SIRIUS REAL ESTATE LIMITED
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3 June 2024

Sirius Real Estate Limited
("Sirius Real Estate", "Sirius", the "Group" or the "Company")

Results for the year ended 31 March 2024

Continued sustainable FFO growth with strong operational performance driving tenth year of increasing dividends

Sirius Real Estate, the leading owner and operator of branded business and industrial parks providing conventional space and flexible workspace in Germany and the UK, announces its consolidated financial results for the year to 31 March 2024.

Operating platform continues to drive rental and FFO growth

- 7.9% increase in Funds from Operations ("FFO") to €110.2m (2023: €102.1m and a 14.6% increase in adjusted profit before tax to €110.0m (2023: €96.0m).
- 7.2%* like for like rent roll growth to €188.7m* (2023: €176.0m*) driven by continued strong organic growth and occupier demand in Germany and the UK
- Profit before tax increased 32.4% to €115.2m (2023: €87.0m) primarily as a result of €12.4m valuation gain in 2024 compared to a €9.8m deficit in the previous financial year.
- 2.4% increase in FFO per share to 8.95c (2023: 8.74c)
- 8.7% increase of EPRA EPS to 8.21c (2023: 7.55c)

Sustainable FFO growth supports 20th progressive dividend payout

- Progressive H2 dividend of 3.05c per share (2023: 2.98c per share), amounting to a 6.5% uplift in the total dividend for the financial year to 6.05c (2023: 5.68c)

Income driven valuation gains

- Investment properties valued** at €2,210.6m (2023: €2,123.0m)
- €12.4m net portfolio valuation increase in spite of valuation yield expansion
- Portfolio gross yield of 7.5% in Germany (2023: 7.3%) with a net yield of 6.8% (2023: 6.5%) alongside a 14.1% gross yield (2023: 13.2%) and a net yield of 9.9% (2023: 9.3%) in the UK, on a like for like basis
- EPRA NTA per share increasing by 1.6% to 109.82c (2023: 108.11c) demonstrating the resilience of the portfolio
- Adjusted NAV per share increased by 1.8% to 111.12c (2023: 109.21c)

Significant market opportunity captured with €157.8m of acquisitions and €59.7m of disposals, at a premium to book value, supported by €165.3m equity raise

- Net of costs, the Company notarised or completed six UK acquisitions amounting to £90.0m (€104.2m) contributing an annualised NOI of £8.7m (€10.1m) at an average gross yield of 9.5% and 81.1% occupancy. In Germany, the Company notarised or completed €53.6m of acquisitions across three transactions at an average gross yield of 10.2% and 91% occupancy, fuelling future rental growth
- €56.2m of disposals in Germany with annualised NOI of €3.4m and limited further growth opportunity completed across three transactions and one £3.0m (€3.5m) disposal in the UK with an annualised NOI of £0.2m (€0.2m), all at premium to book value

Strong balance sheet with capacity for acquisitions and only 2.9% of total debt expiring within next 2 years

- Cash at bank of €214.5m, providing capacity for further acquisitions and investment (2023: €99.2m)
- 33.9% net LTV (March 2023: 41.6%) and Net Debt to EBITDA of 5.6x
- Successful issuance of €59.9m bonds post balance sheet, via a tap issue of its €300m 1.75% notes due in 2028
- €170.0m facility with Berlin Hyp AG and €58.3m Deutsche Pfandbriefbank facility have been refinanced to 2030 at 4.26% and 4.25% respectively

Outlook

- The Company is trading in line with management expectations in the new financial year
- Sirius continues to assess further growth options in both Germany and the UK on an opportunistic basis, including recycling of mature assets and reinvesting in value-add opportunities
- Organic growth opportunities remain strong in both markets

Commenting on the results, Andrew Coombs, Chief Executive Officer of Sirius Real Estate, said:

“Sirius has delivered another very positive set of annual results, with a strong operational performance driving FFO, valuation and dividend growth in what represents our tenth year of annualised rental growth above 5% and dividend increases. This is testament to our platform’s ability to drive substantial organic growth, which is underpinned by continued occupier demand for our high-quality and affordable products despite macro headwinds.

“Following our oversubscribed equity fundraising of €165.3 million in November 2023, we have rapidly executed on our pipeline of attractive asset acquisitions in both Germany and the UK, taking advantage of market conditions with c. €160 million of assets bought in the past six months. At the same time, we have maintained a healthy net LTV ratio and have recycled capital with c. €60 million of disposals completed at a premium to book value, highlighting the business’ ability to crystallise returns from our mature assets and to drive value where we see strategic market opportunities.

“Looking ahead, our outlook remains positive: our active asset recycling programme, strong cash position and post balance sheet issuance of €59.9 million of debt means our balance sheet is in rude health. There remain many levers we can pull to unlock value and grow occupancy and rental income within our current portfolio through our successful asset management programme, and we remain well positioned to fuel our accretive pipeline, supporting our next phase of growth and deliver attractive returns for shareholders.”

Notes:
*Group rent roll and rental income KPI’s have been translated utilising a constant foreign currency exchange rate of GBP:EUR 1.1695, being the closing exchange rate as at 31 March 2024.

** Including leased investment properties

WEBCAST
There will be an in-person presentation for analysts/investors at 09:00 BST (10:00 CET/ SAST) today, hosted by Andrew Coombs, Chief Executive Officer, and Chris Bowman, Chief Financial Officer, at Berenberg’s offices Located at 60 Threadneedle St, London, EC2R 8HP

There will also be a live webcast available, which can be accessed via the following link:

https://stream.brrmedia.co.uk/broadcast/6613b3c40ca2a2be77897aff

Webcast link:

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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 U.K. As of 30 September 2023, the Group's portfolio comprised 139 assets let to 9,248 tenants with a total book value of over €2 billion, generating a total annualised rent roll of €184.2 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 and BizSpace names 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 refinance or dispose of assets selectively 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.

For more information, please visit: www.sirius-real-estate.com

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Chairman's Statement

Continued growth in challenging conditions

I am pleased to be writing this as part of my sixth Annual Report as Chairman, and doubly pleased to be able to share another year of strong financial and operational performance despite a backdrop of continuing macroeconomic and geopolitical volatility.

Sirius would like to thank shareholders for their continued support, highlighted by our €165.3m capital raise in November 2023 to enable the Company to take advantage of a pipeline of compelling opportunities both in Germany and in the UK. The Company has invested the capital raise proceeds in a range of assets in Germany and the UK which we are excited about the future prospects for, we believe such acquisitions will contribute to our growth in future years. In the UK, we have acquired our largest asset since acquiring BizSpace in November 2021, the £50.1m (€58.6m) Vantage Point business park in Gloucestershire, UK. We believe further compelling acquisition opportunities will arise in the coming year.

The asset recycling programme continued on pace, with the Company recycling €60 million of non-core or mature assets in the period, demonstrating the power of our operating platform to transform these assets into attractive sale opportunities.

As the Group sets its sights on our next FFO milestone of €150m, the Group continues to deliver on its ambition by capturing rent roll growth in both Germany and the United Kingdom whilst maintaining a robust balance sheet. The Board has authorised a progressive dividend of 3.05c per share for the second half of the financial year, increasing on the 2.98c per share dividend for the equivalent period in the prior year. This brings the total dividend for the year to 6.05c, an increase of 6.5% on the 5.68c dividend for the year ended 31 March 2023.

Our sustainability agenda

We are proud of the progress we continue to make in our work to build a sustainable future. Challenges remain in our sector and our Chief Executive Officer, Andrew Coombs, continues to be responsible for chairing the Sirius Real Estate Sustainability and Ethics Committee. We are also pleased to have launched a dedicated team, based in Berlin to work with our Chief Impact Officer, Kremena Wissel as additional operational resource, to help manage and execute our sustainability agenda across the Group. We have set out in our ESG report a roadmap for the future and look forward to updating shareholders on our progress in this area.

Looking ahead

There are a number of headwinds on the horizon that will challenge Sirius in the coming years, most notably the higher interest rate environment, continuing broader geopolitical uncertainty and the uncertainty over German and UK future economic growth. We remain alert in assessing these risks, and the impact they will have on our business, and take confidence from our strong track record of adapting and thriving in the face of other significant external challenges in recent years.

Overall, we are confident that the strength of our operating platform, balance sheet, our experienced management team and our long-term strategic view will enable our business to continue its growth journey in the years ahead. Sirius is well run and adaptive and continues to be a highly investible proposition.

Thank you

On behalf of the Board, I would like to express my gratitude to everyone across Sirius for their contributions to our successes in this financial year. I look forward to the coming financial year with confidence in our team, our business model and our ambition as we build on our strong foundations.

Daniel Kitchen

Chairman

31 May 2024

Asset management review

Introduction

After a period of modest investment activity in the prior year in which the Company focused almost entirely on organic growth, the Company returned to acquisitive growth after its oversubscribed equity fundraising of €165.3m in November 2023. €157.8m of assets (excluding acquisition costs) have been notarised or acquired since the capital raise, capturing buying opportunity in the market. In addition to filling its acquisition pipeline, the Company has been successful in recycling some of its mature or non-core assets at or above book value in the period.

The rent roll growth achieved demonstrates that even with the Company's acquisition activity it has the management bandwidth to also deliver strong organic growth, focused on capturing rate, occupancy and targeted capex. Success has been achieved on all fronts with substantial like-for-like rental income increases in both the UK and Germany, as well as total shareholder returns including NAV growth, which has seen modest improvement over the previous period. Through its extensive asset management activities, opportunistic acquisitions and continued success in its asset recycling, the Company maintains a solid foundation to provide excellent risk-adjusted returns for its stakeholders.

Asset Management – Group Highlights

Key Highlights:

Metric	31 March 2024	31 March 2023	Variance	Variance %
Total annualised rent roll* (€ m)	194.7	179.9	14.8	8.2
Like-for-like annualised rent roll* (€ m)	188.7	176.0	12.7	7.2
Average rate (€) per sqm*	8.82	8.18	0.64	7.8
Average rate (€) per sqm like for like*	8.68	8.25	0.43	5.2
Total occupancy (%)	85.5	83.9	1.6	1.9
Like for like occupancy (%)	85.5	83.9	1.6	1.9
Cash in bank (€ m)	214.5	99.2	115.3	116.2
Cash collection (%)	98.2	98.6	(0.4)	(0.4)

*The Company has chosen to disclose certain Group rental income figures utilising a constant foreign currency exchange rate of GBP:EUR 1.1695, being the closing exchange rate as at 31 March 2024.

Platform drives occupancy growth across both markets
A key focus over the past twelve months has been to drive occupancy across both markets, with success noted in both Germany and the UK, albeit with Germany improving slightly better than the UK. Rates continued to capture inflation; however, due to inflation falling significantly off its recent highs, this increase has been less pronounced than in the prior period. Nevertheless, like-for-like annualised rent roll increased by 7.1% (31 March 2023: 7.3%) in Germany and 7.5% (31 March 2023: 8.7%) in the UK, which blends to 7.2*% (31 March 2023: 7.7*%) at Group level. This represents the tenth consecutive year of like-for-like rent roll growth in excess of 5%. These increases were supported by the Group growing its like-for-like occupancy by 1.6% to 85.5% (31 March 2023: 83.9%). Cash collection across the Group remained robust at 98.2% (31 March 2023: 98.6%), with cash on hand at the end of the year of €214.5m. The Company repaid debt of €20m in the year, resulting in a total debt balance of €955.3m and a net LTV of 33.9%, ensuring the Company is well within its 40% net LTV target. With a weighted average debt expiry of four years, the Company remains poised to capture further opportunity from its cash on hand but also from the vacancy within its existing portfolio.

Asset Management – Germany

Key Highlights:

Metric	31 March 2024	31 March 2023	Variance	Variance %
Total annualised rent roll (€ m)	129.7	123.1	6.6	5.4
Like-for-like annualised rent roll (€ m)	128.0	119.5	8.5	7.1
Average rate (€) per sqm	7.24	6.86	0.38	5.5
Average rate (€) per sqm like for like	7.23	6.90	0.33	4.8
Total occupancy (%)	85.2	83.4	1.9	2.2
Like for like occupancy (%)	85.2	83.3	1.9	2.3
Cash collection (%)	98.0	98.4	(0.4)	(0.4)

Lettings and rental growth
The German portfolio recorded a like-for-like increase in its annualised rent roll of 7.1% to €128.0m (31 March 2023: €119.5m) whilst the total annualised rent roll increased in the year end by 5.4% to €129.7m (31 March 2023: €123.1m). Of this growth, €8.5m related to organic growth, €3.6m was lost from disposals and €1.7m represented the impact from acquisitions.

The €8.5m organic growth was made up of €4.2m coming from uplifts from existing tenants, either through contractual lease indexation or increases upon renewal, as well as €4.3m from the net of move-ins over move-outs, an increase of €2.4m over the prior period. The latter can be further broken down into move-outs of 137,992 sqm that were generating €13.6m of annualised rent roll at an average rate of €8.20 per sqm being offset by move-ins of 169,176 sqm generating €17.9m of annualised rent roll at an average rate of €8.81 per sqm. The combination of the above has resulted in like-for-like rate per sqm increasing by 4.8% to €7.23 (31 March 2023: €6.90), demonstrating the ability of the Company's operating platform to manage the product mix and occupancy carefully alongside rates, to optimise the returns from our lettable space.

Through the Company's continued investment in its sub-optimal vacant space through its capex investment programme and its ability to let this space, like-for-like occupancy in Germany has increased by 1.9% to 85.2% (31 March 2023: 83.3%).

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

	€m
Annualised rent roll 31 March 2023	123.1
Move-outs	(13.6)

Move-ins	17.9
Contracted uplifts	4.2
Disposals	(3.6)
Acquisitions	1.7
Annualised rent roll 31 March 2024	**129.7**

The ability to organically grow and generate net positive move-ins at higher rates is supported by the Company's in-house marketing platform, which permits the Company to strategically target the markets in which it operates and react to changing market dynamics rapidly. Enquires for the year of 15,880 were comparable to the 15,412 generated in the period ended 31 March 2023. These enquiries were converted at a rate of 14% (31 March 2023: 12%) to 164,629 sqm in sales, which has been a consistent year-on-year performance across the German portfolio.

The ability to sell space is key to success, yet tenant retention is also a major contributing factor to maintaining strong rent roll performance. The Company notes large move-outs in the normal course of business, yet the retention rate has improved to 79% (31 March 2023: 75%). 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 evolving market dynamics, which included the ongoing conflict in Ukraine, the energy crisis in Germany and resulting inflationary pressures, which have eased off their peaks back to more manageable levels.

Cash collection

The Company continued its trend of strong cash collection performance in the period. Sirius is very focused on cash collection and the advantage of its substantial operating platform is very evident here. The experienced cash collection team, combined with the on-site staff who have established strong relationships with our top tenants, has been key to keeping cash collection rates steady at 98.0% (31 March 2023: 98.4%), even though total billings (net of VAT) increased by 7.5% to €196.3m from €182.6m in 31 March 2023. This demonstrates the resilience of Sirius' tenant base and strength of the Company's cash collection initiatives.

As at year end, uncollected debt amounted to €3.9m (31 March 2023: 2.9m) which mainly related to recently billed service charge and repair and maintenance balancing for prior years. The outstanding rent and service charge prepayments were €3.1m and €0.8m respectively. During the period, the Company wrote off €0.2m (31 March 2023: €0.1m). The Company expects to collect most of the outstanding debt for the period over the next twelve months through its regular debt collection activities.

Asset recycling

Recycling equity from mature assets into new value-add acquisitions has always been a significant part of the Sirius business model. It benefits the Company in many ways, including: a) proving that valuations can be crystallised; b) replenishing the growth opportunity within the vacancy and the capex investment programme; and c) being accretive to FFO per share (and therefore dividend per share), with a consequent contribution to NAV per share growth. This is an element of the Company's strategy which Sirius is able to execute effectively throughout the property cycle and this has been evidenced by the Company's continued asset recycling initiatives.

On the back of the equity raised in November 2023, the Company executed on an acquisition pipeline comprising three industrial assets in Germany in the first half of the 2024 calendar year, whilst also continuing its asset recycling programme with the sale of its principal Maintal I asset.

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

Acquisitions

	Date	Total Investment* €m	Total acquired sqm	Annualised rental income €m	Annualised NOI €m	Occupancy	Gross yield*
Köln (Cologne)	Mar 24	21.5	19,114	1.7	1.6	89%	7.8%
Göppingen	Apr 24	21.4	35,132	1.8	1.5	87%	8.3%
Klipphausen	Apr 24	14.6	17,683	2.4	2.4	100%	16.4%
Total		**57.5**	**71,929**	**5.9**	**5.5**	**91%**	**10.2%**

* Includes purchaser costs.

