              |
| <b>EPRA earnings</b>                                                                 | <b>70,695</b>                    | <b>58,633</b>                    |
| (Deduct)/add change in deferred tax relating to derivative financial instruments     | (203)                            | 79                               |
| Add change in fair value of derivative financial instruments                         | 996                              | 136                              |
| Deduct finance restructuring costs                                                   | (7,821)                          | —                                |
| Deduct acquisition costs in relation to business combinations                        | (5,299)                          | —                                |
| NCI in respect of the above                                                          | —                                | —                                |
| <b>Headline earnings after tax</b>                                                   | <b>58,368</b>                    | <b>58,848</b>                    |
| Deduct change in fair value of derivative financial instruments (net of related tax) | (793)                            | (215)                            |
| Deduct revaluation expense relating to leased investment properties                  | (5,572)                          | (4,325)                          |
| Add adjusting items <sup>(1)</sup> (net of related tax)                              | 19,122                           | 4,092                            |
| <b>Adjusted earnings after tax</b>                                                   | <b>71,125</b>                    | <b>58,400</b>                    |

(1) See note 12 to the financial statements.

For more information on EPRA earnings refer to Annex 1.

|                                            | Year ended 31 March 2022<br>€000 | Year ended 31 March 2021<br>€000 |
|--------------------------------------------|----------------------------------|----------------------------------|
| <b>EPRA earnings</b>                       | <b>70,695</b>                    | <b>58,633</b>                    |
| Weighted average number of ordinary shares | 1,097,082,162                    | 1,040,956,722                    |
| <b>EPRA earnings per share (cents)</b>     | <b>6.44</b>                      | <b>5.63</b>                      |
| <b>Headline earnings after tax</b>         | <b>58,368</b>                    | <b>58,848</b>                    |
| Weighted average number of ordinary shares | 1,097,082,162                    | 1,040,956,722                    |
| <b>Headline earnings per share (cents)</b> | <b>5.32</b>                      | <b>5.65</b>                      |
| <b>Adjusted earnings after tax</b>         | <b>71,125</b>                    | <b>58,400</b>                    |
| Weighted average number of ordinary shares | 1,097,082,162                    | 1,040,956,722                    |

## Geographical property analysis – owned investment properties

## Germany

|                      | No. of<br>owned<br>properties | Total sqm<br>000 | Occupancy    | Rate psqm<br>€ | Annualised<br>rent roll<br>€m | % of<br>portfolio by<br>annualised<br>rent roll | Value<br>€m <sup>(2)</sup> | Gross<br>yield | Net<br>yield | WALE<br>rent | WALE<br>sqm |
|----------------------|-------------------------------|------------------|--------------|----------------|-------------------------------|-------------------------------------------------|----------------------------|----------------|--------------|--------------|-------------|
| <b>March 2022</b>    |                               |                  |              |                |                               |                                                 |                            |                |              |              |             |
| Frankfurt            | 16                            | 371              | 88.5%        | 6.72           | 26.5                          | 23%                                             | 361.5                      | 7.3%           | 6.7%         | 2.6          | 2.6         |
| Berlin               | 4                             | 103              | 97.6%        | 7.82           | 9.5                           | 8%                                              | 162.4                      | 5.8%           | 5.7%         | 2.4          | 2.4         |
| Stuttgart            | 9                             | 331              | 87.3%        | 4.91           | 17.0                          | 15%                                             | 241.2                      | 7.1%           | 6.3%         | 3.5          | 3.8         |
| Cologne              | 7                             | 129              | 87.5%        | 8.01           | 10.8                          | 10%                                             | 155.4                      | 7.0%           | 6.5%         | 3.0          | 2.9         |
| Munich               | 3                             | 124              | 83.6%        | 8.17           | 10.2                          | 9%                                              | 197.8                      | 5.1%           | 5.0%         | 2.2          | 2.5         |
| Düsseldorf           | 15                            | 352              | 78.1%        | 5.59           | 18.4                          | 16%                                             | 248.9                      | 7.4%           | 6.2%         | 3.0          | 3.3         |
| Hamburg              | 4                             | 91               | 82.1%        | 5.13           | 4.6                           | 4%                                              | 61.8                       | 7.5%           | 6.4%         | 2.3          | 2.2         |
| Other                | 11                            | 284              | 76.9%        | 6.37           | 16.7                          | 15%                                             | 207.9                      | 8.0%           | 7.0%         | 3.3          | 3.2         |
| <b>Total Germany</b> | <b>69</b>                     | <b>1,785</b>     | <b>84.2%</b> | <b>6.31</b>    | <b>113.7</b>                  | <b>100%</b>                                     | <b>1,636.9</b>             | <b>6.9%</b>    | <b>6.2%</b>  | <b>2.9</b>   | <b>3.0</b>  |

## UK

|                   | No. of owned<br>properties | Total sqm<br>000 | Occupancy    | Rate psqm<br>€ <sup>(1)</sup> | Annualised<br>rent roll<br>€m <sup>(1)</sup> | % of<br>portfolio by<br>annualised<br>rent roll | Value<br>€m <sup>(2)</sup> | Net<br>yield | WALE<br>rent | WALE<br>sqm |
|-------------------|----------------------------|------------------|--------------|-------------------------------|----------------------------------------------|-------------------------------------------------|----------------------------|--------------|--------------|-------------|
| <b>March 2022</b> |                            |                  |              |                               |                                              |                                                 |                            |              |              |             |
| Midlands          | 11                         | 63               | 88.7%        | 11.81                         | 7.8                                          | 15%                                             | 63.6                       | 9.1%         | 0.6          | 1.3         |
| North             | 12                         | 77               | 93.7%        | 8.14                          | 7.1                                          | 13%                                             | 67.1                       | 8.0%         | 1.1          | 1.4         |
| North East        | 9                          | 59               | 90.4%        | 6.11                          | 3.9                                          | 7%                                              | 35.5                       | 6.4%         | 0.9          | 1.1         |
| North West        | 12                         | 85               | 92.2%        | 10.16                         | 9.5                                          | 18%                                             | 77.5                       | 9.2%         | 0.9          | 1.6         |
| South             | 11                         | 39               | 90.2%        | 27.24                         | 11.5                                         | 22%                                             | 101.5                      | 8.3%         | 0.9          | 1.8         |
| South East        | 8                          | 32               | 66.4%        | 19.37                         | 5.0                                          | 9%                                              | 46.4                       | 6.5%         | 0.8          | 1.6         |
| South West        | 9                          | 48               | 87.6%        | 16.39                         | 8.5                                          | 16%                                             | 60.2                       | 6.7%         | 1.1          | 1.7         |
| <b>Total UK</b>   | <b>72</b>                  | <b>403</b>       | <b>88.9%</b> | <b>12.39</b>                  | <b>53.3</b>                                  | <b>100%</b>                                     | <b>451.8</b>               | <b>8.0%</b>  | <b>0.8</b>   | <b>1.3</b>  |

(1) The Group's UK business charge licence customers an all inclusive rate, which includes an implicit element of service charge.

(2) Book value of owned investment properties including assets held for sale.

## Usage analysis

## Germany

| Usage                | Total<br>sqm     | % of total<br>sqm | Occupied<br>sqm  | % of occupied<br>sqm | Annualised<br>rent roll<br>€m | % of<br>annualised<br>rent roll | Vacant<br>sqm  | Rate psqm<br>€ |
|----------------------|------------------|-------------------|------------------|----------------------|-------------------------------|---------------------------------|----------------|----------------|
| Office               | 601,332          | 33.7%             | 478,571          | 31.8%                | 44.5                          | 39.2%                           | 122,761        | 7.76           |
| Storage              | 578,521          | 32.4%             | 482,271          | 32.1%                | 26.4                          | 23.2%                           | 96,250         | 4.57           |
| Production           | 372,855          | 20.9%             | 353,131          | 23.5%                | 20.0                          | 17.6%                           | 19,724         | 4.72           |
| Smartspace           | 101,915          | 5.7%              | 75,461           | 5.0%                 | 7.9                           | 6.9%                            | 26,454         | 8.71           |
| Other <sup>(1)</sup> | 130,653          | 7.3%              | 113,663          | 7.6%                 | 14.9                          | 13.1%                           | 16,990         | 10.90          |
| <b>Total Germany</b> | <b>1,785,276</b> | <b>100.0%</b>     | <b>1,503,097</b> | <b>100.0%</b>        | <b>113.7</b>                  | <b>100.0%</b>                   | <b>282,179</b> | <b>6.31</b>    |

## UK

| Usage                | Total<br>sqm   | % of total<br>sqm | Occupied<br>sqm | % of occupied<br>sqm | Annualised<br>rent roll<br>€m <sup>(3)</sup> | % of annualised<br>rent roll | Vacant<br>sqm | Rate psqm<br>€ <sup>(3)</sup> |
|----------------------|----------------|-------------------|-----------------|----------------------|----------------------------------------------|------------------------------|---------------|-------------------------------|
| Office               | 132,545        | 32.9%             | 104,470         | 29.1%                | 31.5                                         | 59.1%                        | 28,075        | 25.17                         |
| Workshop             | 261,090        | 64.7%             | 246,216         | 68.7%                | 20.3                                         | 38.0%                        | 14,874        | 6.85                          |
| Storage              | 2,082          | 0.5%              | 1,481           | 0.4%                 | 0.3                                          | 0.6%                         | 601           | 16.82                         |
| Other <sup>(2)</sup> | 7,753          | 1.9%              | 6,418           | 1.8%                 | 1.2                                          | 2.3%                         | 1,335         | 15.86                         |
| <b>Total UK</b>      | <b>403,470</b> | <b>100.0%</b>     | <b>358,585</b>  | <b>100.0%</b>        | <b>53.3</b>                                  | <b>100.0%</b>                | <b>44,885</b> | <b>12.39</b>                  |

(1) Other includes: catering, other usage, residential and technical space, land and car parking.

(2) Other includes: aeriels, car parking, retail units, yards, catering and residential.

(3) The Group's UK business charge licence customers an all inclusive rate, which includes an implicit element of service charge.

## Lease expiry profile of future minimum lease payments receivable under non-cancellable leases

## Germany by income

|                          | Office<br>€000 | Production<br>€000 | Storage<br>€000 | Smartspace<br>€000 | Other <sup>(1)</sup><br>€000 | Adjustments<br>in relation to<br>lease incentives<br>€000 | Total<br>€000  |
|--------------------------|----------------|--------------------|-----------------|--------------------|------------------------------|-----------------------------------------------------------|----------------|
| Less than 1 year         | 39,894         | 19,207             | 23,930          | 3,654              | 12,631                       | (1,057)                                                   | 98,259         |
| Between 1 and 5<br>years | 97,553         | 55,687             | 60,588          | 2,364              | 32,465                       | (484)                                                     | 248,173        |
| More than 5 years        | 21,593         | 15,922             | 13,764          | 71                 | 10,696                       | (5)                                                       | 62,041         |
| <b>Total</b>             | <b>159,040</b> | <b>90,816</b>      | <b>98,282</b>   | <b>6,089</b>       | <b>55,792</b>                | <b>(1,546)</b>                                            | <b>408,473</b> |

## Germany by sqm

|                       | Office<br>€000 | Production<br>€000 | Storage<br>€000 | Smartspace<br>€000 | Other <sup>(1)</sup><br>€000 | Total<br>sqm     |
|-----------------------|----------------|--------------------|-----------------|--------------------|------------------------------|------------------|
| Less than 1 year      | 133,037        | 74,472             | 136,439         | 63,694             | 19,436                       | 427,078          |
| Between 1 and 5 years | 280,668        | 213,157            | 281,559         | 11,518             | 70,914                       | 857,816          |
| More than 5 years     | 64,866         | 65,502             | 64,273          | 249                | 23,313                       | 218,203          |
| <b>Total</b>          | <b>478,571</b> | <b>353,131</b>     | <b>482,271</b>  | <b>75,461</b>      | <b>113,663</b>               | <b>1,503,097</b> |

(1) Other includes: catering, other usage, residential and technical space, land and car parking.

## UK by income

|                       | Office<br>€000 | Workshop<br>€000 | Storage<br>€000 | Other <sup>(2)</sup><br>€000 | Adjustments<br>in relation to<br>lease incentives<br>€000 | Total<br>€000 |
|-----------------------|----------------|------------------|-----------------|------------------------------|-----------------------------------------------------------|---------------|
| Less than 1 year      | 7,500          | 4,442            | 69              | 379                          | —                                                         | 12,390        |
| Between 1 and 5 years | 10,490         | 8,709            | —               | 9                            | —                                                         | 19,208        |
| More than 5 years     | 6,469          | 5,010            | —               | 1,378                        | —                                                         | 12,857        |
| <b>Total</b>          | <b>24,459</b>  | <b>18,161</b>    | <b>69</b>       | <b>1,766</b>                 | <b>—</b>                                                  | <b>44,455</b> |

## UK by sqm

|                       | Office<br>€000 | Workshop<br>€000 | Storage<br>€000 | Other <sup>(2)</sup><br>€000 | Total<br>sqm   |
|-----------------------|----------------|------------------|-----------------|------------------------------|----------------|
| Less than 1 year      | 81,962         | 172,694          | 1,481           | 6,416                        | 262,553        |
| Between 1 and 5 years | 16,184         | 58,852           | —               | —                            | 75,036         |
| More than 5 years     | 6,324          | 14,670           | —               | 2                            | 20,996         |
| <b>Total</b>          | <b>104,470</b> | <b>246,216</b>   | <b>1,481</b>    | <b>6,418</b>                 | <b>358,585</b> |

(2) Other includes: aeriels, car parking, retail units, yards, catering and residential.

The Group's UK business provides flexible leases that represent approximately 75% of annualised rent roll and conventional leases that represent 25% of annualised rent roll.

## Escalation profile per usage

### Germany

The Group's German business' primary source of revenue relates to leasing contracts with tenants. The Group's German business realises escalations as a result of renewals, inflation linked indexations and contractually agreed uplifts. Approximately 33.4% of contracts in place at 31 March 2022 are subject to contractual uplifts. The average contractual uplift over the coming twelve months split by usage is detailed as follows:

| Usage                | Increase in % |
|----------------------|---------------|
| Office               | 3.30%         |
| Storage              | 2.99%         |
| Production           | 3.20%         |
| Smartspace           | 2.18%         |
| Other <sup>(1)</sup> | 10.42%        |
| <b>Total</b>         | <b>3.27%</b>  |

(1) Other includes: catering, other usage, residential and technical space, land and car parking.