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

- The business park in Köln, Germany's fourth largest city, in Nord-Rhein Westphalia, comprises 19,114 sqm of principally light industrial space. The property has been acquired at a price of €20.0m (net of costs) and currently generates total rental income of €1.67m and an annualised net operating income of €1.56m, representing a gross yield at acquisition of 7.8% and an EPRA net initial yield of 7.3%. The site has an occupancy rate of just over 89%, with a weighted average unexpired lease term ("WAULT ") of 2.4 years and a well-diversified, stable tenant structure. The park offers a number of strong value-add opportunities to drive rental growth, including accessible under-renting which Sirius has identified. The Company is well established with its three additional parks in the area, expecting to leverage its deep market knowledge into the latest addition.
- Göppingen, a city in the state of Baden-Württemberg, south-east of Stuttgart in southern Germany, is a multi-tenanted business park with a total lettable area of approximately 35,132 sqm comprised of 31,700 sqm of industrial space, 3,100 sqm of office space and 332 sqm of space defined as "other" which in aggregate will initially generate around €1.8m of annualised rental income at 87% occupancy. The acquisition has been notarised at €19.8m (net of costs) and generates an annualised net operating income of €1.5m, reflecting a gross yield of 8.3% and an EPRA net initial yield of 6.9%. With occupancy at around 87% and a WAULT of 2.8 years, the property offers the opportunity for Sirius to use its platform to improve occupancy, income and service charge recovery. The Göppingen asset will be the tenth asset the Company owns in the desirable Stuttgart area.

- Klipphausen, built in 2009 and located near Dresden, the capital of Saxony known as “Silicon Saxony”, is a highly desirable economic micro-location. The Company expects to benefit from some operational synergies due to the proximity of the site to its existing Dresden assets. The site has been purchased from a owner occupier who plans to vacate the building approximately six months after completion. The plan is to convert the site, which currently comprises approximately 17,700 sqm of modern primarily light industrial and production space, into a multi-tenanted business park. Sirius' asset management platform has identified multiple parties interested in leasing space at the site, which in aggregate are already in excess of the site’s entire leasable area. Longer term, the plan is also to expand the park through the development of the adjacent 10,000 sqm land parcel which forms part of the acquisition.

  In addition to the above, the Company purchased an adjacent building in its existing Dresden asset for €1.0m under its “Buy Your Neighbour” campaign, to strategically expand its existing footprint on the site.

  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 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.

Disposals

	Date	Total sales price €m	Total disposal sqm	Annualised rental income €m	Annualised NOI €m	Occupancy	Gross yield
Wuppertal	Apr 23	8.8	15,006	0.7	0.7	79%	8.0%
Kassel	Oct 23	7.3	8,341	0.5	0.4	92%	7.1%
Maintal I	Mar 24	40.1	37,851	2.4	2.3	83%	6.0%
Total		**56.2**	**61,198**	**3.6**	**3.4**	**83%**	**6.4%**

Over the last twelve months, the Group sold three assets in Germany for a total sales price of €56.2 m representing a 6.4% gross yield. The Maintal asset was sold at 6% above book value to a data centre developer whilst the Kassel and Wuppertal assets were sold at a premium to book value of 5%, at the time of notarisation. These disposals of mature and non-core assets a consistent premium to book value demonstrate the Company’s ability to continue to recycle its assets well, underpinning the effectiveness of its business model.

Capex investment programmes

The Group’s capex investment programme on the German assets has historically been focused on the transformation of poor-quality vacant space that is typically acquired at very low cost due to it being considered as structural vacancy by former owners. The transformation and take up of this space has not only resulted in significant income and valuation improvements for the Company but have also yielded significant improvements in service charge cost recovery and therefore further increased net operating income. The programme started in 2015 and to date 445,864 sqm of space has been fully transformed for an investment of €70.9m. As at 31 March 2024, this space was generating €29.4m in annualised rent roll (at 73% occupancy). This transformed space has also been a major contributor towards the large valuation increases seen on the portfolio over the last eight years.

In addition to the space that has been completed and let or is currently being marketed, a total of approximately 19,773 sqm of space is either in progress of being transformed or is awaiting approval to commence transformation. A further €4.6m is expected to be invested into this space, and, based on achieving budgeted occupancy, is expected to generate incremental annualised rent roll in the region of €1.9m.

The details of the capex investment programme on this vacant space is detailed below:

Combined capex programmes	Sqm	Investment budgeted €m	Actual spend €m	Annualised rent roll* increase budgeted €m	**Annualised rent roll* increase achieved to March 2024 €m**	Occupancy budgeted %	**Occupancy achieved to March 2024 %**	Rate per sqm budgeted €	**Rate per sqm achieved to March 2024 €**
Completed	445,864	76.5	70.9	24.4	29.4	82%	73%	5.59	7.56
In progress**	998	0.0	0.0	0.1	-	100%	-	7.50	-
To commence in the next financial year	18,775	4.6	-	1.7	-	84%	-	8.91	-
Total	465,636	81.1	70.9	26.2	29.4	82%	73%	5.73	-

* See the Glossary section of the Annual Report and Accounts 2024.

** As at 31 March 2024 one project in process which has been 100% recharged to tenant.

In addition to the capex investment programme on acquired “structural” vacant space, Sirius continually identifies and looks for opportunities to upgrade the space that is vacated each year as a result of move-outs. Within the existing vacancy at 31 March 2024, the Company has identified approximately 38,214 sqm of recently vacated space that has potential to be significantly upgraded before it is re-let. This space will require an investment of approximately €7.5m and has an estimated rental value of €3.3m when fully re-let. Upgrading this vacated space allows the Company to enhance the reversionary potential of the portfolio whilst significantly improving the quality, desirability and hence value of not only the space that is invested into but the whole site.

The analysis below details the sub-optimal space and vacancy at 31 March 2024 and highlights the opportunity from developing this space.

Vacancy analysis – March 2024	
Total space (sqm)	1,751,598
Occupied space (sqm)	1,493,056
Vacant space (sqm)	258,543
Occupancy	85%

	% of total space	Sqm	Capex investment €m	ERV* (post investment)
Structural vacancy	**2%**	**43,354**	**—**	**—**
Capex investment programme	1%	19,773	(4.6)	1.8
Recently vacated space	2%	38,214	(7.5)	3.3
Total space subject to investment	**3%**	**57,987**	**(12.1)**	**5.1**
Lettable vacancy:				
Smartspace vacancy	2%	32,953	-	3.8
Other vacancy	7%	124,249	(1.7)	8.8
Total lettable space	**9%**	**157,202**	**(1.7)**	**12.6**
Total vacancy	**15%**	**258,543**	**(13.8)**	**17.7**

* See the Glossary section of the Annual Report and Accounts 2024.

The German portfolio's headline 85% occupancy rate means that in total 258,543 sqm of space is vacant as at 31 March 2024. When excluding the vacancy which is subject to investment (3% of total space), and the structural vacancy which is not economically viable to develop (2% of total space), the Company's occupancy rate based on space that is readily lettable is approximately 90%.

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 (especially whilst inflation is high), uplifts on renewals and the re-letting of space at higher rates are also expected to contribute to the Company's annualised rent roll growth going forward.

Whilst the Company will continue to look to asset recycling to replenish the vacancy which is let up after transformation, 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, be it ongoing geopolitical conflict or sticky inflationary environment, the importance of a well-diversified tenant base and wide range of products is evident. Sirius' portfolio includes production, storage and out of town office space that caters to multiple uses 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 wide range of diverse tenants results in not having to rely on a single tenant, with its largest single tenant contributes 2.1% of total annualised rent roll whilst 7.9% of its annualised rent roll comes from stable Government tenants.

SMEs in Germany, the Mittelstand, are typically defined as companies with revenues of up to €50.0m and up to 500 employees. This demographic remains a key target group due to its significant contribution to Germany's economy as a whole, and is a key contributor to the Company's rent roll. 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 2024	Occupied sqm	% of occupied sqm	Annualised rent roll* €m	% of total annualised rent roll* %	Rate per sqm €
Top 50 anchor tenants(1)	50	676,802	45%	49,422	38%	6.09
Smartspace SME tenants(2)	3,007	74,076	5%	8,697	7%	9.78
Other SME tenants(3)	2,858	742,178	50%	71,593	55%	8.04
Total	**5,915**	**1,493,056**	**100%**	**129,712**	**100%**	**7.24**

(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 2024.

Smartspace and First Choice
Sirius' Smartspace products are designed with flexibility in mind, allowing tenants to benefit from a fixed cost which continues to be desirable even in challenging 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. The Company was able to add 4,400 sqm of Smartspace offering from 101,277 sqm in the prior year (reduced by the disposals) to 105,677 sqm which is an increase of more than 4%. Total Smartspace occupancy increased to 70% (31 March 2023: 65%), which led to 4.2% increase of the annualised Smartspace rent roll.

The most significant growth occurred in the Smartspace storage product. The Company's market research through its marketing and sales platforms indicated strong demand in this sector and Sirius was able to act accordingly to capture some of this. The addition of 3,383 sqm of Smartspace storage helped grow this product line's rental income contribution by €0.3m.

Additionally a further 3,125 sqm of Smartspace office space were created in the period which contributed to rental growth of €0.3m.

The total amount of Smartspace in the portfolio at the year-end was 105,677 sqm (31 March 2023: 107,396 sqm), generating €8.7m (31 March 2023: €8.4m) of annualised rent roll which equates to 6.7% of the Company's total annualised rent roll. Average rate per sqm decreased by 1.4% from €9.92 per sqm to €9.78 per sqm, reflecting the addition of the storage space which is typically lower yielding than office.

The table below illustrates the contribution of each of the Smartspace products:

Smartspace product type	Total sqm	Occupied sqm	Occupancy %	Annualised rent roll* (excl. service charge) m€	% of total Smartspace annualised rent roll* %	Rate* per sqm (excl. service charge) €
First Choice office*	7,107	4,290	60%	1.1	12%	21.32
SMSP office	37,790	25,671	68%	3.1	36%	10.08
SMSP workbox	5,972	5,236	88%	0.4	5%	6.89
SMSP storage	53,713	38,642	72%	3.7	43%	7.97
SMSP container	—	—	—	0.3	3%	n/a
SMSP subtotal	**104,582**	**73,839**	**71%**	**8.6**	**99%**	**9.78**
SMSP FlexiLager	1,096	237	22%	0.1	1%	12.07
SMSP total	**105,678**	**74,076**	**70%**	**8.7**	**100%**	**9.78**

* See the Glossary section of the Annual Report and Accounts 2024.

Asset management review – UK

Active asset management

Metric	31 March 2024	31 March 2023	Variance	Variance %
Total annualised rent roll (£ m)	55.6	48.5	7.1	14.6
Like-for-like annualised rent roll (£ m)	51.9	48.2	3.7	7.7
Average rate (£) per sq ft	14.86	13.39	1.47	11.0
Average rate (£) per sq ft like for like	14.39	13.49	0.90	6.7
Total occupancy (%)	86.6	86.5	0.1	0.1
Like-for-like occupancy (%)	87.0	86.4	0.6	0.7
Cash collection (%)	98.8	99.3	(0.5)	(0.5)

Lettings and rental growth
The UK recorded a like-for-like increase in its annualised rent roll of 7.7% to £51.9m (31 March 2023: £48.2m), equating in euro terms to €60.0m (31 March 2023: €54.9m) . The total annualised rent roll increase in the year was £7.1m (€8.2m), with £4.0m (€4.6m) organic growth offset by asset disposals totalling £0.3m (€0.4m) and net move-outs of £0.3m (€0.4m). Acquisitions accounted for £3.7m (€4.4m) of rent roll uplift in the period.

Like-for-like average rate per sq ft increased by 6.7% to £14.39 (31 March 2023: £13.49), equating to an increase in euro terms to €15.10 per sqm (31 March 2023: €13.76 per sqm), reflecting management's ability to capture rental growth in the current inflationary environment. Through its asset management initiatives, the Company was able to grow not only its like-for-like rental growth in the period, but also noted a modest improvement in its like-for-like occupancy, contributing positively to its top-line growth.

The increase in annualised rent roll over the period can be broken down into move-ins of 921,825 sq ft (85,640 sqm) that were generating £16.4 million (€19.0m) of annualised rent roll at an average rate of £17.80 per sq ft (€18.49 per sqm), being offset by move-outs of 895,428 sq ft (83,187 sqm) generating £16.8m (€19.4m) of annualised rent roll at an average rate of £18.72 per sq ft (€19.45 per sqm). The lower move-in rate is predominantly driven by re-lets of office space at a lower rate to drive occupancy.

Additionally, rental uplifts on existing tenants added a further £4.0m (€4.4m) to the annualised rent roll during the period. Furthermore, the disposal of one property during the period accounted for a £0.3m (€0.3m) reduction in annualised rent roll. As mentioned below in the asset recycling overview, one asset was disposed of during the period which accounted for a £0.3 m (€0.4m) reduction in annualised rent roll.

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

	£m
Annualised rent roll 31 March 2023	48.5
Move-outs	(16.8)
Move-ins	16.5
Contracted uplifts	4.0
Disposals	(0.3)
Acquisitions	3.7
Annualised rent roll 31 March 2024	**55.6**

Despite a challenging market, driven by market uncertainty over inflation, the UK operating platform generated a healthy number of enquiries for the year, totalling 17,108 for the period (31 March 2023: 15,511), signing 1,165 deals (31 March 2023: 963) totalling 586,773 sq ft (54,513 sqm) (31 March 2023: 420,647 sq ft (39,079 sqm)) with an average deal per sqm of 504 sq ft (47 sqm) (31 March 2023: 437 sq ft (40 sqm)). These developments have made a positive impact on rental growth and contributed to the Company's occupancy growth in the year. During the second half of the year the Company averaged over 90 deals per month during the year at a sales conversion rate of 6.8% which has seen an improvement from 6.2% in the previous period.

Cash collection

Cash collection rates marginally reduced to 98.8% (31 March 2023: 99.3%) as total billings increased by 9.9% year on year. The 98.8% cash collection rate can be analysed as total net of VAT billing amounting to £53.1m (€61.6m), total uncollected debt at year end amounting to £0.6 m (€0.7m) with negligible write-offs during the period, comparing to net of VAT billings of £48.3m (€56.0m) and uncollected debt of £0.3m (€0.4m) with negligible write offs in the prior comparative period. There are no deferred payment plans in place and the Company expects to collect the majority of the outstanding debt at year end through its regular debt collection activities.

Asset recycling

Similar to Germany, the Company realised its identified pipeline of targets through the acquisition of five assets in the period, with its major Gloucestershire acquisition notarised in the second half of the year, completing in April 2024 and the disposal of one non-core asset in Stoke.

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

Acquisitions

	Date	Total investment £m	Total acquired sq ft	Annualised rental income £m	Annualised NOI £m	Occupancy	Gross yield*
Liverpool and Barnsley	Oct 23	10.1	71,957	1.3	1.0	99.3%	12.4%
Islington and Camden	Nov 23	35.7	103,962	2.8	2.6	69.8%	7.8%
Vantage Point**	Apr 24	50.1	1,464,664	5.1	5.1	81.0%	10.2%
Total		**95.6**	**1,640,583**	**9.2**	**8.7**	**81.1%**	**9.5%**

* Includes purchaser costs.
** Completed 5 April 2024

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

- The Liverpool and Barnsley acquisition of £10.1m (€11.7m), which completed on 2 October 2023, comprised two mixed-use industrial assets with a combined area of 71,957 sq ft (6,685 sqm) of predominantly workshop space. The purchase price represented a NIY of 9.6% (total acquisition costs).
- The £35.7m (€41.2m) purchase of three multi-let studio sites (Islington, Spectrum House and Finsbury Park) located in Islington and Camden in North London represents a 7.3% net initial yield after costs. The assets, with a combined area of 103,962 sq ft (9,658 sqm) are just under 70% let, providing opportunity for the Company to implement its asset management initiatives.
- The Vantage Point Business Park in Gloucestershire is situated in a highly desirable location on the edge of The Forest of Dean, and close to a number of major cities including Bristol to the South, Gloucester to the East and Cardiff to the Southwest, and the park benefits from good transport networks and connectivity to the national motorway network via the A40 and M50. The 60-acre (136,071 sqm) business park at Mitcheldean was renowned first for manufacturing Rank projection equipment then as Rank Xerox's manufacturing hub between 1961 and 2003. It is 81% occupied and offers a mixture of warehouse, production, storage, conventional and serviced office space to over 70 companies across 119 units. Sirius has identified a number of opportunities to drive value by utilising its asset management platform to improve occupancy, income and service charge recovery. Proximity to other Sirius sites, including Gloucester Barnwood and Gloucester Morelands, will enable the Company to leverage operational synergies alongside its local market expertise.