### UK

The Group's UK business' primary source of revenue relates to leasing contracts and licence fee agreements with tenants. The Group's UK business realises escalations as a result of renewals, inflation linked indexations and contractually agreed uplifts. Of the lease contracts in place at 31 March 2022, approximately 12.8% are subject to contractual uplifts. The average contractual lease contract uplifts over the coming twelve months split by usage is detailed as follows:

| Usage        | Increase in % |
|--------------|---------------|
| Office       | 9.80%         |
| Workshop     | 10.86%        |
| <b>Total</b> | <b>10.04%</b> |

## Property profile March 2022\*

### Germany

| Property and location | Total<br>sqm | Office<br>sqm | Storage<br>sqm | Production<br>sqm | Other <sup>(1)</sup><br>sqm | Rate psqm<br>€ |
|-----------------------|--------------|---------------|----------------|-------------------|-----------------------------|----------------|
| Rostock               | 18,632       | 8,228         | 1,569          | 6,606             | 2,229                       | 6.13           |
| Hanover               | 22,850       | 8,850         | 3,923          | 6,431             | 3,646                       | 6.28           |
| Mahlsdorf             | 29,333       | 11,592        | 10,796         | 1,963             | 4,982                       | 7.79           |
| Mahlsdorf II          | 12,736       | 5,765         | 1,262          | 1,906             | 3,803                       | 7.55           |
| Magdeburg             | 29,993       | 10,704        | 9,779          | 4,210             | 5,300                       | 5.19           |
| Gartenfeld            | 25,396       | 5,107         | 11,029         | 3,297             | 5,963                       | 8.52           |
| Neuruppin             | 22,959       | 1,403         | 7,629          | 13,133            | 794                         | 5.10           |
| Potsdam               | 35,864       | 12,372        | 12,555         | 4,956             | 5,981                       | 7.47           |

|                               |                  |                |                |                |                |             |
|-------------------------------|------------------|----------------|----------------|----------------|----------------|-------------|
| Schenefeld                    | 40,252           | 10,265         | 26,522         | 1,961          | 1,504          | 4.60        |
| Erfurt                        | 23,238           | 7,586          | 11,980         | —              | 3,672          | 3.45        |
| Dresden                       | 57,643           | 26,191         | 17,388         | 10,931         | 3,133          | 7.72        |
| Hamburg Lademannbogen         | 10,277           | 7,829          | 1,048          | —              | 1,400          | 9.84        |
| Buxtehude                     | 28,216           | 1,120          | 10,819         | 13,420         | 2,857          | 4.11        |
| Norderstedt                   | 12,627           | 3,052          | 7,507          | 173            | 1,895          | 5.32        |
| Neuss                         | 17,589           | 13,397         | 1,283          | 153            | 2,756          | 11.99       |
| Bonn                          | 10,586           | 4,531          | 2,412          | 477            | 3,166          | 7.88        |
| Bonn – Dransdorf              | 19,062           | 5,367          | 6,882          | 1,665          | 5,148          | 7.19        |
| Aachen I                      | 24,443           | 12,622         | 2,324          | 5,510          | 3,987          | 8.75        |
| Aachen II                     | 9,750            | 1,452          | 6,600          | 1,505          | 193            | 5.78        |
| Cologne                       | 30,263           | 2,672          | 12,578         | 2,709          | 12,304         | 4.93        |
| Wuppertal                     | 14,600           | 855            | 5,589          | 3,613          | 4,543          | 4.76        |
| Solingen                      | 13,333           | 2,475          | 4,409          | 4,924          | 1,525          | 2.67        |
| Düsseldorf – Sud              | 21,416           | 2,814          | 12,910         | 1,970          | 3,722          | 6.08        |
| Cölln Parc                    | 13,480           | 6,509          | 3,371          | 2,867          | 733            | 10.68       |
| Krefeld III                   | 9,668            | 4,916          | 3,344          | 924            | 484            | 8.05        |
| Düsseldorf II                 | 9,839            | 4,433          | 4,949          | —              | 457            | 7.66        |
| Oberhausen                    | 82,837           | 48,064         | 27,903         | 1,739          | 5,131          | 5.23        |
| Heiligenhaus                  | 44,485           | 21,999         | 7,453          | 12,467         | 2,566          | 3.81        |
| Essen II                      | 11,899           | 8,616          | 1,829          | 627            | 827            | 7.77        |
| Krefeld II                    | 6,101            | 2,893          | 325            | 2,171          | 712            | 7.45        |
| Krefeld                       | 11,322           | 7,453          | 2,545          | 592            | 732            | 8.49        |
| Cologne Porz                  | 21,087           | 15,083         | 2,416          | 279            | 3,309          | 11.39       |
| Bochum                        | 55,793           | 12,762         | 35,970         | 3,965          | 3,096          | 4.54        |
| Bochum II                     | 4,318            | 3,502          | 479            | 12             | 325            | 8.70        |
| Neuss II                      | 33,357           | 8,498          | 17,210         | 6,058          | 1,591          | 4.50        |
| Essen                         | 15,259           | 6,040          | 6,241          | 2,367          | 611            | 6.03        |
| Mannheim II                   | 14,551           | 6,555          | 4,122          | 586            | 3,288          | 6.01        |
| Mannheim III                  | 3,035            | 2,278          | 740            | —              | 17             | 6.65        |
| Neu-Isenburg                  | 8,250            | 5,752          | 1,244          | —              | 1,254          | 9.78        |
| Mannheim                      | 68,695           | 13,102         | 22,215         | 27,139         | 6,239          | 5.16        |
| Maintal                       | 36,999           | 7,231          | 14,718         | 8,289          | 6,761          | 6.44        |
| Maintal Mitte                 | 11,023           | 462            | 4,523          | 5,685          | 353            | 4.11        |
| Offenbach I                   | 15,044           | 3,641          | 2,414          | 2,351          | 6,638          | 6.31        |
| Pfungstadt                    | 32,662           | 6,707          | 12,300         | 9,786          | 3,869          | 5.37        |
| Kassel                        | 8,142            | 3,312          | 683            | 3,875          | 272            | 5.55        |
| Offenbach Carl Legien-Strasse | 45,175           | 9,761          | 9,307          | 17,649         | 8,458          | 5.60        |
| Frankfurt Röntgenstraße       | 5,496            | 3,957          | 444            | 36             | 1,059          | 11.62       |
| Saarbrücken                   | 46,827           | 30,116         | 10,012         | 820            | 5,879          | 8.42        |
| Alzenau                       | 66,511           | 27,681         | 7,450          | 24,087         | 7,293          | 6.55        |
| Frankfurt III                 | 10,320           | 7,849          | 1,391          | —              | 1,080          | 13.06       |
| Friedrichsdorf                | 17,536           | 6,793          | 5,250          | 2,763          | 2,730          | 6.98        |
| Dreieich                      | 12,886           | 7,404          | 2,929          | —              | 2,553          | 7.84        |
| Frankfurt                     | 4,260            | 2,260          | 484            | 68             | 1,448          | 10.72       |
| Wiesbaden                     | 18,364           | 14,334         | 1,369          | —              | 2,661          | 14.04       |
| Ludwigsburg                   | 28,233           | 7,522          | 9,788          | 3,837          | 7,086          | 6.25        |
| Nuremberg                     | 14,101           | 2,323          | 3,241          | 7,532          | 1,005          | 6.90        |
| Heidenheim                    | 46,877           | 8,240          | 15,458         | 13,981         | 9,198          | 4.24        |
| Stuttgart – Kirchheim         | 57,863           | 20,109         | 12,957         | 18,737         | 6,060          | 5.91        |
| Munich – Neuaubing            | 91,234           | 15,990         | 31,880         | 29,645         | 13,719         | 7.49        |
| Nabern II                     | 5,578            | 1,620          | 491            | 2,376          | 1,091          | 8.54        |
| Markgröningen                 | 57,673           | 4,532          | 30,794         | 20,341         | 2,006          | 3.44        |
| Fellbach                      | 27,055           | 2,493          | 16,207         | 340            | 8,015          | 5.33        |
| Fellbach II                   | 9,717            | 4,724          | 205            | —              | 4,788          | 5.78        |
| Öhringen                      | 18,650           | 1,859          | 7,425          | 8,784          | 582            | 4.76        |
| Frickenhausen                 | 27,876           | 6,515          | 6,534          | 12,680         | 2,147          | 5.50        |
| Freiburg Teningen             | 20,797           | 7,151          | 6,046          | 5,578          | 2,022          | 5.06        |
| Rastatt                       | 19,143           | 6,565          | 6,099          | 6,222          | 257            | n/a         |
| Neckartenzlingen              | 51,577           | 15,755         | 18,842         | 14,087         | 2,893          | 4.39        |
| Grasbrunn                     | 14,274           | 7,269          | 4,743          | —              | 2,262          | 11.42       |
| Hallbergmoos                  | 18,349           | 12,453         | 3,388          | —              | 2,508          | 9.86        |
| <b>Total</b>                  | <b>1,785,276</b> | <b>601,332</b> | <b>578,521</b> | <b>372,855</b> | <b>232,568</b> | <b>6.31</b> |