Disposals

	Date	Total sales price £m	Total disposal sq ft	Annualised rental income	Annualised NOI £m	Occupancy	Gross yield*

				£m			
Stoke	Mar 24	3.0	55,097	0.3	0.2	79.7%	9.1%
Total		**3.0**	**55,097**	**0.3**	**0.2**	**79.7%**	**9.1%**

* Calculated on net purchase price.

The asset, which comprises just over 55,097 sq ft (c. 5,118 sqm) of industrial space, was sold at a 1% premium to the last reported book value and was deemed non-core to the business going forward.

Site Investment
BizSpace has historically invested in its sites in order to maintain and upgrade its spaces which allows it to adapt to changes in tenant demand. In the period under review, the Company invested a total of £9.6m (€11.1m) (31 March 2023: £4.8m (€5.6m)) into its sites focused primarily on improving the condition of spaces to drive occupancy and price. The Company expects to identify further opportunities to invest into its assets in the new financial year whilst continuing 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, 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 21.2% of the annualised rent roll with the next 900 tenants accounting for 44.8% of annualised rent roll. The remaining 34.0% of annualised rent roll relates to nearly 3,000 SME and micro-SME tenants which occupy 39.6% of the overall estate.

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 Sq ft m	% of occupied sq ft	Annualised rent roll £m	% of total annualised rent roll	Rate per sq ft £
Top 100 tenants	100	0.8	21.7%	11.8	21.2%	14.31
Next 900	900	1.8	48.6%	24.9	44.8%	13.75
Remaining SME	2,739	1.1	29.7%	18.9	34.0%	17.08
Total	3,739	3.7	100.0%	55.6	100.0%	14.86

SMEs in the UK are typically defined as companies with revenues of up to £50.0m and up to 250 employees. The Company's internal operating platform and product offering have a strong track record of attracting and retaining tenants 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

Continued sustainable FFO growth

Chris Bowman
Chief Financial Officer

"Sirius is pleased with the continued support from its shareholders as demonstrated in the recent €165.3m equity raise to fuel an accretive pipeline to position the Company for its next phase of growth."

Continued FFO growth
Sirius recorded FFO of €110.2m which represents a 7.9% increase over the €102.1m FFO reported last year. The Group has benefited from continued substantial organic growth and excellent asset recycling despite facing headwinds in the form of increasing interest rates and utility costs as well as the challenging markets which are continuing to be affected by instability from the Ukraine conflict and the cost of living crisis in both Germany and the UK. The main driver of organic growth was the 7.2%[(1)] increase in like-for-like rent roll which underpinned the 8.2%[(1)] total rent roll growth when incorporating the effect of asset recycling and acquisitions.

Trading performance and earnings
The Company has reported a profit before tax in the year ended 31 March 2024 of €115.2m (31 March 2023: €87.0m), representing an increase of 32.4% from the prior year. This increase in profit is mainly due to the FFO growth mentioned above including a net valuation gain of €12.4m (€50.1m valuation gain less €37.7m capex) being reported in the period, whereas in the prior year a net valuation deficit of €7.7m (€21.4 m valuation increase less €29.9m capex) was reported. The €8.1m increase in FFO to €110.2m (31 March 2023: €102.1m) included BizSpace contributing €28.5m to the Group (31 March 2023: €26.7m), increasing its FFO contribution by €1.8 million year over year. The organic growth within our UK business came mainly from the 7.5%[(1)] increases in like-for-like annualised rental income, with acquisitions in the second half of the year contributing to the total annualised rent roll increase of 14.5%[(1)]. The UK has a loss after tax due to a revaluation deficit noted in the period, as outlined in "Portfolio valuation – Group" in greater detail.

The Company entered into acquisitive growth in the second half of the financial year as it saw significant opportunity in the market off the back of its €165.3m financing in November 2023, with the vast majority of capital either spent or committed to attractive assets in both Germany and the UK. The effects of the acquisitive growth are expected to be flowing through in FY2025, as the assets are integrated into the platform and contribute to the Group's FFO.

(1) The Company has chosen to disclose certain Group rental income figures utilising a constant foreign currency exchange rate of GBP:EUR 1.1695, being the closing exchange rate as at 31 March 2024.

On a per share basis, the impact of valuations stabilising resulted in a 28.3% increase in basic EPS for the period to 8.75c per share. Adjusted EPS, basic EPRA EPS and diluted EPRA EPS, which exclude the impact of valuations described above, increased by approximately 8.4%, 8.7% and 8.6% respectively reflecting the strong operational performance in the year.

	Earnings €m	No. of shares	**31 March 2024 cents per share**	Earnings €m	No. of shares	**31 March 2023 cents per share**	Change %
Basic EPS	107.8	1,231,991,541	**8.75**	79.6	1,167,757,975	**6.82**	28.3
Diluted EPS	107.8	1,249,500,420	**8.63**	79.6	1,183,626,763	**6.73**	28.2
Adjusted EPS*	106.2	1,231,991,541	**8.62**	92.9	1,167,757,975	**7.96**	8.4
Basic EPRA EPS	101.1	1,231,991,541	**8.21**	88.2	1,167,757,975	**7.55**	8.7
Diluted EPRA EPS	101.1	1,249,500,420	**8.10**	88.2	1,183,626,763	**7.45**	8.6

* See note 12 and the Business analysis section of the Annual Report and Accounts 2024.

Income

Total revenue reported in the period, which comprises rent, fee income relating to Titanium, other ancillary income from investment properties, and service charge income, increased from €270.1m for the 31 March 2023 year to €288.8m this year. The detail of the €18.7m increase in income is shown in the following table.

	Year ended 31 March 2024			Year ended 31 March 2023		
	Germany €m	**UK €m**	**Total €m**	Germany €m	UK €m	Total €m
Rental and other income from investment properties	**131.5**	**38.3**	**169.8**	125.5	33.3	158.8
Service charge income from investment properties	**73.4**	**25.9**	**99.3**	66.6	24.0	90.6
Rental and other income from managed properties	**4.6**	**—**	**4.6**	10.9	—	10.9
Service charge income from managed properties	**15.1**	**—**	**15.1**	9.8	—	9.8
Revenue	**224.6**	**64.2**	**288.8**	212.8	57.3	270.1

Annualised rent roll in Germany increased by 5.4% from €123.1m to €129.7m with organic growth contributing €8.5m respectively whilst disposals exceeded acquisitions by €1.9m BizSpace's annualised rent roll increased 14.4%(1) from €56.8(1) m to €65.0(1)m in the period, with the impact of organic growth of €4.1m being supported by net acquisitions of €4.1m. This is shown in more detail in the following table:

	Germany €m	**UK(1) €m**	**Group €m**
Opening annualised rent roll	**123.1**	**56.8**	**179.9**
Acquisitions	**1.7**	**4.4**	**6.1**
Disposals	**(3.6)**	**(0.3)**	**(3.9)**
Move-ins/outs	**4.3**	**(0.4)**	**3.9**
Uplifts	**4.2**	**4.7**	**8.9**
Foreign currency impacts	**-**	**(0.2)**	**(0.2)**
Closing annualised rent roll	**129.7**	**65.0**	**194.7**

(1) The Company has chosen to disclose certain Group rental income figures utilising a constant foreign currency exchange rate of GBP:EUR 1.1695, being the closing exchange rate as at 31 March 2024.

The rental growth in the period remains strong year on year, achieved through increasing rates whilst also modestly reducing vacancy rates. The vacancy remaining in the like-for-like portfolio, coupled with that acquired through our acquisitions, means that the opportunity that remains within this vacancy for further organic growth over the next few years has been preserved. As inflationary levels recede from their recent highs, the key to unlocking this in the most effective way is through the continuation of Sirius' capex investment programmes combined with a wide range of other intensive asset management initiatives.

Portfolio valuation – Group

The portfolio of owned assets was independently valued at €2,186.7m by Cushman & Wakefield LLP at 31 March 2024 (31 March 2023: €2,103.2), which converts to a book value of €2,210.6m 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 investment property – owned €m	German investment property – leased €m	UK investment property – owned €m	UK investment property – leased €m	Investment property – total €m
Investment properties at book value as at 31 March 2023*	**1,680.8**	10.8	417.7	13.7	2,123.0
Additions relating to owned investment properties	21.4	-	52.7	-	74.1
Capex investment and capitalised broker fees	26.6	-	11.1	-	37.7
Disposal	(45.5)	-	(3.4)	-	(48.9)
Gain/(deficit) on revaluation above capex investment and broker fees	41.0	-	(28.6)	-	12.4
Deficit on revaluation relating to leased investment properties	-	(0.8)	-	(0.1)	(0.9)
Adjustment in respect of lease incentives	0.7	-			0.7
Currency effects	-	-	12.1	0.4	12.5
Investment properties at book value as at 31 March 2024*	**1,725.0**	**10.0**	**461.6**	**14.0**	**2,210.6**

* Excluding assets held for sale.

The increase in value of the German portfolio of €44.4m was made up of €21.4m of asset acquisitions, less €45.5m of disposals, plus a €67.6m valuation increase on the existing portfolio and finally a €0.7m positive adjustment in respect of lease incentives. The €67.6m valuation increase was higher than the €26.6m of capex spent on that portfolio; hence, the net of these resulted in a €41.0m gain being booked through the Company's profit.

In the UK, the value of the BizSpace portfolio increased by €43.9m due to €3.4m of disposals offset by €52.7m of additions, a valuation deficit of €17.5m on the existing portfolio and a €12.5m foreign currency reduction due to the strengthening of GBP against EUR for the year. The €17.5m valuation deficit was further increased by €11.1m capex spent on that portfolio, resulting in a €28.6m deficit being reported through the Company's profit.

The Company recognised a gain on revaluation of investment properties of €12.4m for the year which compares to a €7.7m deficit recognised in the comparative prior period.

Portfolio valuation – Germany

The book value of the existing German portfolio that was owned for the full period increased by €68.0m or 4.2% from €1,636.1m to €1,704.1m. This was driven by an increase in annualised rent roll of €8.5m in the year which more than compensated for a gross yield expansion of approximately 20 bps.

The German portfolio at 31 March 2024 comprises 68 assets with a book value of €1,725.0m generating €127.6m of rental income and €125.3m of net operating income based on an occupancy of 85.2%. This represents an average gross yield of 7.5% (31 March 2023: 7.3%), which translates to a net yield of 6.8% (31 March 2023: 6.5%) and an EPRA net yield (including estimated purchaser costs) of 6.3% (31 March 2023: 6.2%).

Yields have expanded within the German portfolio valuation by a further 20 bps in the period to 7.5% (31 March 2023:7.3%). The average capital value per sqm of the portfolio of €950 (31 March 2023: €912) also remains below replacement cost and, when considered with the level of vacancy that remains within the portfolio, illustrates the excellent opportunity for further growth, particularly from upgrading and letting up the sub-optimal vacant space through the Company's capex investment programmes.

The acquisitions made over recent years have replenished a lot of the vacancy that was transformed and let up through Sirius' capex investment programmes. As a result, at 31 March 2024, 61% of the German portfolio are considered value-add assets (31 March 2023: 65%) which, with average occupancy of 81.2% and valued at a gross yield of 8.0%, provide significant opportunity for further earnings and value growth. The mature assets which make up about 39% of the German portfolio have reached an occupancy level of 94.4% and, at a gross yield of 6.8%, 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. The full details of the capex investment programmes are provided in the Asset management review – Germany section of this report. The specifics of the value-add and mature portfolios are detailed in the table below:

	Annualised rent roll €m	Book value €m	NOI €m	Capital value €m/sqm*	Gross yield* %	Net yield* %	Vacant space sqm*	Rate psqm €*	Occupancy %*
Value-add assets**	84.0	1,053.2	75.1	834	8.0%	7.1%	229,087	7.06	81.2%
Mature assets	45.7	671.8	43.7	1,216	6.8%	6.5%	29,456	7.60	94.4%
Other		—	-1.7	—	—	—	—	—	—
Total	**129.7**	**1,725.0**	**117.1**	**950**	**7.5%**	**6.8%**	**258,543**	**7.24**	**85.2%**

* Expressed as averages.

** Including assets held for sale.

The reconciliation of book value to the independent Cushman & Wakefield LLP valuation excluding assets held for sale is as follows:

	31 March 2024 €m	31 March 2023 €m
Investment properties at market value	1,728.9	1,685.5
Adjustment in respect of lease incentives	(3.9)	(4.7)
Book value of investment properties*	1,725.0	1,680.8

Portfolio valuation - UK

At 31 March 2024, the value of the UK portfolio was £394.7m (€461.6m), compared to a £367.2m (€417.7 m) valuation at 31 March 2023. Of the change in valuation, £41.6m is attributed to the acquisition of 5 assets (£44.9 m) offset by the disposal of Stoke (£3.3m) and yield expansion (£14.1m) during the period.

The like-for-like value of the UK portfolio was £349.8 m (€409.8m), which was lower than the 31 March 2023 valuation of £363.9m (€413.9m). The £14.1m decrease was driven by yield expansion of approximately 60 bps to a 9.9% like-for-like portfolio net yield, which fully offset a £3.6m increase in annualized rent roll during the period. On a euro basis, the like-for-like portfolio also benefited from the appreciation of GBP compared to the euro year on year, and the impact of yield expansion was reduced to €4.1m. The EPRA net yield (including estimated purchaser costs) stands at 8.7% (31 March 2023: 7.6%.

The average capital value per sq ft of the total portfolio of £91 per sq ft (€1,150 per sqm) (31 March 2023: £88 per sq ft (€1,072 per sqm)) also remains below replacement cost and further supports the sentiment that there remains value-add potential within the portfolio.

	Annualised rent roll £m	Book value £m	NOI £m	Capital value £/sq ft	Gross yield %	Net yield %	Vacant space sq ft	Rate psqft £	Occupancy %
UK portfolio	55.6	394.7	34.8	91.31	14.1%	9.9%	580,931	14.86	86.5%

The UK does not have material lease incentives adjusting the investment property values.

Net asset value

The valuation movements mentioned above, together with retained profits after payment of dividends, resulted in an increase in net asset value per share to 104.96c at 31 March 2024, an uplift of 2.4% from 102.46c as at 31 March 2023. The adjusted net asset value per share increased to 111.12c at 31 March 2024, an uplift of 1.8% from 109.21c as at 31 March 2023. The Company paid out 5.98c per share of dividends during the financial year which contributed to a total shareholder accounting return (adjusted NAV growth plus dividends paid) of 7.2% (31 March 2023: 5.3%). The movement in NAV per share is explained in the following table:

	Cents per share
NAV per share as at 31 March 2023	102.46
Recurring profit after tax	7.92
Equity raise	(0.94)
Gain on revaluation (net of capex)	0.98
Deferred tax charge	(0.19)
Cash Dividend Paid	(5.62)
Adjusting items(1)	0.35
NAV per share as at 31 March 2024	**104.96**
Deferred tax and derivatives	6.16
Adjusted NAV per share as at 31 March 2024(2)	**111.12**
EPRA adjustments(3)	(1.30)
EPRA NTA per share as at 31 March 2024(2)	**109.82**

(1) Adjusting items includes non-recurring items including restructuring costs, minorities, share of profit in associates, gains and losses on investments, share-based payments including vesting and foreign currency effects.
(2) See Annex of 2024 Annual accounts for further details.
(3) Adjusted for the potential impact of shares issued in relation to the Company's long-term incentive programmes, intangible assets, provisions for deferred tax and derivative financial instruments.

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 109.82c, an increase of 1.6% from 108.11c as at 31 March 2023.

Financing

In November 2023, the Company saw significant opportunity in the acquisitions market and raised €165.3m via an equity placing of new shares to fund a pipeline of attractive asset acquisitions in both Germany and the UK. The Company has delivered on this pipeline, completing or notarising €157.8m (before costs) in acquisitions since.

In May 2023 the Company refinanced its €57.3m Deutsche Pfandbriefbank ("PBB") loan facility, seven months in advance of it falling due on 31 December 2023. The new facility amounting to €58.3m has a term of seven years at a fixed interest rate of 4.25%. In addition to this early refinancing, in August 2022 the Company secured a refinancing with Berlin Hyp AG, one year in advance, of its €170m facility due in October 2023, agreeing a new seven-year €170m facility commencing on 1 November 2023 with a fixed interest rate of 4.26%.

Of the €955.3m of total debt, the Company has €28.5m of debt coming due in the next twelve months which is made up of two tranches of the HSBC Schuldschein totalling €15m and €13.5m Saarbrücken Sparkasse. These loans come due in the fourth fiscal quarter and negotiations regarding extensions shall commence in due course.

The debt structure of the Company remains such that 75% of its debt is unsecured (31 March 2023: 75%) allowing the Company to maintain flexibility over its financing structure. As at 31 March 2024, the Company had a weighted average debt expiry of 4.0 years, net LTV was 33.9% (31 March 2023: 41.6%) and interest cover at EBITDA level was 8.3x (31 March 2023: 8.6x). All covenants were complied with in full during the period.