## UK

| Property and location        | Total<br>sqm | Office<br>sqm | Workshop<br>sqm | Storage<br>sqm | Other <sup>(2)</sup><br>sqm | Rate psqm<br>€ <sup>(3)</sup> |
|------------------------------|--------------|---------------|-----------------|----------------|-----------------------------|-------------------------------|
| Albion Mills Business Centre | 15,136       | 5,537         | 5,936           | 840            | 2,823                       | 8.59                          |
| Altrincham                   | 4,498        | 1,353         | 3,058           | —              | 87                          | 18.86                         |
| Ashford                      | 1,823        | 1,823         | —               | —              | —                           | 39.04                         |
| Barnsley                     | 6,637        | 545           | 5,930           | —              | 162                         | 7.72                          |
| Basingstoke                  | 11,086       | 10,957        | 26              | —              | 103                         | 24.22                         |
| Birmingham – Tyseley         | 12,643       | 924           | 10,124          | 1,242          | 353                         | 8.50                          |
| Bradford – Dudley Hill       | 10,998       | 810           | 10,170          | —              | 18                          | 7.34                          |

|                            |                |                |                |              |              |              |
|----------------------------|----------------|----------------|----------------|--------------|--------------|--------------|
| Bristol – Equinox          | 1,304          | 1,303          | —              | —            | 1            | 41.68        |
| Bury                       | 3,911          | 3,911          | —              | —            | —            | 14.31        |
| Camberwell – Lilford       | 3,224          | 1,361          | 1,788          | —            | 75           | 15.37        |
| Camberwell – Lomond        | 2,004          | 1,224          | 757            | —            | 23           | 32.71        |
| Cardiff                    | 4,110          | 4,110          | —              | —            | —            | 29.67        |
| Cheadle                    | 1,666          | 1,637          | —              | —            | 29           | 36.73        |
| Christchurch               | 2,663          | 2,058          | 605            | —            | —            | 28.37        |
| Consett                    | 3,094          | —              | 3,094          | —            | —            | 4.69         |
| Coventry                   | 1,622          | 1,622          | —              | —            | —            | 17.51        |
| Design Works               | 4,921          | 3,521          | 1,325          | —            | 75           | 15.03        |
| Didcot                     | 1,021          | 510            | 510            | —            | 1            | 29.96        |
| Dinnington                 | 3,647          | 999            | 2,648          | —            | —            | 9.81         |
| Doncaster                  | 3,106          | 3,052          | 12             | —            | 42           | 22.20        |
| Dorking                    | 2,148          | 1,406          | 715            | —            | 27           | 40.79        |
| Egham                      | 996            | 926            | 69             | —            | 1            | 31.11        |
| Fareham                    | 1,758          | 1,758          | —              | —            | —            | 45.08        |
| Gateshead                  | 13,160         | —              | 11,965         | —            | 1,195        | 3.32         |
| Gloucester                 | 21,411         | 3,143          | 18,149         | —            | 119          | 5.49         |
| Gloucester – Barnwood      | 3,402          | 3,378          | 24             | —            | —            | 35.08        |
| Hartlepool – Oakesway      | 2,585          | —              | 2,585          | —            | —            | 2.57         |
| Hebburn                    | 5,463          | —              | 5,462          | —            | 1            | 7.00         |
| Hemel Hempstead            | 4,381          | 4,380          | —              | —            | 1            | 28.69        |
| Hooton                     | 1,383          | 1,230          | 152            | —            | 1            | 23.63        |
| Hove                       | 2,963          | 2,194          | 732            | —            | 37           | 29.51        |
| Huddersfield – Linthwaite  | 2,365          | —              | 2,364          | —            | 1            | 7.00         |
| Ipswich                    | 7,155          | 7,155          | —              | —            | —            | —            |
| Leeds – Brooklands         | 2,133          | 2,042          | 32             | —            | 59           | 20.61        |
| Leeds – Wortley            | 3,734          | —              | 3,733          | —            | 1            | 6.65         |
| Letchworth                 | 3,090          | 2,427          | 661            | —            | 2            | 14.55        |
| Littlehampton              | 1,998          | 1,998          | —              | —            | —            | 37.13        |
| London – Colney            | 1,804          | 1,767          | 36             | —            | 1            | 28.13        |
| M25 Business Centre        | 3,285          | 2,154          | 1,084          | —            | 47           | 35.87        |
| Maidstone                  | 1,644          | 1,643          | —              | —            | 1            | 37.45        |
| Manchester – Trafford Park | 8,695          | —              | 8,694          | —            | 1            | 8.33         |
| Manchester – Newton Heath  | 5,884          | 2,348          | 3,393          | —            | 143          | 14.49        |
| Manchester – Old Trafford  | 4,577          | 1,344          | 3,091          | —            | 142          | 22.79        |
| Milton Keynes              | 3,654          | 3,592          | 14             | —            | 48           | 27.39        |
| New Addington – Croydon    | 6,540          | 381            | 6,158          | —            | 1            | 13.28        |
| Newcastle – Amber Court    | 4,297          | 4,297          | —              | —            | —            | 20.19        |
| Northampton – K2           | 4,706          | 74             | 4,631          | —            | 1            | 11.71        |
| Northampton – KG           | 12,911         | 910            | 11,952         | —            | 49           | 8.86         |
| Nottingham – Arnold        | 5,444          | 1,373          | 4,057          | —            | 14           | 8.68         |
| Nottingham – Park Row      | 4,459          | 4,409          | —              | —            | 50           | 23.60        |
| Nottingham – Roden         | 5,291          | 9              | 5,252          | —            | 30           | 7.01         |
| Oldham – Hollinwood        | 5,525          | 5,447          | 49             | —            | 29           | 20.72        |
| Perivale                   | 2,132          | 526            | 1,605          | —            | 1            | 27.91        |
| Peterlee                   | 18,603         | —              | 18,602         | —            | 1            | 3.93         |
| Poole                      | 6,735          | 6,586          | —              | —            | 149          | 25.22        |
| Preston                    | 5,340          | 1,855          | 3,484          | —            | 1            | 14.82        |
| Rochdale – Fieldhouse      | 22,903         | 483            | 22,418         | —            | 2            | 3.69         |
| Rochdale – Moss Mill       | 16,321         | 14             | 16,244         | —            | 63           | 3.96         |
| Rotherham                  | 4,504          | 1,361          | 3,112          | —            | 31           | 12.84        |
| Sandy Business Park        | 9,261          | 108            | 9,152          | —            | 1            | 8.08         |
| Sheffield – Cricket        | 1,928          | —              | 1,928          | —            | —            | 8.53         |
| Shipley                    | 2,238          | 2,238          | —              | —            | —            | 12.95        |
| Solihull                   | 1,715          | 1,715          | —              | —            | —            | 49.25        |
| Stanley                    | 3,776          | —              | 3,776          | —            | —            | 5.12         |
| Stoke                      | 5,119          | —              | 5,118          | —            | 1            | 6.49         |
| Sunderland – North Sands   | 2,819          | 2,818          | —              | —            | 1            | 16.75        |
| Swindon                    | 6,834          | 339            | 6,420          | —            | 75           | 14.04        |
| Theale                     | 2,857          | 2,800          | —              | —            | 57           | 53.99        |
| Wakefield                  | 20,634         | 620            | 18,443         | —            | 1,571        | 4.46         |
| Warrington – Craven Court  | 3,830          | —              | 3,830          | —            | —            | 9.71         |
| Wimbledon                  | 3,031          | 1,459          | 1,569          | —            | 3            | 37.60        |
| Wolverhampton – Willenhall | 4,935          | 581            | 4,352          | —            | 2            | 8.92         |
| <b>Total</b>               | <b>403,470</b> | <b>132,545</b> | <b>261,090</b> | <b>2,082</b> | <b>7,753</b> | <b>12.39</b> |