Fitch confirmed its BBB investment grade rating with "Stable Outlook" in October 2023.

Post balance sheet, the Company increased its €300.0m Corporate Bond due in November 2028 by 19.9%, issuing €59.9m in additional debt. The Company intends to utilise the proceeds for fuelling its acquisition pipeline and corporate purposes.

The Company's weighted average cost of debt is 2.10% whilst the weighted average debt expiry remains at 4.0 years following the above financing activity.

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

Movement in debt

	€m
Total debt as at 31 March 2023	975.1
Repayment of credit facility	(243.3)
Drawdown of credit facility	228.3
Scheduled amortisation	(4.7)
Total debt as at 31 March 2024	**955.4**

Dividend

The Board has authorised a dividend in respect of the second half of the financial year ended 31 March 2024 of 3.05c per share, which together with the first half dividend of 3.00c per share, represents an increase of 6.5% on the 5.68c total dividend declared in respect of the financial year ended 31 March 2023.

The table below shows the dividends paid and pay-out ratios over the last five years, demonstrating the excellent progression the Company has made in the period as well as the ability of the Board to increase the dividend pay-out ratio whilst the proceeds of asset disposals are invested.

	First half dividend per share cents	Second half dividend per share cents	Total dividend per share cents	Blended pay-out ratio % of FFO
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%
Year ended March 2022	**2.04**	**2.37**	**4.41**	**65%**
Year ended March 2023	**2.70**	2.98	5.68	**65%**
Year ended March 2024**	**3.00**	**3.05**	**6.05**	**68%**

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

** First half 66%, second half 69% of FFO

Details of the dividend distribution and announcement are detailed in note 28 of the Annual Report and Accounts.

Summary

As inflation came off its peaks experienced in 2022 and acquisition opportunities in the market crystalized, the Company was able to grow its occupancy and capture organic growth whilst setting itself up for further growth through transacting on its acquisition pipeline in the second half of the year, purchasing in total five properties, three of which completed in April 2024.

The Company's balance sheet remains strong as demonstrated through its recent equity and debt financings in the year, permitting it to continue to grow through acquisitions whilst maintaining a healthy net LTV ratio. This has been confirmed by Fitch in October 2023 through its BBB investment grade rating with a stable outlook. The Company continues to deliver on its growth objectives and continues to be well positioned to take advantage of opportunities as they arise.

The Company's strong financial profile, along with its proven internal operating platform, means the Company is fully 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.

Chris Bowman

Chief Financial Officer

31 May 2024

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 66 to 71 of the Group's Annual Report and Accounts 2023 available on the website at: www.sirius-real-estate.com

CONSOLIDATED INCOME STATEMENT

for the year ended 31 March 2024

	Notes	**Year ended 31 March 2024 €m**	Year ended 31 March 2023 €m
Revenue	5	**288.8**	270.1
Direct costs	6	**(123.0)**	(116.7)
Net operating income		**165.8**	153.4
Gain/(loss) on revaluation of investment properties	13	**12.2**	(9.8)
Gain on disposal of properties		**0.9**	4.7
Movement in expected credit loss provision	6	**0.9**	(1.0)
Administrative expenses	6	**(49.7)**	(48.3)
Share of profit of associates	19	**0.6**	2.6
Operating profit		**130.7**	101.6
Finance income	9	**6.6**	2.8
Finance expense	9	**(20.8)**	(18.3)
Change in fair value of derivative financial instruments	9	**(1.3)**	0.9
Net finance costs		**(15.5)**	(14.6)
Profit before tax		**115.2**	87.0
Taxation	10	**(7.3)**	(7.3)
Profit for the year after tax		**107.9**	79.7
Profit attributable to:			
Owners of the Company		**107.8**	79.6
Non-controlling interest		**0.1**	0.1
		107.9	79.7
Earnings per share			
Basic earnings per share	11	**8.75c**	6.82c
Diluted earnings per share	11	**8.63c**	6.73c

All operations of the Group have been classified as continuing.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2024

	Notes	**Year ended 31 March 2024 €m**	Year ended 31 March 2023 €m
Profit for the year after tax		**107.9**	79.7
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods			
Foreign currency translation	27	**12.9**	(17.2)
Other comprehensive income/(loss) after tax that may be reclassified to profit or loss in subsequent periods		**12.9**	(17.2)
Other comprehensive income/(loss) for the year after tax		**12.9**	(17.2)
Total comprehensive income for the year after tax		**120.8**	62.5
Total comprehensive income attributable to:			
Owners of the Company		**120.7**	62.4
Non-controlling interest		**0.1**	0.1
		120.8	62.5

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 March 2024

	Notes	**31 March 2024 €m**	31 March 2023 €m
Non-current assets			
Investment properties	13	**2,210.6**	2,123.0
Plant and equipment	15	**7.8**	7.2
Intangible assets	16	**3.3**	4.1
Right of use assets	17	**12.6**	14.4
Other non-current financial assets	18	**49.1**	48.4
Investment in associates	19	**25.2**	26.7
Total non-current assets		**2,308.6**	2,223.8
Current assets			
Trade and other receivables	20	**42.4**	30.5
Derivative financial instruments		—	1.3
Cash and cash equivalents	21	**244.2**	124.3
Total current assets		**286.6**	156.1
Assets held for sale	14	**—**	8.8
Total assets		**2,595.2**	2,388.7
Current liabilities			
Trade and other payables	22	**(114.7)**	(101.5)
Interest-bearing loans and borrowings	23	**(29.6)**	(243.7)
Lease liabilities	17	**(2.3)**	(2.2)
Current tax liabilities	10	**(7.0)**	(5.4)
Total current liabilities		**(153.6)**	(352.8)
Non-current liabilities			
Interest-bearing loans and borrowings	23	**(915.5)**	(720.7)
Lease liabilities	17	**(35.5)**	(37.4)
Deferred tax liabilities	10	**(82.7)**	(80.2)
Total non-current liabilities		**(1,033.7)**	(838.3)
Total liabilities		**(1,187.3)**	(1,191.1)
Net assets		**1,407.9**	1,197.6
Equity			
Issued share capital	26	—	—
Other distributable reserve	27	**605.7**	516.4
Own shares held		**(8.1)**	(8.3)
Foreign currency translation reserve	27	**(6.0)**	(18.9)
Retained earnings		**815.7**	707.9
Total equity attributable to the owners of the Company		**1,407.3**	1,197.1
Non-controlling interest		**0.6**	0.5
Total equity		**1,407.9**	1,197.6

The financial statements on pages 139 to 188 were approved by the Board of Directors on 31 May 2024 and were signed on its behalf by:

Daniel Kitchen
Chair

Company number: 46442

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

	Notes	Issued share capital €m	Other distributable reserve €m	Own shares held €m	Foreign currency translation reserve €m	Retained earnings €m	Total equity attributable to the owners of the Company €m	Non-controlling interest €m	Total equity €m
As at 31 March 2022		—	570.4	(6.3)	(1.7)	628.3	1,190.7	0.4	1,191.1
Profit for the year		—	—	—	—	79.6	79.6	0.1	79.7
Other comprehensive loss for the year		—	—	—	(17.2)	—	(17.2)	—	(17.2)
Total comprehensive income for the year		—	—	—	(17.2)	79.6	62.4	0.1	62.5
Dividends paid	28	1.4	(59.2)	—	—	—	(57.8)	—	(57.8)
Transfer of share capital	26	(1.4)	1.4	—	—	—	—	—	—
Share-based payment transactions	8	—	5.5	—	—	—	5.5	—	5.5
Value of shares withheld to settle employee tax obligations	8	—	(1.7)	—	—	—	(1.7)	—	(1.7)
Own shares purchased	26	—	—	(2.3)	—	—	(2.3)	—	(2.3)
Own shares allocated	26	—	—	0.3	.—	—	0.3	—	0.3
As at 31 March 2023		**—**	**516.4**	**(8.3)**	**(18.9)**	**707.9**	**1,197.1**	**0.5**	**1,197.6**
Profit for the year		—	—	—	—	107.8	107.8	0.1	107.9
Other comprehensive income for the year		—	—	—	12.9	—	12.9	—	12.9
Total comprehensive income for the year		—	—	—	12.9	107.8	120.7	0.1	120.8
Shares issued	26	167.4	(2.1)	—	—	—	165.3	—	165.3
Transaction costs relating to share issues	26	(3.3)	—	—	—	—	(3.3)	—	(3.3)
Dividends paid	28	—	(75.3)	—	—	—	(75.3)	—	(75.3)
Transfer of share capital	26	(164.1)	164.1	—	—	—	—	—	—
Share-based payment transactions	8	—	5.0	—	—	—	5.0	—	5.0
Value of shares withheld to settle employee tax obligations	8	—	(2.2)	—	—	—	(2.2)	—	(2.2)
Own shares purchased	26	—	—	—	—	—	—	—	—
Own shares allocated	26	—	(0.2)	0.2	—	—	—	—	—
As at 31 March 2024		**—**	**605.7**	**(8.1)**	**(6.0)**	**815.7**	**1,407.3**	**0.6**	**1,407.9**

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2024

	Notes	**Year ended 31 March 2024 €m**	Year ended 31 March 2023 €m
Operating activities			
Profit for the year before tax		**115.2**	87.0
Gain on disposal of properties		**(0.9)**	(4.7)
Net exchange differences in working capital		**3.4**	(0.2)
Share-based payments	8	**5.0**	5.5
(Gain)/loss on revaluation of investment properties	13	**(12.2)**	9.8
Change in fair value of derivative financial instruments	9	**1.3**	(0.9)
Depreciation of property, plant and equipment	6	**1.8**	2.1
Amortisation of intangible assets	6	**1.5**	1.3
Depreciation of right of use assets	6	**1.8**	2.1
Share of profit of associates	19	**(0.6)**	(2.6)
Finance income	9	**(6.6)**	(2.8)
Finance expense	9	**20.8**	18.3
Changes in working capital			
Increase in trade and other receivables		**(0.3)**	(5.9)
Increase in trade and other payables		**19.0**	12.4
Taxation paid		**(3.1)**	(8.0)
Cash flows from operating activities		**146.1**	113.4
Investing activities			
Purchase of investment properties		**(71.0)**	(42.8)
Prepayments relating to investment property acquisitions		**(7.1)**	—
Capital expenditure on investment properties		**(39.5)**	(28.4)
Purchase of plant and equipment and intangible assets		**(3.1)**	(5.3)
Proceeds on disposal of properties (including assets held for sale)		**46.4**	32.0
Dividends received from investment in associates		**2.1**	—
Increase in loans receivable due from associates		**(0.7)**	(0.1)
Interest received		**6.6**	2.8
Cash flows used in investing activities		**(66.3)**	(41.8)
Financing activities			
Proceeds from issue of share capital	26	**165.3**	—
Transaction costs on issue of shares	26	**(3.3)**	—
Shares purchased		—	(2.3)
Payment relating to exercise of share options	8	**(2.2)**	(1.7)
Dividends paid to owners of the Company	28	**(75.3)**	(57.8)
Proceeds from loans		**228.3**	—
Repayment of loans	23	**(248.0)**	(20.4)
Payment of principal portion of lease liabilities		**(2.2)**	(1.2)
Finance charges paid		**(20.0)**	(15.2)
Cash flows from/(used in) financing activities		**42.6**	(98.6)
Increase/(decrease) in cash and cash equivalents		**122.4**	(27.0)
Net exchange difference		**(2.5)**	0.3
Cash and cash equivalents as at the beginning of the year		**124.3**	151.0
Cash and cash equivalents as at the year end	21	**244.2**	124.3

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

1. General information

Sirius Real Estate Limited (the "Company") 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" or "Sirius") for the year ended 31 March 2024.

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

2. Accounting policies

(a) Basis of preparation and statement of compliance

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 hundred thousand shown in millions (€m), except where otherwise indicated.

The Company has prepared its annual consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") as a result of the primary listing on the JSE, 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 Listings Requirements of JSE Limited and The 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 2023, 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 auditor.

(b) Changes in accounting policies

New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023 (unless otherwise stated).

IFRS 17 Insurance Contracts ("IFRS 17")

IFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 *Insurance Contracts*. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. The overall objective of IFRS 17 is to provide a comprehensive accounting model for insurance contracts that is more useful and consistent for insurers, covering all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

- a specific adaptation for contracts with direct participation features (the variable fee approach)
- a simplified approach (the premium allocation approach) mainly for short-duration contracts

The new standard had no impact on the Group's consolidated financial statements.

Definition of Accounting Estimates - Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's consolidated financial statements.

Disclosure of Accounting Policies - Amendments to IAS 1 Presentation of Financial Statements ("IAS 1") and IFRS Practice Statement 2: Making Materiality Judgements ("IFRS Practice Statement 2")

The amendments to IAS 1 and IFRS Practice Statement 2 provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The Group adopted the amendments to IAS 1 and IFRS Practice Statement 2 in the current year in relation to the Group's disclosures of accounting policies.

International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12 Income Taxes ("IAS 12")

The amendments to IAS 12 have been introduced in response to the OECD's BEPS Pillar Two rules and include:

- mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 January 2023.

The amendments had no impact on the Group's consolidated financial statements as the Group is not in scope of the Pillar Two model rules as its revenue is less than €750m per year.

A number of new other standards and amendments to standards have been issued but are not yet effective for the Group and have not been early adopted. The application of these new standards and amendments is not expected to have a material impact on the Group's consolidated financial statements.

(c) Going concern

The Group has prepared its going concern assessment for the period to 31 October 2025 (the "going concern period"), a period greater than twelve months from the approval of the Group financial statements, to align with the expected timing of the approval of the Company's subsidiary entities financial statements where a letter of support is expected to be required from the Company.

The Group's going concern assessment is based on a forecast of the Group's future cash flows. Management prepares a base case scenario and a severe but plausible downside 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 23) and the ability to continue to operate the Group's secured and unsecured debt structure within its financial covenants. Within the going concern period, three of the Group's debt facilities mature, with a €5.0m tranche of the Schuldschein loan falling due in January 2025 and a €10.0m tranche falling due in March 2025 and the €12.8m Saarbrücken Sparkasse facility falling due in February 2025. No further debt of the Group matures until June 2026.

The severe but plausible scenario models a potential downturn in the Group's performance, including the potential impact of downside macro-factors such as geopolitical instability, future energy shortages, further cost increases due to inflation, pressures from increasing interest rates and outward yield movements 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 the Group's debt facilities and covenants for loan to value, debt service cover, EPRA net asset value, unencumbered assets ratios, fixed charge ratios and occupancy ratios set out within the relevant finance agreements.

The impact of the macro-factors above has placed further pressure on the costs of the business, however this did not result in any deterioration in the Group's income streams in the year ended 31 March 2023 or in the year ended 31 March 2024 and asset values remained relatively stable throughout. However, the Directors continue to be mindful of the challenging macro-factors present in the market and have assessed the potential severity of the falls in valuations in the severe but plausible downside scenario in the going concern period.

The base case and severe but plausible downside scenarios include the following assumptions applied to both the German and UK portfolios:

Base case:

» 5.5% growth per annum in rent roll at 31 March 2024, principally from contractual increases in rents and organic growth through lease renewals;

» increasing cost levels in line with forecast inflation of 3% per annum throughout the going concern period;

» continuation of forecast capex investment;

» continuation of forecast dividend payments in line with historic dividend payouts;

» payment of contractual loan interest and loan amortisation amounts refinancing of €27.8m of debt facilities as they fall due; and

» only acquisitions and disposals which are contractually committed are made, which includes three post balance sheet acquisitions amounting to £50.1m (€58.6m) in Gloucestershire, UK and the €21.4m acquisition in Klipphausen and the €21.5m acquisition in Cologne, Germany. These acquisitions completed in April 2024.

Severe but plausible downside scenario:

» reduction in occupancy and rental income of 10% per annum from the base case assumptions;

» reduction in service charge recovery of 10% per annum from the base case assumptions;

» reduction in property valuations of 10% per annum;

» continuation of forecast capex investment;

» continuation of forecast dividend payments in line with historic dividend payouts; and

» payment of contractual loan interest and loan amortisation amounts, repayment of €27.8m of debt facilities as they fall due; and

» only acquisitions and disposals which are contractually committed are made, which includes three post balance sheet acquisitions amounting to £50.1m (€58.6m) in Gloucestershire, UK, the €21.4m acquisition in Klipphausen and the €21.5m acquisition in Cologne, both in Germany. These acquisitions completed in April 2024.

The Directors are of the view that there is a remote possibility of a more severe scenario arising than the above severe but plausible downside scenario based upon the Group's track record of performance in challenging scenarios, most recently through the high inflationary environment in both Germany and the UK, the Covid-19 pandemic and post-pandemic period. In addition, the Group tapped its €300.0m corporate bond in May 2024 raising an additional €51.3m in corporate debt which is included in both base case and severe but plausible downside scenarios, raised €165.3m in capital in November 2023 and had secured the refinancing of the €58.3m Deutsche Pfandbriefbank AG and €170.0m Berlin Hyp AG facilities in advance of their maturity dates.

The severe but plausible downside results in cash trap events occurring on the Group's occupancy covenant. The cash trap event does not have a material impact to the Group's cash flows. The Group is not forecasting any further cash trap or defaulting events in the severe but plausible downside scenario.

In the severe but plausible downside scenario, the Group assumes full repayment of the maturing loan obligations as they fall due, amounting to €27.8m in the going concern period. The Group forecasts indicate sufficient free cash would be available to repay these funds in full and maintain sufficient liquidity to not require the additional mitigating actions as outlined below available to it, should the severe but plausible downside scenario come to pass.

The Group also performed a reverse stress test over the impact of a fall in its property valuations and income reductions during the going concern period. This showed that the Group could withstand a fall in valuations of 24%, before there was a loan to value covenant breach and a reduction of 24% of net operating income before any income related covenants would breach, levels which the Group has not seen before. These events are considered to be remote due to the Company's strong performance throughout the most recent economic headwinds, with the macroeconomic environment pointing towards stability. The reductions required for the reverse stress test have never been seen by the Group.

In each of the scenarios considered for going concern, the Group forecasts having sufficient free cash available and if required, could utilise available mitigating actions which would be available to the Group in the going concern review period, which include restricting non-REIT relating dividends, reducing capital expenditure or the disposal of assets. The restriction of dividends or reducing capital expenditure are within the control of the Directors and there is sufficient time to implement these restrictions, if required. The use of such mitigating factors are not anticipated to be required.

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.

The Directors also evaluated potential events and conditions beyond the going concern period that may cast significant doubt on the Group's ability to continue as a going concern, with no significant transactions or events of material uncertainty identified.

After due consideration of the going concern assessment for the period to 31 October 2025, the Board believes it is appropriate to adopt the going concern basis in preparing its financial statements.

(d) Basis of consolidation

The consolidated financial information comprises the financial information of the Group as at 31 March 2024. 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.

(e) 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(z)). 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* ("IFRS 3") 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.

(f) 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 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.

(g) 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 to apply the price index from the date it is effective on a straight-line basis.

The value of all lease incentives (including rent free periods, stepped rents, indexation clauses and other types of incentive)are spread on a straight-line basis over the lease term. 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. The above applies to both revenues generated from investment properties and managed properties.

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.

(i) Service charge income

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.

In addition to the above, the Group has entered into leases and licensing arrangements (which meet the definition of a lease under IFRS 16 *Leases* ("IFRS 16")) 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 *Revenue from Contracts with Customers* ("IFRS 15")). Management has estimated the allocation of the revenues using the relevant service charge costs incurred and the occupancy of the properties where all-inclusive lease and licence arrangements are in place. The allocation resulted in €25.9m (2023: €24.0m) being recorded as service charge income.

(ii) Other income

(ii) (a) Fee income

The Group has contractual agreements with its investment in associate for the management of its properties. This generates fee income which is recognised when the services are provided to the investment in associate at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. Income relating to managed properties is accounted for according to revenue recognition accounting policies set out above. The Group identifies itself as a principal in this arrangement as it controls and manages the services provided to its customers.

(ii) (b) Conferencing and catering

The group lets vacant spaces to existing tenants for conferencing & catering activities under separate agreements to the lease arrangements. This Income 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.

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).

(h) 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.

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.

(i) Income tax

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. The Group's UK property business is a UK Real Estate Investment Trust ("REIT"). As a result, the Group's UK property business does not pay UK corporation tax on its profits and gains from the qualifying rental business in the UK. Non-qualifying UK profits and gains continue to be subject to corporation tax as normal.

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.

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, does not give rise to equal taxable and deductible temporary differences and affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, 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 tax assets and liabilities are only offset if there is a legally enforceable right to set off, they are levied by the same taxation authority and the realisation period is the same. In accordance with IAS 12, deferred tax assets and liabilities are not discounted, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The Group has applied the exception in IAS 12 to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

For accounting periods beginning on or after 1 January 2023 IASB ED/2019/5 amended the application of the initial recognition exemption for transactions giving rise to offsetting deferred tax assets and deferred tax liabilities. In respect of IFRS 16, the Group adopted the amendments to the initial recognition exemption under IAS 12 already in the year ended 31 March 2022 and recognises a deferred tax asset in respect of the IFRS 16 lease liabilities and a deferred tax liability in respect of IFRS 16 right of use, resulting in a net deferred tax asset for the year ended 31 March 2023.

The Group has applied the exception in IAS 12 to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

(j) Sales tax

Revenues, expenses, assets and liabilities 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.

(k) 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 as determined by professional external valuer. 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 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 in accordance with the RICS Traditional Red Book valuation methodology, 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(h)). 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 as at 31 March 2024 and 31 March 2023 have 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.

(l) 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.

(m) 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 14.

(n) Plant and equipment

Recognition and measurement

Items of plant and equipment are stated at historical cost less accumulated depreciation and any impairment loss.

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 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.

(o) Intangible assets

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

The Group recognises both internally developed and 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.

Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- its intention to complete and its ability and intention to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

(p) 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(x)). The Group applies the simplified impairment model of IFRS 9 *Financial Instruments* 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.

(q) 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.

(r) 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.

(s) 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. Cash is measured at amortised cost.

(t) 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.

(u) Trade payables

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

(v) Equity instruments

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

(w) 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 2024 will be approved and recognised in the financial year ending 31 March 2025.

(x) 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 service charge 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 6. Trade and other receivables are written off once all avenues to recover the balances are exhausted and there is no expectation of recovery.

(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.

(y) 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.

(z) Business combinations

(i) Subsidiary undertakings

Business combinations are accounted for using the acquisition method at the acquisition date, which is the date on which control is transferred to the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable, as well as other factors including Board representation. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control passes.

(ii) Associates

Associates are those entities over which the Group has significant influence, but which are not subsidiary undertakings or joint ventures. The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Investments in associates are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments.

(aa) Non-IFRS measures

The Directors have chosen to disclose EPRA earnings, EPRA net asset value metrics and EPRA loan to value, which are widely used alternative metrics to their IFRS equivalents (further details on EPRA best practice recommendations can be found at www.epra.com). Note 11 to the financial statements includes a reconciliation of basic and diluted earnings to EPRA earnings. Note 12 to the financial statements includes a reconciliation of net assets to EPRA net asset value metrics. Note 23 to the financial statements includes a calculation of EPRA loan to value ratio.

The Directors are required, as part of the JSE Limited Listing Requirements, to disclose headline earnings; accordingly, headline earnings are calculated using basic earnings adjusted for revaluation gain/loss and related tax, gain/loss on disposal of properties and related tax, non-controlling interest ("NCI") relating to revaluation (net of related tax), NCI relating to gain/loss on disposal properties (net of related tax) and revaluation gain/loss on investment property relating to associates and related tax. Note 11 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 as disclosed in note 11 of the financial statements.

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 28 to the financial statements. Within adjusted profit before tax are adjusting items as described in note 11 of the financial statements 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, assumptions and other sources of estimation uncertainty

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.

Estimates and assumptions

Key estimates

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:

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 (2023: Cushman & Wakefield LLP), an independent valuer. After adjusting investment properties for lease incentive accounting, the book value of investment properties excluding assets held for sale is shown as €2,186.7m (2023: €2,098.5m) as disclosed in note 13.

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

The fair value of the Group's leased investment properties was determined by management. The book value of leased investment properties is shown as €23.9m (2023: €24.5m) as disclosed in note 13.

As a result of the level of estimation 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. Refer to note 13 for further information, including sensitivity analysis.

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

Other sources of estimation uncertainty

The following areas of estimation uncertainty are not presented to comply with the requirements of paragraph 125 of IAS 1 as it is not expected there is a risk of a material adjustment to the carrying amount of assets and liabilities within the next financial year. They are presented as additional disclosure of estimates used in the accounts.

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 Disclosures. The Group also considered the work performed to date in preparing its potential net zero pathway for the German portfolio to 2045 based on the CRREM ("Carbon Risk Real Estate Monitor") methodology, the leading global standard for operational decarbonisation of real estate assets, and in line with the Science Based Target initiative ("SBTi") and the Energy Performance Certificate ("EPC") regulatory requirements for the UK. 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 for the period, consistent with this assessment this is not expected to have a significant impact on the Group's going concern of viability assessment.

4. Operating segments

Information on each operating segment based on the geographical location in which the Group operates is provided to the chief operating decision maker, namely the Group's Senior 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. The Group's Senior Management Team considers that this is best achieved through the operating segments of the German assets and the UK assets. The Group's investment properties are considered to be their own segment. The properties at each location (Germany and the UK) have similar economic characteristics. These have been aggregated into two operating segments based on location in accordance with the requirements of IFRS 8 *Operating Segments*. The Group's Senior Management Team considers the two locations to be separate segments. Further disaggregation of the investment properties is disclosed in note 13 owing to the range in values of key inputs and assumptions underpinning the property valuation. Consequently, the Group is considered to have two reportable operating segments, as follows:

- Germany; and
- the 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. All of the gains/losses on property valuations, gains/losses on property disposals, movement in expected credit loss provision, administrative expenses (with depreciation and amortisation shown separately) and the Group's share of profit of associates, are separately disclosed as part of operating profit. Group finance income and expenses (with amortisation of capitalised finance costs shown separately) and change in fair value of derivative financial instruments are also disclosed separately.

Income taxes and depreciation are not reported to the Senior Management Team on a segmented basis. There are no sales between segments.

There is no single tenant that makes up more than 10% of each segment's revenue or Group revenue.

	Year ended 31 March 2024			Year ended 31 March 2023		
	Germany €m	**UK €m**	**Total €m**	Germany €m	UK €m	Total €m
Rental income from investment properties	**127.6**	**37.4**	**165.0**	121.9	32.6	154.5
Rental income from managed properties	**—**	**—**	**—**	5.6	—	5.6
Other income from investment properties	**3.9**	**0.9**	**4.8**	3.6	0.7	4.3
Service charge income from investment properties	**73.4**	**25.9**	**99.3**	66.6	24.0	90.6
Other income from managed properties	**4.6**	—	**4.6**	5.3	—	5.3
Service charge income from managed properties	**15.1**	—	**15.1**	9.8	—	9.8
Revenue	**224.6**	**64.2**	**288.8**	212.8	57.3	270.1
Direct costs	**(99.3)**	**(23.7)**	**(123.0)**	(96.7)	(20.0)	(116.7)
Net operating income	**125.3**	**40.5**	**165.8**	116.1	37.3	153.4
Gain/(loss) on revaluation of investment properties	**40.8**	**(28.6)**	**12.2**	(3.9)	(5.9)	(9.8)
Gain on disposal of properties	**0.9**	**(0.0)**	**0.9**	—	4.7	4.7
Depreciation and amortisation	**(4.1)**	**(1.0)**	**(5.1)**	(4.2)	(1.3)	(5.5)

Movement in expected credit loss provision	**0.9**	**(0.0)**	**0.9**	(1.0)	—	(1.0)
Other administrative expenses	**(34.9)**	**(9.7)**	**(44.6)**	(36.1)	(6.7)	(42.8)
Share of profit of associates	**0.6**	**—**	**0.6**	2.6	—	2.6
Operating profit	**129.5**	**1.2**	**130.7**	73.5	28.1	101.6
Finance income	**5.5**	**1.1**	**6.6**	2.5	0.3	2.8
Amortisation of capitalised finance costs	**(3.5)**	**—**	**(3.5)**	(3.3)	—	(3.3)
Other finance expense	**(13.0)**	**(4.3)**	**(17.3)**	(10.8)	(4.2)	(15.0)
Change in fair value of derivative financial instruments	**(1.3)**	**—**	**(1.3)**	0.9	—	0.9
Net finance costs	**(12.3)**	**(3.2)**	**(15.5)**	(10.7)	(3.9)	(14.6)
Segment profit/(loss) for the year before tax	**117.2**	**(2.0)**	**115.2**	62.8	24.2	87.0

	31 March 2024			31 March 2023		
	Germany €m	**UK €m**	**Total €m**	Germany €m	UK €m	Total €m
Segment assets						
Investment properties	**1,735.0**	**475.6**	**2,210.6**	1,691.6	431.4	2,123.0
Investment in associates	**25.2**	**—**	**25.2**	26.7	—	26.7
Other non-current assets(1)	**20.8**	**2.9**	**23.7**	21.9	3.8	25.7
Total segment non-current assets	**1,781.0**	**478.5**	**2,259.5**	1,740.2	435.2	2,175.4

(1) Consists of plant and equipment, intangible assets and right of use assets.

5. Revenue

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Rental income from investment properties	**165.0**	154.5
Rental income from managed properties	**—**	5.6
Other income from investment properties	**4.8**	4.3
Service charge income from investment properties	**99.3**	90.6
Other income from managed properties	**4.6**	5.3
Service charge income from managed properties	**15.1**	9.8
Total revenue	**288.8**	270.1

The Group manages properties for the investment in associate. As part of this, service charge income from managed properties is generated which relates to costs the Group incur to provide the investment with associate with necessary services.

A reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information (see note 4) is as follows:

	Year ended 31 March 2024			Year ended 31 March 2023		
	Germany €m	**UK €m**	**Total €m**	Germany €m	UK €m	Total €m
Rental income from investment properties	**127.6**	**37.4**	**165.0**	121.9	32.6	154.5
Rental income from managed properties	**—**	**—**	**—**	5.6	—	5.6
Total rental income	**127.6**	**37.4**	**165.0**	127.5	32.6	160.1
Other income from investment properties	**3.9**	**0.9**	**4.8**	3.6	0.7	4.3
Service charge income from investment properties	**73.4**	**25.9**	**99.3**	66.6	24.0	90.6
Other income from managed properties	**4.6**	**—**	**4.6**	5.3	—	5.3
Service charge income from managed properties	**15.1**	**—**	**15.1**	9.8	—	9.8
Total revenue from contracts with customers	**97.0**	**26.8**	**123.8**	85.3	24.7	110.0
Total revenue	**224.6**	**64.2**	**288.8**	212.8	57.3	270.1

6. Operating profit

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

Direct costs

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Service charge costs relating to investment properties	**99.6**	92.8
Costs relating to managed properties	**16.3**	17.4
Non-recoverable maintenance costs	**7.1**	6.5

Direct costs	**123.0**	116.7

Movement in expected credit loss provision

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Expected credit loss recognised	**7.8**	8.7
Expected credit loss reversed	**(8.7)**	(7.7)
Movement in expected credit loss provision (see note 24)	**(0.9)**	1.0

The expected credit loss provision has decreased during the year mainly due to the decrease of gross trade receivables.

Administrative expenses

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Audit and non-audit fees to audit firm	**1.4**	1.7
Legal and professional fees	**5.5**	6.0
Other administration costs(1)	**4.1**	5.7
Share-based payments	**5.0**	5.5
Employee costs	**23.8**	19.4
Director fees and expenses	**0.7**	0.7
Depreciation of plant and equipment (see note 15)	**1.8**	2.1
Amortisation of intangible assets (see note 16)	**1.5**	1.3
Depreciation of right of use assets (see note 17)	**1.8**	2.1
Marketing	**3.2**	3.1
Other expenses not included in FFO	**0.9**	0.7
Administrative expenses	**49.7**	48.3

(1) In Other administration costs the Group recognised €0.2m related to losses from disposal of PPE (see note 15).

Other administration costs include net foreign exchange gains of €3.4m as a result of increasing British pound sterling (“GBP”) rates throughout the year (2023: €0.2m loss as a result of declining GBP rates throughout the year).

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

Other expenses not included in FFO relate to the following:

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Other fees for projects(1)	**—**	2.4
Legal case costs(2)	**0.9**	0.4
Lease agreement termination fees(3)	**—**	0.9
Decrease in tax liabilities recognised on acquisition of the BizSpace Group(4)	**—**	(3.0)
Total	**0.9**	0.7

Other expenses not included in FFO are items outside the normal course of business and therefore have been identified as expenses not included in the FFO calculation.

(1) The other fees for projects amounting to €2.4m for the year ended 31 March 2023 were related to capital management measures undertaken by the Group.

(2) The legal case costs amounting to €0.9m relate to the legal case mentioned in note 22 (2023: €0.4m).

(3) The lease agreement termination fee amounting to €0.9m for the twelve month period ended 31 March 2023 relate to what was paid in compensation for early termination of a rental contract at the end of July 2022 within the UK segment of the Group.

(4) In the prior year, the Group identified an error in the accrual of tax liabilities arising in the BizSpace Group as at 31 March 2022, resulting in an overstatement of the tax liability of €5.0m, of which €3.0m arose on acquisition. These were assessed as not being material to the 31 March 2022 financial statements and the reduction in the liability was recorded in the 31 March 2023 financial statements. The amounts were recorded within other expenses not included in FFO and the taxation (see note 10) lines of the income statement.