\* Excluding commercial leased investment properties.

(1) Other includes: Smartspace, catering, other usage, residential and technical space, land and car parking.

(2) Other includes: aeriels, car parking, retail units, yards, catering and residential.

(3) The Group's UK business charge licence customers an all inclusive rate, which includes an implicit element of service charge.

# Annex 1– Non-IFRS Measures

## Basis of preparation

The Directors of Sirius Real Estate Limited (“Sirius”) have chosen to disclose additional non-IFRS measures; these include EPRA earnings, adjusted net asset value, EPRA net reinstatement value, EPRA net tangible assets, EPRA net disposal value, adjusted profit before tax and funds from operations (collectively “Non-IFRS Financial Information”).

The Directors have chosen to disclose:

- EPRA earnings in order to assist in comparisons with similar businesses in the real estate sector. EPRA earnings is a definition of earnings as set out by the European Public Real Estate Association. EPRA earnings represents earnings after adjusting for the revaluation of investment properties, changes in fair value of derivative financial instruments, gains and losses on disposals of properties (including tax), recoveries from prior disposals of subsidiaries, refinancing costs, goodwill impairment, acquisition costs in relation to business combinations, exit fees and prepayment penalties (collectively the “EPRA earnings adjustments”), deferred tax in respect of the EPRA earnings adjustments, NCI relating to gain on revaluation and gain on sale of properties (including tax), revaluation gain on investment property relating to associates and the related tax thereon. The reconciliation between basic and diluted earnings and EPRA earnings is detailed in table A below.
- Adjusted net asset value in order to assist in comparisons with similar businesses. Adjusted net asset value represents net asset value after adjusting for derivative financial instruments at fair value and deferred tax relating to valuation movements, derivative financial instruments and LTIP valuation. The reconciliation for adjusted net asset value is detailed in table B below.
- EPRA net reinstatement value (“EPRA NRV”) in order to assist in comparisons with similar businesses in the real estate sector. EPRA NRV is a definition of net asset value as set out by the European Public Real Estate Association. EPRA NRV represents net asset value after adjusting for derivative financial instruments at fair value, deferred tax relating to valuation movements and derivatives and real estate transfer tax presented in the Valuation Certificate (for the entire consolidated Group including wholly owned entities and investment in associates). The reconciliation for EPRA NRV is detailed in table C below.
- EPRA net tangible assets (“EPRA NTA”) in order to assist in comparisons with similar businesses in the real estate sector. EPRA NTA is a definition of net asset value as set out by the European Public Real Estate Association. EPRA NTA represents net asset value after adjusting for derivative financial instruments at fair value, deferred tax relating to valuation movements (excluding that relating to assets held for sale) and derivatives, goodwill and intangible assets as per the note reference in the consolidated statement of financial position (for the entire consolidated Group including wholly owned entities and investment in associates). The reconciliation for EPRA NTA is detailed in table C below.
- EPRA net disposal value (“EPRA NDV”) in order to assist in comparisons with similar businesses in the real estate sector. EPRA NDV is a definition of net asset value as set out by the European Public Real Estate Association. EPRA NDV represents net asset value after adjusting for goodwill as per the note reference in the consolidated statement of financial position and the fair value of fixed interest rate debt (for the entire consolidated Group including wholly owned entities and investment in associates). The reconciliation for EPRA NDV is detailed in table C below.
- Adjusted profit before tax in order to provide an alternative indication of Sirius Real Estate Limited and its subsidiaries’ (the “Group”) underlying business performance. Accordingly, it excludes the effect of the gain on revaluation of investment properties, goodwill impairment, other adjusting items, gains/losses on sale of properties, change in fair value of financial derivatives, recoveries from prior disposals of subsidiaries, revaluation gain on investment property relating to associates and related tax and includes the deficit on revaluation relating to leased investment properties. The reconciliation for adjusted profit before tax is detailed in table D below.
- Funds from operations in order to assist in comparisons with similar businesses and to facilitate the Group’s dividend policy which is derived from funds from operations. Accordingly, funds from operations excludes depreciation and amortisation (excluding depreciation relating to IFRS 16), net foreign exchange differences, amortisation of financing fees, adjustment in respect of IFRS 16 and current tax excluding tax on disposals. The reconciliation for funds from operations is detailed in table D below.

The Non-IFRS Financial Information is presented in accordance with the JSE Listing Requirements and the guide on pro forma financial information issued by SAICA. The Non-IFRS Financial Information is the responsibility of the Directors. The Non-IFRS Financial Information has been presented for illustrative purposes and, due to its nature, may not fairly present the Group’s financial position or result of operations.

Ernst & Young Inc have issued a reporting accountant report on the Non-IFRS Financial Information for the year ended 31 March 2022 which is available for inspection at the Group’s registered office. The starting point for all the Non-IFRS Financial Information has been extracted from the Group’s consolidated financial statements for the year ended 31 March 2022 (the “consolidated financial statements”).