Audit fees

The following services have been provided by the Group’s auditor:

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Audit fees to audit firm:		
Audit of consolidated financial statements	**1.0**	1.0
Audit of subsidiary undertakings	**0.3**	0.2
Total audit fees	**1.3**	1.2
Audit related assurance services	**0.1**	0.1
Other assurance services	**—**	0.4
Total assurance services	**0.1**	0.5
Total fees for non-audit services	**0.1**	0.5
Total fees	**1.4**	1.7

7. Employee costs and numbers

	Year ended	Year ended

	31 March 2024 €m	31 March 2023 €m
Wages and salaries	**33.9**	30.7
Social security costs	**5.0**	4.3
Defined contribution pension scheme	**0.4**	0.5
Other employment costs	**0.9**	0.9
Total	**40.2**	36.4

Included in the costs related to wages and salaries for the year are expenses of €5.0m (2023: €5.5m) relating to the granting or award of shares (see note 8). 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 (Cyprus) 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 428 (2023: 421), expressed in full-time equivalents. In addition, as at 31 March 2024, the Board of Directors consists of six Non-Executive Directors (2023: six) and two Executive Directors (2023: two).

8. 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. 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. Awards are equity settled. The employees' tax obligation will be determined upon the vesting date of the share issue.

The following assumptions were used in calculating the fair value per share for the TNR and TSR elements of the awards that were granted:

	June 2019 grant		June 2020 grant	
	TNR	TSR	TNR	TSR
Valuation methodology	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo
Calculation for	2/3 ordinary award/ outperformance award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award
Total charge for the award – €m	2.1		2.3	
Expected lapse rate	0%	0%	0%	0%
Share price at grant date – €	0.73	0.73	0.84	0.84
Exercise price – €	nil	nil	nil	nil
Expected volatility – %(1)	23.8	23.8	38.5	38.5
Performance projection period – years	2.80	2.67	2.79	2.67
Expected dividend yield – %	4.56	4.56	4.28	4.28
Risk-free rate based on European	(0.695) p.a.	(0.695) p.a.	(0.68) p.a.	(0.68) p.a.
Expected outcome of performance conditions – %	100/25	100	88.8	n/a
Fair value per share – €	0.643	0.340	0.745	0.564
Weighted average fair value of share – €(2)	0.54		0.68	
Number of shares granted	2,506,667/690,000	1,253,333(3)	2,400,000	1,200,000
Forfeited during the performance period	—		500,000	

(1) 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.

(2) 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 Group in respect of the awards.

(3) Another 93,039 share awards have been granted throughout the performance period as part of dividend equivalents.

The June 2019 grant vested on 18 July 2022. Vesting was at partial level for all participants resulting in the exercise of 1,620,093 shares with a weighted average share price of €1.02 at the date of exercise. 1,391,585 shares have been surrendered in relation to the partial settlement of certain participants' tax liabilities arising in respect of the vesting. An amount of €1.7m was paid for the participants' tax liabilities.

The remaining 1,531,361 shares vested on 23 November 2022. Final vesting resulted in the exercise of 811,621 shares with a weighted average share price of €1.02 at the date of exercise. 719,740 shares have been surrendered in relation to the settlement of certain participants' tax liabilities arising in respect of the vesting. An amount of €0.8m was paid for the participants' tax liabilities in the year ended 31 March 2024.

The June 2020 grant vested on 22 May 2023. Vesting resulted in the exercise of 1,859,000 shares with a weighted average share price of €1.02 at the date of exercise. 1,241,000 shares have been surrendered in relation to the partial settlement of certain participants' tax liabilities arising in respect of the vesting. An amount of €1.3m 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

TNR (two-thirds of award) and relative 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.

The following assumptions were used in calculating the fair value per share for the TNR and TSR elements of the awards that were granted:

	August 2021 grant		July 2022 grant		June 2023 grant		September 2023 grant	
	TNR	TSR	TNR	TSR	TNR	TSR	TNR	TSR
Valuation methodology	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo
Calculation for	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award
Total charge for the award – €m	4.7		2.6		2.9		0.8	
Expected lapse rate	0%	0%	0%	0%	0%	0%	0%	0%
Share price at grant date – €	1.39	1.39	1.05	1.05	1.04	1.04	1.03	1.03
Exercise price – €	nil	nil	nil	nil	nil	nil	nil	nil
Expected volatility – %(1)	40.5	40.5	41.2	41.2	32.7	32.7	31.4	31.4
Expected life – years	2.91	2.91	2.95	2.95	2.97	2.97	2.68	2.68
Performance projection period – years	2.66	2.66	2.70	2.70	2.81	2.81	2.52	2.52
Expected dividend yield – %	2.79	2.79	4.21	4.21	5.52	5.52	5.47	5.47
Risk-free rate based on European treasury bonds rate of return – %	(0.817) p.a.	(0.817) p.a.	0.609 p.a.	0.609 p.a.	2.65 p.a.	2.65 p.a.	3.05 p.a.	3.05 p.a.
Fair value per share – €	1.28(2)	0.84(3)	0.93(2)	0.40(3)	0.88(2)	0.59(3)	0.89(2)	0.71(3)
Weighted average fair value of share – €(4)	1.13		0.75		0.77		0.83	
Number of shares granted	2,769,413	1,384,706	2,320,019	1,160,009	2,462,171	1,231,086	604,001	302,001
Forfeited during the performance period	725,000		635,000		—		—	

(1) 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.

(2) In accordance with IFRS 2 *Share-based Payment* ("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%.

(3) 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.

(4) 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 Group in respect of the awards.

2021 SIP

A SIP for the benefit of 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 with vested awards being subject to a further restricted period of one year when shares cannot be sold. Awards are subject to TNR (two-thirds of award) and relative 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.

The following assumptions were used in calculating the fair value per share for the TNR and TSR elements of the awards that were granted:

	September 2021 grant		April 2022 grant		August 2022 grant	
	TNR	TSR	TNR	TSR	TNR	TSR
Valuation methodology	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo
Calculation for	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award
Total charge for the award – €m	3.7		0.03		1.5	
Expected lapse rate	0%	0%	0%	0%	0%	0%
Share price at grant date – €	1.49	1.49	1.51	1.51	1.13	1.13
Exercise price – €	n/a	n/a	n/a	n/a	n/a	n/a
Expected volatility – %(1)	40.7	40.7	32.5	32.5	29.7	29.7
Expected life – years	3.48	3.48	2.92	2.92	2.58	2.58
Performance projection period – years	2.56	2.56	2.00	2.00	1.66	1.66
Expected dividend yield – %	2.60	2.60	2.93	2.93	3.96	3.96
Risk-free rate based on European treasury bonds rate of return – %	(0.737) p.a.	(0.737) p.a.	(0.074) p.a.	(0.074) p.a.	0.184 p.a.	0.184 p.a.
Fair value per share – €	1.36(2)	0.92(3)	1.39(2)	0.89(3)	1.02(2)	0.46(3)
Weighted average fair value of share – €(4)	1.21		1.22		0.83	
Number of shares granted	2,049,667	1,024,833	20,000	10,000	1,166,667	583,333
Forfeited during the performance period	558,500		30,000		380,000	

	June 2023(UK) grant		June 2023 grant		September 2023 grant	
	TNR	TSR	TNR	TSR	TNR	TSR
Valuation methodology	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo
Calculation for	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award
Total charge for the award – €m	1.5		0.4		0.4	
Expected lapse rate	0%	0%	0%	0%	0%	0%
Share price at grant date – €	1.04	1.04	1.04	1.04	1.03	1.03
Exercise price – €	n/a	n/a	n/a	n/a	n/a	n/a
Expected volatility – %(1)	32.7	32.7	32.7	32.7	31.3	31.3
Expected life – years	3.73	3.73	2.97	2.97	3.49	3.49
Performance projection period – years	2.81	2.81	2.81	2.81	2.57	2.57
Expected dividend yield – %	5.52	5.52	5.52	5.52	5.60	5.60
Risk-free rate based on European treasury bonds rate of return – %	2.65 p.a.	2.65 p.a.	2.65 p.a.	2.65 p.a.	2.82 p.a.	2.82 p.a.
Fair value per share – €	0.85(2)	0.56(3)	0.88(2)	0.60(3)	0.85(2)	0.65(3)
Weighted average fair value of share – €(4)	0.77		0.77		0.78	
Number of shares granted	1,333,333	666,667	333,333	166,667	426,667	213,333
Forfeited during the performance period	—		—		—	

(1) 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.

(2) 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%.

(3) 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.

(4) 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 Group in respect of the awards.

Deferred Bonus Plan

The Deferred Bonus Plan ("DBP") is subject to rules approved by the Board and to the Directors' Remuneration Policy (approved by shareholders triennially) for Executive Directors of Sirius Real Estate Limited and two members of the Senior Management Team within the Group.

The participants are subject to annual performance bonus conditions and objectives to be agreed by the Remuneration Committee. At the end of the applicable financial year, and on receipt of an annual performance bonus, as determined by the Remuneration Committee, 50% or 65% depending on the participants are awarded as cash with the remainder transferred into shares in the Company. Of the remaining 50% or 35% for certain participants to be transferred in shares, half is deferred for one year and the remaining half is deferred for two years.

On 6 June 2023 an amount of 194,194 shares vested with a weighted average share price of €1.02 at the date of exercise. 109,477 shares have been surrendered in relation to the partial settlement of certain participants' tax liabilities arising in respect of the vesting. An amount of €0.1m was paid for the participants' tax liabilities.

On 7 July 2023 an amount of 6,347 shares vested with a weighted average share price of €1.02 at the date of exercise. No shares have been surrendered in relation to the settlement of tax liabilities arising in respect of the vesting.

Number of share awards

Movements in the number of awards outstanding are as follows:

	Year ended 31 March 2024		Year ended 31 March 2023	
	Number of share awards	**Weighted average exercise price €m**	Number of share awards	Weighted average exercise price €m
Balance outstanding as at the beginning of the year (nil exercisable)	**14,478,647**	**—**	15,278,619	—
Maximum granted during the year	**9,410,131**	**—**	5,353,067	—
Forfeited during the year	**(1,218,500)**	**—**	(1,610,000)	—
Exercised during the year	**(2,059,541)**	**—**	(2,431,714)	—
Shares surrendered to cover employee tax obligations	**(1,350,477)**	**—**	(2,111,325)	—
Balance outstanding as at year end (nil exercisable)	**19,260,260**	**—**	14,478,647	—

The weighted average remaining contractual life for the share awards outstanding as at 31 March 2024 was 1.42 years (2023: 1.91 years).

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 31 March 2024 €m	Year ended 31 March 2023 €m
Charge relating to 2018 LTIP – June 2020 grant	**—**	0.8
Charge relating to 2021 LTIP – August 2021 grant	**1.0**	1.6
Charge relating to 2021 LTIP – July 2022 grant	**0.6**	0.6
Charge relating to 2021 LTIP – June 2023 grant	**0.8**	—
Charge relating to 2021 LTIP – September 2023 grant	**0.1**	—
Charge relating to 2021 SIP – September 2021 grant	**0.6**	1.1
Charge relating to 2021 SIP – April 2022 grant	**0.0**	0.0
Charge relating to 2021 SIP – August 2022 grant	**0.4**	0.4
Charge relating to 2021 SIP – June 2023 grant	**0.4**	—
Charge relating to 2021 SIP – September 2023 grant	**0.1**	—
DBP	**1.0**	1.0
Total consolidated income statement charge relating to share-based payments	**5.0**	5.5

An amount of €5.0m (2023: €5.5m) is recognised in other distributable reserves as per the consolidated statement of changes in equity. In addition, an amount of €2.2m (2023: €1.7m) has been paid for participants' tax liabilities in relation to share-based payment schemes.

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

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Bank interest income	**4.4**	0.6
Finance income from associates	**2.2**	2.2
Finance income	**6.6**	2.8
Bank loan interest expense	**(15.9)**	(13.6)
Interest expense related to lease liabilities (see note 17)	**(1.1)**	(1.1)
Amortisation of capitalised finance costs	**(3.5)**	(3.3)
Total interest expense	**(20.5)**	(18.0)
Bank charges	**(0.3)**	(0.3)
Other finance costs	**(0.3)**	(0.3)
Finance expense	**(20.8)**	(18.3)
Change in fair value of derivative financial instruments	**(1.3)**	0.9
Net finance expense	**(15.5)**	(14.6)

The change in fair value of derivative financial instruments of €1.3m (2023: €0.9m) reflects the change in the market valuation of these financial instruments.

10. Taxation

Consolidated income statement

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Current income tax		
Current income tax charge	**(3.7)**	(4.8)
Current income tax charge relating to disposals of investment properties	**(1.0)**	—
Adjustments in respect of prior periods(1)	**(0.1)**	1.8
Total current income tax	**(4.8)**	(3.0)
Deferred tax		
Relating to origination and reversal of temporary differences	**(2.5)**	(4.3)
Total deferred tax	**(2.5)**	(4.3)
Income tax charge reported in the income statement	**(7.3)**	(7.3)

(1) In the prior year, the Group identified an error in the accrual of tax liabilities arising in the BizSpace Group as at 31 March 2022, resulting in an overstatement of the tax liability of €5.0m of which €3.0m arose on acquisition. These were assessed as not being material to the 31 March 2022 financial statements and the reduction in the liability was recorded in the 31 March 2023 financial statements. The amounts were recorded within other expenses not included in FFO (see note 6) and the taxation lines of the income statement.

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 31 March 2024 €m	Year ended 31 March 2023 €m
Profit before tax	**115.2**	87.0
Current tax using the German corporation tax rate of 15.825% (2023: 15.825%)	**18.2**	13.8
Effects of:		
Deductible interest on internal financing(1)	**(5.3)**	(4.4)
Tax exempt loss/(gain) from selling of investments and dividends(2)	**0.2**	(0.4)
Non-deductible expenses	**0.5**	(0.3)
Change in unrecognised deferred tax – tax effect of utilisation of tax losses not previously recognised(3)	**(8.5)**	2.8
Adjustments in respect of prior periods(4)	**0.1**	(1.8)
German trade tax	**0.2**	0.4

Tax exempt income under REIT regime[5]	**1.8**	(3.7)
Difference in foreign tax rates[6]	**0.1**	0.9
Total income tax charge in the income statement	**7.3**	7.3

(1) The item refers to intra-group financing and also includes the difference in foreign tax rates within the jurisdiction of the recipient of the interest income and the German corporation tax rate.

(2) The tax exempt gain from selling of investments and dividends in the prior year relates to the profits of associates only. Within the current year, there will be a tax payable on a gain realised within a restructuring within the Group.

(3) Due to merging companies within the current year, the Group could utilise €5.3m available tax losses to offset profits. On 27 March 2024 the Growth Opportunities Act was enacted which improves the deduction of tax losses. Accordingly, the Group could utilise additional amounts of unrecognised tax losses.

(4) To align with tax returns filed for previous years, an adjustment (primarily arising on tax gains on disposal of investment properties) has been made within the prior financial year.

(5) The BizSpace Group has entered into the UK REIT regime effective from 1 April 2022 which exempts income from property rental business and profits from disposal of assets from UK tax charge. On the other hand, losses from revaluation are not tax deductible which resulted in an increase of the current year tax charge.

(6) As the UK corporation tax rate at 31 March 2024 was 25% (2023: 19%), this item shows the difference between this rate and the German corporation tax rate of 15.825% used in the above reconciliation.

Deferred tax assets and liabilities

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

	Consolidated statement of financial position		Consolidated income statement	
	31 March 2024 €m	31 March 2023 €m	**Year ended 31 March 2024 €m**	Year ended 31 March 2023 €m
Revaluation of investment property	**(107.3)**	(99.5)	**(7.8)**	(4.1)
Lease incentives	**(0.7)**	(0.7)	**0.0**	(0.1)
Fixed asset temporary differences	**(0.0)**	(0.1)	**0.1**	(0.2)
Financial instruments	**—**	(0.2)	**0.2**	(0.2)
Fair value adjustment on leased investment properties (assets)	**3.6**	3.9	**(0.3)**	(0.2)
Fair value adjustment on leased investment properties (liabilities)	**(3.4)**	(3.8)	**0.4**	0.5
Recognised tax losses set-off against temporary differences	**25.1**	20.2	**4.9**	(0.1)
Deferred tax income/(expense)			**(2.5)**	(4.3)
Deferred tax liabilities	**(82.7)**	(80.2)		

The Group has not recognised a deferred tax asset on €191.2m (2023: €240.2m) of tax losses carried forward and future share scheme deductions as it is not considered probable that future profits will be available to offset the deferred tax asset against. There is no expiration date on the losses and future share scheme tax deductions will convert to tax losses on realisation.

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 (2023: €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.