**Table A – EPRA earnings**

|                                                                                 | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|---------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Basic and diluted earnings attributable to owners of the Company <sup>(1)</sup> | 147,873                             | 147,451                             |
| Gain on revaluation of investment properties <sup>(2)</sup>                     | (140,884)                           | (99,585)                            |
| Add loss on disposal of properties (including tax) <sup>(3)</sup>               | 623                                 | 33                                  |
| Deduct recoveries from prior disposals of subsidiaries <sup>(4)</sup>           | (94)                                | (65)                                |
| Refinancing costs, exit fees and prepayment penalties <sup>(5)</sup>            | 7,821                               | —                                   |
| Goodwill impairment <sup>(6)</sup>                                              | 40,906                              | —                                   |
| Acquisition costs in relation to business combinations <sup>(7)</sup>           | 5,299                               | —                                   |
| Change in fair value of derivative financial instruments <sup>(8)</sup>         | (996)                               | (136)                               |
| Deferred tax in respect of EPRA earnings adjustments <sup>(9)</sup>             | 14,827                              | 14,180                              |

|                                                                                                       |               |               |
|-------------------------------------------------------------------------------------------------------|---------------|---------------|
| NCI in respect of the above <sup>(10)</sup>                                                           | 85            | 82            |
| Deduct revaluation gain on investment property relating to associates <sup>(11)</sup>                 | (6,021)       | (4,199)       |
| Tax in relation to the revaluation gain on investment property relating to associates <sup>(12)</sup> | 1,256         | 872           |
| <b>EPRA earnings<sup>(13)</sup></b>                                                                   | <b>70,695</b> | <b>58,633</b> |

Notes:

- (1) Presents the profit attributable to owners of the Company which has been extracted from the consolidated income statement within the consolidated financial statements.
- (2) Presents the gain on revaluation of investment properties which has been extracted from the consolidated income statement within the consolidated financial statements.
- (3) Presents the gain or loss on disposal of properties (including tax) which has been extracted from note 11 within the consolidated financial statements.
- (4) Presents the recoveries from prior disposals of subsidiaries which has been extracted from the consolidated income statement within the consolidated financial statements.
- (5) Presents the refinancing costs, exit fees and prepayment penalties which have been extracted from note 10 within the consolidated financial statements.
- (6) Presents the goodwill impairment which has been extracted from the consolidated income statement within the consolidated financial statements (2021: €nil).
- (7) Presents the acquisition costs in relation to business combinations which have been extracted from note 4 within the consolidated financial statements (2021: €nil).
- (8) Presents the change in fair value of derivative financial instruments which has been extracted from the consolidated income statement within the consolidated financial statements.
- (9) Presents deferred tax relating to origination and reversal of temporary differences of the EPRA earnings adjustments which has been extracted from note 11 within the consolidated financial statements.
- (10) Presents the non-controlling interest relating to gain on revaluation and gain or loss on disposal of properties (including tax) which has been extracted from note 12 within the consolidated financial statements.
- (11) Presents the revaluation gain on investment property relating to associates which has been extracted from note 12 within the consolidated financial statements.
- (12) Presents tax in relation to the revaluation gain on investment property relating to associates which has been extracted from note 12 within the consolidated financial statements.
- (13) Presents the EPRA earnings for the year.

**Table B – Adjusted net asset value**

|                                                                                                                       | 31 March 2022<br>€000 | 31 March 2021<br>€000 |
|-----------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Net asset value</b>                                                                                                |                       |                       |
| Net asset value for the purpose of assets per share (assets attributable to the owners of the Company) <sup>(1)</sup> | 1,190,652             | 926,533               |
| Deferred tax liabilities/(assets) (see note 11) <sup>(2)</sup>                                                        | 75,893                | 56,331                |
| Derivative financial instruments at fair value <sup>(3)</sup>                                                         | (329)                 | 1,141                 |
| <b>Adjusted net asset value attributable to owners of the Company<sup>(4)</sup></b>                                   | <b>1,266,216</b>      | <b>984,005</b>        |

Notes:

- (1) Presents the net asset value for the purpose of assets per share (assets attributable to the owners of the Company) which has been extracted from the consolidated statement of financial position within the consolidated financial statements.
- (2) Presents deferred tax liabilities which have been extracted from the consolidated statement of financial position within the consolidated financial statements.

Notes continued

- (3) Presents current derivative financial instrument assets of €329,000 (2021: €70,000) less current derivative financial instrument liabilities of €nil (2021: €414,000) less non-current derivative financial instrument liabilities of €nil (2021: €797,000) which have been extracted from the consolidated statement of financial position within the consolidated financial statements.
- (4) Presents the adjusted net asset value attributable to the owners of the Company as at year end.

**Table C – EPRA net asset measures**

| 31 March 2022                                                       | EPRA NRV<br>€000 | EPRA NTA<br>€000 | EPRA NDV<br>€000 |
|---------------------------------------------------------------------|------------------|------------------|------------------|
| Net asset value as at year end (basic) <sup>(1)</sup>               | 1,190,652        | 1,190,652        | 1,190,652        |
| <b>Diluted EPRA net asset value at fair value</b>                   | <b>1,190,652</b> | <b>1,190,652</b> | <b>1,190,652</b> |
| <b>Group</b>                                                        |                  |                  |                  |
| Derivative financial instruments at fair value <sup>(2)</sup>       | (329)            | (329)            | n/a              |
| Deferred tax in respect of EPRA earnings adjustments <sup>(3)</sup> | 75,893           | 75,566*          | n/a              |
| Goodwill as per note 17 <sup>(4)</sup>                              | n/a              | —                | —                |
| Intangibles as per note 17 <sup>(5)</sup>                           | n/a              | (4,283)          | n/a              |
| Fair value of fixed interest rate debt <sup>(6)</sup>               | n/a              | n/a              | (22,229)         |
| Real estate transfer tax <sup>(7)</sup>                             | 160,692          | n/a              | n/a              |
| <b>Investment in associate</b>                                      |                  |                  |                  |
| Deferred tax in respect of EPRA earnings adjustments <sup>(3)</sup> | 6,563            | 6,563*           | n/a              |
| Fair value of fixed interest rate debt <sup>(6)</sup>               | n/a              | n/a              | 2,196            |
| Real estate transfer tax <sup>(7)</sup>                             | 9,147            | n/a              | n/a              |
| <b>Total EPRA NRV, NTA and NDV<sup>(8)</sup></b>                    | <b>1,442,618</b> | <b>1,268,169</b> | <b>1,170,619</b> |

| 31 March 2021                                                       | EPRA NRV<br>€000 | EPRA NTA<br>€000 | EPRA NDV<br>€000 |
|---------------------------------------------------------------------|------------------|------------------|------------------|
| Net asset value as at year end (basic) <sup>(1)</sup>               | 926,533          | 926,533          | 926,533          |
| <b>Diluted EPRA net asset value at fair value</b>                   | <b>926,533</b>   | <b>926,533</b>   | <b>926,533</b>   |
| <b>Group</b>                                                        |                  |                  |                  |
| Derivative financial instruments at fair value <sup>(2)</sup>       | 1,141            | 1,141            | n/a              |
| Deferred tax in respect of EPRA earnings adjustments <sup>(3)</sup> | 56,331           | 56,331*          | n/a              |

|                                                                     |                  |                |                |
|---------------------------------------------------------------------|------------------|----------------|----------------|
| Goodwill as per note 17 <sup>(4)</sup>                              | n/a              | (3,738)        | (3,738)        |
| Intangibles as per note 17 <sup>(5)</sup>                           | n/a              | (2,830)        | n/a            |
| Fair value of fixed interest rate debt <sup>(6)</sup>               | n/a              | n/a            | (3,556)        |
| Real estate transfer tax <sup>(7)</sup>                             | 106,274          | n/a            | n/a            |
| <b>Investment in associate</b>                                      |                  |                |                |
| Deferred tax in respect of EPRA earnings adjustments <sup>(3)</sup> | 5,212            | 5,212*         | n/a            |
| Fair value of fixed interest rate debt <sup>(6)</sup>               | n/a              | n/a            | (1,772)        |
| Real estate transfer tax <sup>(7)</sup>                             | 6,772            | n/a            | n/a            |
| <b>Total EPRA NRV, NTA and NDV<sup>(8)</sup></b>                    | <b>1,102,263</b> | <b>982,649</b> | <b>917,467</b> |

\* The Company intends to hold and does not intend in the long term to sell any of the investment properties and has excluded such deferred taxes for the whole portfolio as at year end except for deferred tax in relation to assets held for sale.

Notes:

- (1) Presents the net asset value for the purpose of assets per share (assets attributable to the owners of the Company) which has been extracted from the consolidated statement of financial position within the consolidated financial statements.
- (2) Presents current derivative financial instrument assets of €329,000 (2021: €70,000) less current derivative financial instrument liabilities of €nil (2021: €414,000) less non-current derivative financial instrument liabilities of €nil (2021: €797,000) which have been extracted from the consolidated statement of financial position within the consolidated financial statements.
- (3) Presents for the Group the deferred tax liabilities which have been extracted from note 11 within the consolidated financial statements and for EPRA NTA only the additional credit adjustment for the deferred tax expense relating to assets held for sale of €327,000 (2021: €nil). For investment in associates the deferred tax expense arising on revaluation gains amounted to €6,563,000 (2021: €5,212,000).
- (4) Presents the net book value of goodwill which has been extracted from note 17 within the consolidated financial statements.
- (5) Presents the net book value of software and licences with definite useful life which has been extracted from note 17 within the consolidated financial statements.

Notes continued

- (6) Presents the fair value of financial liabilities and assets on the statement of financial position, net of any related deferred tax.
- (7) Presents the add-back of purchasers' costs in order to reflect the value prior to any deduction of purchasers' costs, as shown in the Valuation Certificate of Cushman & Wakefield LLP.
- (8) Presents the EPRA NRV, EPRA NTA and EPRA NDV, respectively, as at year end.

#### Table D – Adjusted profit before tax and funds from operations

|                                                                                               | Year ended<br>31 March 2022<br>€000 | Year ended<br>31 March 2021<br>€000 |
|-----------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Reported profit before tax<sup>(1)</sup></b>                                               | <b>168.9</b>                        | <b>163.7</b>                        |
| Adjustments for:                                                                              |                                     |                                     |
| Gain on revaluation of investment properties <sup>(2)</sup>                                   | (140.9)                             | (99.6)                              |
| Deficit on revaluation relating to leased investment properties <sup>(3)</sup>                | (5.6)                               | (4.3)                               |
| Loss/(gain) on disposals of properties <sup>(4)</sup>                                         | 0.6                                 | (0.1)                               |
| Recoveries from prior disposals of subsidiaries <sup>(5)</sup>                                | (0.1)                               | (0.1)                               |
| Deduct revaluation gain on investment property from associates and related tax <sup>(6)</sup> | (4.8)                               | (3.3)                               |
| Other adjusting items <sup>(7)</sup>                                                          | 19.1                                | 4.1                                 |
| Goodwill impairment <sup>(8)</sup>                                                            | 40.9                                | —                                   |
| Change in fair value of financial derivatives <sup>(9)</sup>                                  | (1.0)                               | (0.1)                               |
| <b>Adjusted profit before tax<sup>(10)</sup></b>                                              | <b>77.1</b>                         | <b>60.3</b>                         |
| Adjustments for:                                                                              |                                     |                                     |
| Foreign exchange effects <sup>(11)</sup>                                                      | (1.9)                               | —                                   |
| Depreciation and amortisation (excluding depreciation relating to IFRS 16) <sup>(12)</sup>    | 2.3                                 | 1.6                                 |
| Amortisation of financing fees <sup>(13)</sup>                                                | 2.6                                 | 1.7                                 |
| Adjustment in respect of IFRS 16 <sup>(14)</sup>                                              | 0.6                                 | (0.9)                               |
| Current taxes incurred (see note 11) <sup>(15)</sup>                                          | (6.1)                               | (1.9)                               |
| Add back current tax relating to disposals <sup>(16)</sup>                                    | —                                   | 0.1                                 |
| <b>Funds from operations<sup>(17)</sup></b>                                                   | <b>74.6</b>                         | <b>60.9</b>                         |

Notes:

- (1) Presents profit before tax which has been extracted from the consolidated income statement within the consolidated financial statements.
- (2) Presents the gain on revaluation of investment properties which has been extracted from the consolidated income statement within the consolidated financial statements.
- (3) Presents the deficit on revaluation relating to capitalised head leases which has been extracted from note 14 within the consolidated financial statements.
- (4) Presents the gain or loss on disposal of properties which has been extracted from the consolidated income statement within the consolidated financial statements.
- (5) Presents the recoveries from prior disposals of subsidiaries which has been extracted from the consolidated income statement within the consolidated financial statements.
- (6) Presents the revaluation gain on investment property relating to associates and related tax which has been extracted from note 12 within the consolidated financial statements.
- (7) Presents the total adjusting items which has been extracted from note 12 within the consolidated financial statements.
- (8) Presents the goodwill impairment which has been extracted from the consolidated income statement within the consolidated financial statements.
- (9) Presents the change in fair value of derivative financial instruments which has been extracted from the consolidated income statement within the consolidated financial statements.
- (10) Presents the adjusted profit before tax for the year.
- (11) Presents the net foreign exchange gains as included in other administration costs in note 7 within the consolidated financial statements (2021: €nil).
- (12) Presents depreciation of plant and equipment and amortisation of intangible assets which have been extracted from note 7 within the consolidated financial statements.
- (13) Presents amortisation of capitalised finance costs which has been extracted from note 10 within the consolidated financial statements.
- (14) Presents the differential between the expense recorded in the consolidated income statement for the year relating to head leases in accordance with IFRS 16 amounting to €6.9 million (2021: €5.1 million) and the actual cash expense recorded in the consolidated statement of cash flows for the year amounting to €6.3 million (2021: €6.0 million).

(15) Presents the total current income tax which has been extracted from note 11 within the consolidated financial statements.

(16) Presents the current income tax charge relating to disposals of investment properties which has been extracted from note 11 within the consolidated financial statements.

(17) Presents the funds from operations for the year.