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) by jurisdiction:

	Assets		Liabilities		Net	
	31 March 2024 €m	31 March 2023 €m	**31 March 2024 €m**	31 March 2023 €m	**31 March 2024 €m**	31 March 2023 €m
UK	—	—	—	—	—	—
Germany	**28.7**	24.1	**(111.4)**	(104.4)	**(82.7)**	(80.2)
Cyprus	—	—	—	—	—	—
Deferred tax assets/(liabilities)	**28.7**	24.1	**(111.4)**	(104.4)	**(82.7)**	(80.2)

Current tax assets and liabilities

The following is the analysis of the current tax balances (after offset) by jurisdiction:

	Assets		Liabilities		Net	
	31 March 2024 €m	31 March 2023 €m	**31 March 2024 €m**	31 March 2023 €m	**31 March 2024 €m**	31 March 2023 €m
UK	—	—	—	(0.4)	—	(0.4)
Germany	—	—	**(6.5)**	(4.6)	**(6.5)**	(4.6)
Cyprus	—	—	**(0.5)**	(0.4)	**(0.5)**	(0.4)
Current tax liabilities	—	—	**(7.0)**	(5.4)	**(7.0)**	(5.4)

11. Earnings per share

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

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Earnings attributable to the owners of the Company		
Basic earnings	**107.8**	79.6
Diluted earnings	**107.8**	79.6
EPRA earnings	**101.1**	88.2
Diluted EPRA earnings	**101.1**	88.2
Headline earnings	**100.0**	89.0
Diluted headline earnings	**100.0**	89.0
Adjusted		
Basic earnings	**107.8**	79.6
(Deduct gain)/add loss on revaluation of investment properties	**(12.2)**	9.8
Deduct gain on disposal of properties	**(0.9)**	(4.7)
Tax in relation to the revaluation gains/losses of investment properties and gains/losses on disposal of properties above less REIT related tax effects	**3.7**	4.2
NCI relating to revaluation (net of related tax)	**0.0**	—
NCI relating to gain on disposal of properties (net of related tax)	**0.0**	—
Add loss on revaluation of investment property relating to associates	**1.6**	0.5
Tax in relation to the revaluation gains/losses on investment property relating to associates above	**(0.0)**	(0.4)
Headline earnings after tax	**100.0**	89.0
Add/(deduct) change in fair value of derivative financial instruments (net of related tax and NCI)	**1.1**	(0.8)
Deduct revaluation loss relating to leased investment properties (net of related tax)	**(0.8)**	(1.5)
Add adjusting items (net of related tax and NCI)	**5.9**	6.2
Adjusted earnings after tax	**106.2**	92.9
Number of shares		
Weighted average number of ordinary shares for the purpose of basic, headline, adjusted and basic EPRA earnings per share	**1,231,991,541**	1,167,757,975
Weighted average number of ordinary shares for the purpose of diluted earnings, diluted headline earnings, diluted adjusted earnings and diluted EPRA earnings per share	**1,249,500,420**	1,183,626,763
Basic earnings per share	**8.75c**	6.82c
Diluted earnings per share	**8.63c**	6.73c
Basic EPRA earnings per share	**8.21c**	7.55c
Diluted EPRA earnings per share	**8.10c**	7.45c
Headline earnings per share	**8.12c**	7.62c
Diluted headline earnings per share	**8.01c**	7.52c
Adjusted earnings per share	**8.62c**	7.96c
Adjusted diluted earnings per share	**8.50c**	7.85c

Adjusting items in the above table are made up from the following (as stated within administrative expenses):

	Notes	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Other expenses not included in FFO	6	**0.9**	0.7
Share-based payments	6	**5.0**	5.5
Adjusting items		**5.9**	6.2

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 31 March 2024		Year ended 31 March 2023	
	Gross €m	Net €m	Gross €m	Net €m
Basic earnings		**107.8**		79.6
(Deduct gain)/add loss on revaluation of investment properties	**(12.2)**	**(9.5)**	9.8	14.0
(Deduct gain)/add loss on disposal of properties	**(0.9)**	**0.1**	(4.7)	(4.7)
NCI relating to revaluation	**0.0**	**0.0**	0.1	—
NCI relating to gain on disposal of properties	**0.0**	**0.0**	—	—
Add loss on revaluation of investment property relating to associates	**1.6**	**1.6**	0.5	0.1
Headline earnings		**100.0**		89.0

EPRA earnings

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Basic and diluted earnings attributable to owners of the Company	**107.8**	79.6
(Deduct gain)/add loss on revaluation of investment properties	**(12.2)**	9.8
Add loss/(deduct gain) on disposal of properties (net of related tax)	**0.1**	(4.7)
Change in fair value of derivative financial instruments	**1.3**	(0.9)
Deferred tax in respect of EPRA earnings adjustments	**2.5**	4.3

NCI relating to revaluation (net of related tax)	**0.0**	—
NCI relating to gain on disposal of properties (net of related tax)	**0.0**	—
Add loss on revaluation of investment property relating to associates	**1.6**	0.5
Tax in relation to the revaluation gains/losses on investment property relating to associates	**(0.0)**	(0.4)
EPRA earnings	**101.1**	88.2

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 does not include 7,292,222 own shares held (2023: 7,492,763 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 31 March 2024	Year ended 31 March 2023
Weighted average number of ordinary shares for the purpose of basic, basic EPRA, headline and adjusted earnings per share	**1,231,991,541**	1,167,757,975
Weighted average effect of grant of share awards	**17,508,879**	15,868,789
Weighted average number of ordinary shares for the purpose of diluted, diluted EPRA, diluted headline and adjusted diluted earnings per share	**1,249,500,420**	1,183,626,764

12. Net asset value per share

	31 March 2024 €m	31 March 2023 €m
Net asset value		
Net asset value for the purpose of assets per share (total equity attributable to the owners of the Company)	**1,407.3**	1,197.1
Deferred tax liabilities (see note 10)	**82.7**	80.2
Derivative financial instruments at fair value	—	(1.3)
Adjusted net asset value attributable to the owners of the Company	**1,490.0**	1,276.0
Number of shares		
Number of ordinary shares for the purpose of net asset value per share and adjusted net asset value per share	**1,340,848,147**	1,168,371,222
Number of ordinary shares for the purpose of EPRA NRV, NTA and NDV per share	**1,360,108,407**	1,182,849,869
Net asset value per share	**104.96c**	102.46c
Adjusted net asset value per share	**111.12c**	109.21c

31 March 2024	**EPRA NRV €m**	**EPRA NTA €m**	**EPRA NDV €m**
Net asset value as at year end (basic)	**1,407.3**	**1,407.3**	**1,407.3**
Diluted EPRA net asset value at fair value	**1,407.3**	**1,407.3**	**1,407.3**
Group			
Derivative financial instruments at fair value	—	—	**n/a**
Deferred tax in respect of EPRA fair value movements on investment properties	**82.7**	**82.7**(1)	**n/a**
Intangibles as per note 16	**n/a**	**(3.3)**	**n/a**
Fair value of fixed interest rate debt	**n/a**	**n/a**	**114.7**
Real estate transfer tax	**170.3**	**n/a**	**n/a**
Investment in associate			
Deferred tax in respect of EPRA fair value movements on investment properties	**7.0**	**7.0**(1)	**n/a**
Fair value of fixed interest rate debt	**n/a**	**n/a**	**6.7**
Real estate transfer tax	**9.4**	**n/a**	**n/a**
Total EPRA NRV, NTA and NDV	**1,676.7**	**1,493.7**	**1,528.7**
EPRA NRV, NTA and NDV per share	**123.28c**	**109.82c**	**112.40c**

31 March 2023	EPRA NRV €m	EPRA NTA €m	EPRA NDV €m
Net asset value as at year end (basic)	1,197.1	1,197.1	1,197.1
Diluted EPRA net asset value at fair value	1,197.1	1,197.1	1,197.1
Group			
Derivative financial instruments at fair value	(1.3)	(1.3)	n/a
Deferred tax in respect of EPRA fair value movements on investment properties	80.2	80.1(1)	n/a
Intangibles as per note 16	n/a	(4.1)	n/a
Fair value of fixed interest rate debt	n/a	n/a	99.2
Real estate transfer tax	164.4	n/a	n/a
Investment in associate			
Deferred tax in respect of EPRA fair value movements on investment properties	7.0	7.0(1)	n/a
Fair value of fixed interest rate debt	n/a	n/a	9.9
Real estate transfer tax	9.3	n/a	n/a

Total EPRA NRV, NTA and NDV	1,456.7	1,278.8	1,306.2
EPRA NRV, NTA and NDV per share	123.15c	108.11c	110.43c

(1) The Group 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.

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 2024	31 March 2023
Number of ordinary shares for the purpose of net asset value per share and adjusted net asset value per share	**1,340,848,147**	1,168,371,222
Effect of grant of share awards	**19,260,260**	14,478,647
Number of ordinary shares for the purpose of EPRA NRV, NTA and NDV per share	**1,360,108,407**	1,182,849,869

The number of shares does not include 7,292,222 own shares held (2023: 7,492,763 shares), which are held by an Employee Benefit Trust on behalf of the Group.

13. Investment properties

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

	31 March 2024 €m	3 March 2023 €m
Total investment properties at book value as at the beginning of the year	**2,123.0**	2,100.0
Additions – owned investment properties	**74.1**	44.7
Additions – leased investment properties	—	1.4
Capital expenditure and broker fees	**37.7**	29.9
Disposals	**(48.9)**	(17.1)
Reclassified as investment properties held for sale (see note 14)	—	(8.8)
Gain on revaluation above capex and broker fees	**12.4**	(7.7)
Adjustment in respect of lease incentives	**0.7**	(0.6)
Loss on revaluation relating to leased investment properties	**(0.9)**	(1.5)
Foreign exchange differences	**12.5**	(17.3)
Total investment properties at book value as at year end(1)	**2,210.6**	2,123.0

(1) Excluding assets held for sale.

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

	31 March 2024 €m	31 March 2023 €m
Owned investment properties at market value per valuer's report(1)	**2,190.6**	2,103.1
Adjustment in respect of lease incentives	**(3.9)**	(4.6)
Leased investment property market value	**23.9**	24.5
Total investment properties at book value as at year end(1)	**2,210.6**	2,123.0

(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 (2023: Cushman & Wakefield LLP), an independent valuer accredited by the Royal Institute of Chartered Surveyors ("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 2.7 years (2023: 2.8 years). The weighted average lease expiry remaining across the owned portfolio in the UK as at year end was 1.17 years (2023: 1.01 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. A sensitivity analysis is not provided on the lease investment properties as the balance is not considered material to the financial statements.

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

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Gain/(loss) on revaluation above capex and broker fees	**12.4**	(7.7)
Adjustment in respect of lease incentives	**0.7**	(0.6)
Loss on revaluation relating to leased investment properties	**(0.9)**	(1.5)
Gain/(loss) on revaluation of investment properties reported in the income statement	**12.2**	(9.8)

Included in the loss or gain on revaluation of investment properties reported in the income statement are gross gains of €76.4m and gross losses of €64.2m (2023: gross gains of €39.2m and gross losses of €49.0m).

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 (including assets classified as held for sale) is 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.

31 March 2024	**Market value €m**	**Current rental rate per sqm € Low**	**High**	**Market rental rate per sqm € Low**	**High**	**Occupancy % Low**	**High**	**Gross initial yield % Low**	**High**	**Net initial yield % Low**	**High**	**Discount factor % Low**	**High**	**Void period months Low**	**High**
Traditional business parks															
Mature	**392.4**	**2.88**	**9.09**	**2.75**	**7.99**	**89.5**	**100.0**	**4.9**	**9.9**	**4.1**	**7.6**	**4.4**	**7.1**	**6**	**15**
Value add	**572.0**	**3.81**	**8.56**	**3.85**	**7.82**	**57.1**	**98.4**	**4.5**	**9.2**	**1.7**	**6.3**	**4.5**	**7.3**	**9**	**18**
Total traditional business parks	**964.4**	**2.88**	**9.09**	**2.75**	**7.99**	**57.1**	**100.0**	**4.5**	**9.9**	**1.7**	**7.6**	**4.4**	**7.3**	**6**	**18**
Modern business parks															
Mature	**230.6**	**5.67**	**11.20**	**4.30**	**10.35**	**94.4**	**100.0**	**5.5**	**9.7**	**4.6**	**8.8**	**4.3**	**5.4**	**6**	**12**
Value add	**258.5**	**4.69**	**10.84**	**4.22**	**8.65**	**58.0**	**87.3**	**5.3**	**8.6**	**4.0**	**6.9**	**5.3**	**6.8**	**9**	**18**
Total modern business parks	**489.1**	**4.69**	**11.20**	**4.22**	**10.35**	**58.0**	**100.0**	**5.3**	**9.7**	**4.0**	**8.8**	**4.3**	**6.8**	**6**	**18**
Office															
Mature	**46.9**	**12.27**	**15.52**	**9.66**	**11.14**	**90.9**	**93.5**	**7.4**	**8.7**	**6.2**	**7.3**	**4.9**	**4.9**	**9**	**9**
Value add	**228.6**	**7.47**	**12.46**	**6.60**	**12.20**	**54.4**	**89.2**	**4.0**	**9.4**	**2.3**	**6.9**	**5.3**	**7.1**	**9**	**15**
Total office	**275.5**	**7.47**	**15.52**	**6.60**	**12.20**	**54.4**	**93.5**	**4.0**	**9.4**	**2.3**	**7.3**	**4.9**	**7.1**	**9**	**15**
Total Germany	**1,729.0**	**2.88**	**15.52**	**2.75**	**12.20**	**54.4**	**100.0**	**4.0**	**9.9**	**1.7**	**8.8**	**4.3**	**7.3**	**6**	**18**

31 March 2024	**Market value €m**	**Current rental rate per sqm € Low**	**High**	**Market rental rate per sqm € Low**	**High**	**Occupancy % Low**	**High**	**Net initial yield % Low**	**High**	**Void period months Low**	**High**
Total mixed-use schemes	**153.2**	**0.56**	**28.74**	**5.69**	**47.89**	**46.6**	**96.6**	**1.4**	**13.3**	**4**	**12**
Total office	**136.5**	**1.28**	**45.29**	**8.16**	**26.23**	**46.7**	**100.0**	**1.3**	**16.0**	**4**	**12**
Total industrial	**171.9**	**2.12**	**12.70**	**3.40**	**14.14**	**56.2**	**99.9**	**4.4**	**11.9**	**4**	**12**
Total UK	**461.6**	**0.56**	**45.29**	**3.40**	**47.89**	**46.6**	**100.0**	**1.3**	**16.0**	**4**	**12**

31 March 2023	Market value €m	Current rental rate per sqm € Low	High	Market rental rate per sqm € Low	High	Occupancy % Low	High	Gross initial yield % Low	High	Net initial yield % Low	High	Discount factor % Low	High	Void period months Low	High
Traditional business parks															
Mature	362.0	2.88	8.58	2.67	7.80	64.7	100.0	4.7	9.9	3.7	7.6	4.1	5.8	6	15
Value add	607.6	2.25	6.64	3.58	8.46	26.9	97.4	2.9	9.8	0.8	7.5	4.5	7.1	9	18
Total traditional business parks	969.6	2.25	8.58	2.67	8.46	26.9	100.0	2.9	9.9	0.8	7.6	4.1	7.1	6	18
Modern business parks															
Mature	200.4	5.38	8.64	3.93	8.15	94.3	100.0	3.6	10.5	2.4	9.3	4.1	5.4	6	15
Value add	250.1	2.92	9.76	3.91	10.35	54.5	92.8	5.5	9.4	3.8	7.4	4.8	7.3	9	24
Total modern business parks	450.5	2.92	9.76	3.91	10.35	54.5	100.0	3.6	10.5	2.4	9.3	4.1	7.3	6	24
Office															
Mature	37.5	14.34	14.34	10.78	10.78	92.6	92.6	8.7	8.7	7.3	7.3	4.9	4.9	9	9
Value add	236.4	4.05	10.27	6.42	12.19	49.7	87.5	4.4	9.3	2.4	6.8	5.0	6.9	9	18
Total office	273.9	4.05	14.34	6.42	12.19	49.7	92.6	4.4	9.3	2.4	7.3	4.9	6.9	9	18
Total Germany	1,694.0	2.25	14.34	2.67	12.19	26.9	100.0	2.9	10.5	0.8	9.3	4.1	7.3	6	24

31 March 2023	Market value €m	Current rental rate per sqm € Low	High	Market rental rate per sqm € Low	High	Occupancy % Low	High	Net initial yield % Low	High	Void period months Low	High
Total mixed-use schemes	102.4	2.09	20.25	5.46	23.58	42.0	93.3	4.0	10.8	4	12
Total office	143.7	5.42	33.89	7.94	24.68	50.5	100.0	4.9	23.2	4	12