## Glossary of terms

|                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Adjusted earnings</b>                           | is the earnings attributable to the owners of the Company, excluding the effect of adjusting items net of related tax, gains/losses on sale of properties net of related tax, the revaluation deficits/surpluses on the investment properties (also to associates) net of related tax, profits and losses on disposals of properties net of related tax, changes in fair value of derivative financial instruments net of related tax, recoveries from prior disposals of subsidiaries net of related tax, finance restructuring costs net of related tax and adjustment on revaluation expense relating to leased investment properties                                                                                                                                                           |
| <b>Adjusted net asset value</b>                    | is the assets attributable to the equity owners of the Company adjusted for derivative financial instruments at fair value and deferred tax arising on revaluation gain, derivative financial instruments and LTIP valuation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Adjusted profit before tax</b>                  | is the reported profit before tax adjusted for gain on revaluation of investment properties, gains/losses on sale of properties, changes in fair value of derivative financial instruments, other adjusting items, goodwill impairment, recoveries from prior disposals of subsidiaries, revaluation gain on investment property relating to associates and related tax                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Annualised acquisition net operating income</b> | is the income generated by a property less directly attributable costs at the date of acquisition expressed in annual terms. Please see “annualised rent roll” definition below for further explanatory information                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Annualised acquisition rent roll</b>            | is the contracted rental income of a property at the date of acquisition expressed in annual terms. Please see “annualised rent roll” definition below for further explanatory information                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Annualised rent roll</b>                        | is the contracted rental income of a property at a specific reporting date expressed in annual terms. Unless stated otherwise the reporting date is 31 March 2022. Annualised rent roll should not be interpreted nor used as a forecast or estimate. Annualised rent roll differs from rental income described in note 5 of the Annual Report and reported within revenue in the consolidated income statement for reasons including:<br>annualised rent roll represents contracted rental income at a specific point in time expressed in annual terms;<br>rental income as reported within revenue represents rental income recognised in the period under review; and<br>rental income as reported within revenue includes accounting adjustments including those relating to lease incentives |
| <b>Capital value</b>                               | is the market value of a property divided by the total sqm of a property                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Cumulative total return</b>                     | is the return calculated by combining the movement in investment property value net of capex with the total net operating income less bank interest over a specified period of time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>EPRA earnings</b>                               | is earnings after adjusting the revaluation of investment properties, changes in fair value of derivative financial instruments, gains and losses on disposals of properties (net of related tax), recoveries from prior disposals of subsidiaries (net of related tax), refinancing costs, goodwill impairment, acquisition costs in relation to business combinations, exit fees and prepayment penalties (collectively the “EPRA earnings adjustments”), deferred tax in                                                                                                                                                                                                                                                                                                                        |

respect of the EPRA earnings adjustments, NCI relating to gain on revaluation and gain on sale of properties net of related tax, revaluation gain on investment property relating to associates and the related tax thereon

|                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>EPRA net reinstatement value</b>                 | is the net asset value after adjusting for derivative financial instruments at fair value, deferred tax relating to valuation movements and derivatives and real estate transfer tax presented in the Valuation Certificate, including the amounts of the above related to the investment in associates                                                                                                                                             |
| <b>EPRA net tangible assets</b>                     | is the net asset value after adjusting for derivative financial instruments at fair value, deferred tax relating to valuation movements (just for the part of the portfolio that the Company intends to hold should be excluded) and derivatives, goodwill and intangible assets as per the note reference in the consolidated statement of financial position, including the amounts of the above related to the investment in associates          |
| <b>EPRA net disposal value</b>                      | is the net asset value after adjusting for goodwill as per the note reference in the consolidated statement of financial position and the fair value of fixed interest rate debt, including the amounts of the above related to the investment in associates                                                                                                                                                                                        |
| <b>EPRA net initial yield</b>                       | is the annualised rent roll based on the cash rents passing at the statement of financial position date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs                                                                                                                                                                                                |
| <b>EPRA net yield</b>                               | is the net operating income generated by a property expressed as a percentage of its value plus purchase costs                                                                                                                                                                                                                                                                                                                                      |
| <b>ERV</b>                                          | is the estimated rental value which is the annualised rental income at 100% occupancy                                                                                                                                                                                                                                                                                                                                                               |
| <b>Funds from operations</b>                        | is adjusted profit before tax adjusted for depreciation and amortisation (excluding depreciation relating to IFRS 16), amortisation of financing fees, net foreign exchange gains, adjustment in respect of IFRS 16 and current tax excluding tax on disposals                                                                                                                                                                                      |
| <b>Geared IRR</b>                                   | is an estimate of the rate of return taking into consideration debt                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Gross loan to value ratio</b>                    | is the ratio of principal value of total debt to the aggregated value of investment property                                                                                                                                                                                                                                                                                                                                                        |
| <b>Like for like</b>                                | refers to the manner in which metrics are subject to adjustment in order to make them directly comparable. Like-for-like adjustments are made in relation to annualised rent roll, rate and occupancy and eliminate the effect of asset acquisitions and disposals that occur in the reporting period                                                                                                                                               |
| <b>Net loan to value ratio</b>                      | is the ratio of principal value of total debt less cash, excluding that which is restricted, to the aggregate value of investment property                                                                                                                                                                                                                                                                                                          |
| <b>Net operating income</b>                         | is the rental and other income from investment properties generated by a property less directly attributable costs                                                                                                                                                                                                                                                                                                                                  |
| <b>Net yield</b>                                    | is the net operating income generated by a property expressed as a percentage of its value                                                                                                                                                                                                                                                                                                                                                          |
| <b>Occupancy</b>                                    | is the percentage of total lettable space occupied as at reporting date                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Operating cash flow on investment (geared)</b>   | is an estimate of the rate of return based on operating cash flows and taking into consideration debt                                                                                                                                                                                                                                                                                                                                               |
| <b>Operating cash flow on investment (ungeared)</b> | is an estimate of the rate of return based on operating cash flows                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Operating profit</b>                             | is the net operating income adjusted for gain on revaluation of investment properties, loss on disposal of properties, recoveries from prior disposals of subsidiaries, administrative expenses, goodwill impairment and share of profit of associates                                                                                                                                                                                              |
| <b>Rate</b>                                         | for the German portfolio is rental income per sqm expressed on a monthly basis as at a specific reporting date<br>for the UK portfolio is rental income (includes estimated service charge element) per sqm expressed on a monthly basis as at a specific reporting date in Euro<br>for the UK portfolio is rental income (includes estimated service charge element) per sq ft expressed on an annual basis as at a specific reporting date in GBP |
| <b>Senior Management Team</b>                       | as set out on page 70 of the Group's Annual Report and Accounts 2022                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Total debt</b>                                   | is the aggregate amount of the Company's interest-bearing loans and borrowings                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Total shareholder accounting return</b>          | is the return obtained by a shareholder calculated by combining both movements in adjusted NAV per share and dividends paid                                                                                                                                                                                                                                                                                                                         |
| <b>Total return</b>                                 | is the return for a set period of time combining valuation movement and income generated                                                                                                                                                                                                                                                                                                                                                            |
| <b>Ungeared IRR</b>                                 | is an estimate of the rate of return                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Weighted average cost of debt</b>                | is the weighted effective rate of interest of loan facilities expressed as a percentage                                                                                                                                                                                                                                                                                                                                                             |
| <b>Weighted average debt expiry</b>                 | is the weighted average time to repayment of loan facilities expressed in years                                                                                                                                                                                                                                                                                                                                                                     |

## Corporate directory

### **SIRIUS REAL ESTATE LIMITED**

(Incorporated in Guernsey)  
Company number: 46442  
JSE Share Code: SRE  
LSE (GBP) Share Code: SRE  
LEI: 213800NURUF5W8QSK566  
ISIN Code: GG00B1W3VF54

#### **Registered office**

Trafalgar Court  
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Admiral Park  
St Peter Port  
Guernsey GY1 3EL  
Channel Islands

#### **Registered number**

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#### **Company Secretary**

##### ***A Gallagher***

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