Total industrial	171.6	2.23	8.19	2.55	12.99	64.1	100.0	3.8	12.4	4	12
Total UK	417.7	2.09	33.89	2.55	24.68	42.0	100.0	3.8	23.2	4	12

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 2024	**Market value €m**	**Change of 5% in market rental rates €m**		**Change of 0.25% in discount rates €m**		**Change of 0.5% in gross initial yield €m**		**Change of 0.5% in net initial yield €m**	
		Increase	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**
Total traditional business parks	**964.4**	**48.0**	**(47.7)**	**(18.8)**	**19.1**	**(72.0)**	**85.1**	**(91.9)**	**115.5**
Total modern business parks	**489.1**	**23.2**	**(23.3)**	**(9.7)**	**9.8**	**(33.7)**	**39.3**	**(41.0)**	**49.4**
Total office	**275.5**	**13.7**	**(14.1)**	**(5.3)**	**5.6**	**(19.4)**	**22.9**	**(25.5)**	**32.2**
Market value Germany	**1,729.0**	**84.9**	**(85.1)**	**(33.8)**	**34.5**	**(125.1)**	**147.3**	**(158.4)**	**197.1**

31 March 2024	**Market value €m**	**Change of 5% in market rental rates €m**		**Change of 0.5% in net initial yield €m**	
		Increase	**Decrease**	**Increase**	**Decrease**
Total mixed-use schemes	**153.2**	**5.7**	**(5.8)**	**(8.8)**	**9.8**
Total office	**136.5**	**3.9**	**(4.3)**	**(5.8)**	**6.1**
Total industrial	**171.9**	**6.8**	**(6.9)**	**(10.6)**	**12.0**
Market value UK	**461.6**	**16.4**	**(17.0)**	**(25.2)**	**27.9**

31 March 2023	Market value €m	Change of 5% in market rental rates €m		Change of 0.25% in discount rates €m		Change of 0.5% in gross initial yield €m		Change of 0.5% in net initial yield €m	
		Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Total traditional business parks	969.6	48.9	(49.2)	(19.3)	19.1	(73.1)	86.8	(106.6)	109.0
Total modern business parks	450.5	22.0	(21.7)	(8.5)	9.3	(32.2)	37.9	(41.5)	47.4
Total office	273.9	14.0	(14.1)	(5.6)	5.6	(20.8)	24.8	(28.3)	36.8
Market value Germany	1,694.0	84.9	(85.0)	(33.4)	34.0	(126.1)	149.5	(176.4)	193.2

31 March 2023	Market value €m	Change of 5% in market rental rates €m		Change of 0.5% in net initial yield €m	
		Increase	Decrease	Increase	Decrease
Total mixed-use schemes	102.4	(6.2)	7.5	3.8	(3.6)
Total office	143.7	(6.8)	7.8	4.7	(4.5)
Total industrial	171.6	(10.8)	12.7	7.0	(6.6)
Market value UK	417.7	(23.8)	28.0	15.5	(14.7)

14. Assets held for sale

Investment properties held for sale

	31 March 2024 €m	31 March 2023 €m
Wuppertal	**—**	8.8
Balance as at year end	**—**	**8.8**

The disclosures regarding valuation in note 13 are also applicable to assets held for sale.

As at 31 March 2023, an amount of €8.8m relating to the sale of the Wuppertal asset was received prior to the completion date of 1 April 2023 and was included in the cash at bank per note 21. As a result, an equal and opposite position within other payables was recognised. See note 22 for further details.

15. Plant and equipment

	Plant and equipment €m	Fixtures and fittings €m	Total €m
Cost			
As at 31 March 2023	2.7	10.1	12.8
Additions in year	1.3	1.0	2.3
Disposals in year	(0.2)	(0.2)	(0.4)
Foreign exchange differences	0.1	0.1	0.2
As at 31 March 2024	**3.9**	**11.0**	**14.9**
Depreciation			
As at 31 March 2023	(1.0)	(4.6)	(5.6)

Charge for year	(0.7)	(1.1)	(1.8)
Disposals in year	0.1	0.1	0.2
Foreign exchange differences	0.2	(0.1)	0.1
As at 31 March 2024	**(1.4)**	**(5.7)**	**(7.1)**
Net book value as at 31 March 2024	**2.5**	**5.3**	**7.8**
Cost			
As at 31 March 2022	2.7	8.4	11.1
Additions in year	0.8	3.3	4.1
Disposals in year	(0.8)	(1.4)	(2.2)
Foreign exchange differences	—	(0.2)	(0.2)
As at 31 March 2023	2.7	10.1	12.8
Depreciation			
As at 31 March 2022	(1.1)	(4.5)	(5.6)
Charge for year	(0.6)	(1.5)	(2.1)
Disposals in year	0.8	1.3	2.1
Foreign exchange differences	(0.1)	0.1	—
As at 31 March 2023	(1.0)	(4.6)	(5.6)
Net book value as at 31 March 2023	1.7	5.5	7.2

16. Intangible assets

	Software and licences with definite useful life €m	Total €m
Cost		
As at 31 March 2023	11.6	11.6
Additions in year	0.8	0.8
Disposals in year	—	—
Foreign exchange differences	(0.1)	(0.1)
As at 31 March 2024	**12.3**	**12.3**
Amortisation		
As at 31 March 2023	(7.5)	(7.5)
Charge for year	(1.5)	(1.5)
Disposals in year	—	—
Foreign exchange differences	0.0	0.0
As at 31 March 2024	**(9.0)**	**(9.0)**
Net book value as at 31 March 2024(1)	**3.3**	**3.3**
Cost		
As at 31 March 2022	10.5	10.5
Additions in year	1.1	1.1
Disposals in year	—	—
Foreign exchange differences	—	—
As at 31 March 2023	11.6	11.6
Amortisation		
As at 31 March 2022	(6.2)	(6.2)
Charge for year	(1.3)	(1.3)
Disposals in year	—	—
Foreign exchange differences	—	—
As at 31 March 2023	(7.5)	(7.5)
Net book value as at 31 March 2023(1)	4.1	4.1

(1) Included in the net book value is an amount of €1.3m relating to intangible assets under development not yet amortised (2023: €1.1m). This position primarily consists of €0.9m in relation to the upgrade of the IT system which will be finalised in the first quarter of 2025. All other development projects are expected to finalise in the next financial year.

17. 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 €m	Total €m
As at 31 March 2022	15.0	15.0
Additions	1.5	1.5
Depreciation expense	(2.1)	(2.1)
As at 31 March 2023	14.4	14.4
Depreciation expense	(1.8)	(1.8)
Foreign exchange differences	0.0	0.0
As at 31 March 2024	**12.6**	**12.6**

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 €23.9m (2023: €24.5m) are classified as investment properties, of which €2.1m (2023: €2.8m) relate to commercial property.

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

	31 March 2024 €m	31 March 2023 €m
Balance as at the beginning of the year	**(39.6)**	(38.7)
Accretion of interest	**(1.1)**	(1.1)
Additions	**—**	(2.8)
Payments	**3.3**	2.3
Foreign exchange differences	**(0.4)**	0.7
Balance as at year end	**(37.8)**	(39.6)
Current lease liabilities as at year end	**(2.3)**	(2.2)
Non-current lease liabilities as at year end	**(35.5)**	(37.4)

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

31 March 2024	**Within 1 year €m**	**1–5 years €m**	**5+ years €m**	**Total €m**
Commercial property(1)	**(0.2)**	**(1.0)**	**—**	**(1.2)**
Long-term leasehold(1)	**(0.2)**	**(1.1)**	**(20.5)**	**(21.8)**
Office space	**(1.9)**	**(7.5)**	**(5.4)**	**(14.8)**
Total	**(2.3)**	**(9.6)**	**(25.9)**	**(37.8)**

31 March 2023	Within 1 year €m	1–5 years €m	5+ years €m	Total €m
Commercial property(1)	(0.2)	(1.0)	(0.3)	(1.5)
Long-term leasehold(1)	(0.2)	(1.0)	(20.4)	(21.6)
Office space	(1.8)	(7.5)	(7.2)	(16.5)
Total	(2.2)	(9.5)	(27.9)	(39.6)

(1) 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 24.

The overall weighted average discount rate used for the year is 2.8% (2023: 2.7%).

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 €0.5m (2023: €0.6m).

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 €3.3m (2023: €2.3m) were incurred for the year and are included in the cash flow from financing activities.

18. Other non-current financial assets

	31 March 2024 €m	31 March 2023 €m
Deposits	**4.0**	4.1
Loans to associates	**45.1**	44.3
Balance as at year end	**49.1**	48.4

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

19. 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 2024 €m	31 March 2023 €m
Current assets	**29.7**	28.4
Non-current assets	**360.7**	354.7
Current liabilities	**(24.9)**	(15.6)
Non-current liabilities	**(298.7)**	(296.1)
Equity	**66.8**	71.4
Unrecognised accumulated losses	**5.3**	4.9
Subtotal	**72.1**	76.3
Group's share in equity – 35%	**25.2**	26.7

The accumulated losses of the investment in associates are not recognised, this is in line with the accounting policy as outlined in note 2.

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Net operating income	**21.7**	21.1
Loss on revaluation of investment properties	**(7.0)**	(0.7)
Administrative expense	**(3.8)**	(3.7)
Operating profit	**10.9**	16.7
Net finance costs	**(8.7)**	(8.8)

Profit before tax	**2.2**	7.9
Taxation	**(0.6)**	(1.9)
Unrecognised loss	**0.2**	1.3
Total profit and comprehensive income for the year after tax	**1.8**	7.3
Group's share of profit for the year – 35%	**0.6**	2.6

Included within the non-current liabilities are shareholder loans amounting to €128.8m (2023: €126.8m). As at year end no contingent liabilities existed (2023: none). The associates had contracted capital expenditure for development and enhancements of €3.0m as at year end (2023: €3.4m).

The following table illustrates the movement in investment in associates:

	31 March 2024 €m	31 March 2023 €m
Balance as at the beginning of the year	**26.7**	24.1
Dividend received	**(2.1)**	—
Share of profit	**0.6**	2.6
Balance as at year end	**25.2**	26.7

20. Trade and other receivables

	31 March 2024 €m	31 March 2023 €m
Gross trade receivables	**20.7**	22.4
Expected credit loss provision (see note 24)	**(7.8)**	(8.7)
Net trade receivables	**12.9**	13.7
Other receivables	**20.6**	14.1
Prepayments	**8.9**	2.7
Balance as at year end	**42.4**	30.5

Other receivables include primarily accrued income of €4.5m (2023: €2.6m), lease incentives of €3.9m (2023: €4.6m), accrued income from investment in associates of €3.7m (2023: €2.2m), a receivable regarding the Stoke disposal of €3.5m (2023: €0.0m).

For the year ended 31 March 2024, prepayments included costs of €7.1m relating to the acquisitions of new sites in Dresden, Germany (€1.0m), Klipphausen, Germany (€1.4m) and Gloucestershire, UK (€4.7m).

21. Cash and cash equivalents

	31 March 2024 €m	31 March 2023 €m
Cash at bank	**125.3**	99.2
Short-term investments	**89.2**	—
Cash restricted under contractual terms:		
Deposit for bank guarantees	**3.0**	1.3
Deposits received from tenants	**26.7**	23.8
Balance as at year end	**244.2**	124.3

Cash at bank earns interest at floating rates based on daily bank deposit rates. The fair value of cash as at year end is €244.2m (2023: €124.3m).

Short-term investments are an investment in Money Market Funds. The Group invests only in highly liquid products with short maturities, which are readily convertible to a known amount of cash and that are subject to an insignificant risk of changes in value.

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). The tenants' deposits meet the definition of cash as the Group can access these deposits on demand.

Cash is held by reputable banks and the Group assessed the expected credit loss to be immaterial.

22. Trade and other payables

	31 March 2024 €m	31 March 2023 €m
Trade payables	**14.6**	12.0
Accrued expenses	**43.9**	28.6
Provisions(1)	**3.1**	3.3
Interest and amortisation payable	**6.2**	5.6
Tenant deposits	**26.8**	23.8
Unearned revenue	**11.5**	10.6
Other payables	**8.6**	17.6
Balance as at year end	**114.7**	101.5

(1) For the Annual Report and Accounts 2023, as at 31 March 2023, the provision amount of €3.3m was included in accrued expenses split between costs relating to non-recurring projects €2.8m and other costs €0.5m.

The Group have recognised a provision of €3.1m (2023: €3.3m) for an ongoing legal claim in relation to a property which was sold during 2017. The recognised provision as at 31 March 2023 has been reassessed and the provision has been increased by €0.6m as at 31 March 2024. Some €0.8m has been reclassed to costs relating to non-recurring projects as shown in the table of break down of the balance of accrued expenses below. This amount has been settled in April 2024. The remaining provision amount represents the Directors best estimate of the potential outflow at the present time, however, the Directors recognise there is uncertainty relating to this amount. The expected timing of settlement of this provision is less than 12-months and is not discounted due to the expected timing of settlement. At this stage, the Directors do not expect to incur a liability over and above what has already been recognised in the financial statements. To align to the current year presentation, the provisions has been shown as a separate line and this is a reallocation from accrued expenses as at 31 March 2023 of €3.3m.

Unearned revenue includes service charge amounts of €2.5m (2023: €3.1m). 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.

Included within other payables are credit balances due to tenants in relation to over collections of service charge in amount of €4.7m (2023: €3.6m). As at 31 March 2023, other payables included €8.8m of proceeds relating to the sale of the Wuppertal asset that is categorised as an asset held for sale as at 31 March 2023 in advance of the completion date of 1 April 2023. See note 14 for details of assets held for sale.

The following table breaks down the balance of accrued expenses:

	31 March 2024 €m	31 March 2023 €m
Costs relating to service charge	**23.2**	16.4
Bonuses	**6.8**	4.5
Costs relating to non-recurring projects	**0.8**	—
Administrative costs	**5.4**	2.4
Other costs	**7.7**	5.3
Balance as at year end	**43.9**	28.6

23. Interest-bearing loans and borrowings

	Interest rate %	Loan maturity date	**31 March 2024 €m**	31 March 2023 €m
Current				
Berlin Hyp AG				
– fixed rate facility	1.48	31 October 2023	**—**	58.2
– fixed rate facility	0.90	31 October 2023	**—**	110.4
– fixed rate facility	4.26	31 October 2030	**2.6**	—
Saarbrücken Sparkasse				
– fixed rate facility	1.53	28 February 2025	**13.5**	0.7
Deutsche Pfandbriefbank AG				
– hedged floating rate facility	Hedged(1)	31 December 2023	**—**	51.1
– floating rate facility	Floating(1)	31 December 2023	**—**	6.2
– fixed rate facility	4.25	31 December 2030	**1.3**	—
Schuldschein				
– fixed rate facility	1.60	3 July 2023	**—**	20.0
– fixed rate facility	Floating(2)	6 January 2025	**5.0**	—
– fixed rate facility	1.70	3 March 2025	**10.0**	—
Capitalised finance charges on all loans			**(2.8)**	(2.9)
			29.6	243.7
Non-current				
Berlin Hyp AG				
– fixed rate facility	4.26	31 October 2030	**166.3**	—
Saarbrücken Sparkasse				
– fixed rate facility	1.53	28 February 2025	**—**	13.5
Deutsche Pfandbriefbank AG				
– fixed rate facility	4.25	31 December 2030	**56.7**	—
Schuldschein				
– floating rate facility	Floating(2)	6 January 2025	**—**	5.0
– fixed rate facility	1.70	3 March 2025	**—**	10.0
Corporate bond I				
– fixed rate	1.125	22 June 2026	**400.0**	400.0
Corporate bond II				
– fixed rate	1.75	24 November 2028	**300.0**	300.0
Capitalised finance charges on all loans			**(7.5)**	(7.8)
			915.5	720.7
Total			**945.1**	964.4

(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 €19.1m of tranche 3 of this facility is fully hedged with a swap charged at a rate of 0.91%. A €6.5m extension and the tranche 3 related €0.5m arrangement fee are charged with a floating rate of 1.20% over three-month EURIBOR (not less than 0%). The Group has not adopted any hedge accounting.

(2) This unsecured facility has a floating rate of 1.70% over six month EURIBOR (not less than 0%).

The movement of loans and borrowings for the year comprised of €248.1m repayment of loans, loan drawdowns of €228.3m and €0.4m capitalisation of finance charges (2023: €20.4m, €nil and €3.4m respectively).

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

	31 March 2024 €m	31 March 2023 €m
On demand or within one year	**32.4**	246.6
In the second year	**4.0**	28.5
In the third to tenth years inclusive	**919.0**	700.0

Total	**955.4**	975.1

The Group has pledged 15 (2023: 15) investment properties to secure several separate interest-bearing debt facilities granted to the Group. The 15 (2023: 15) properties had a combined valuation of €528.3m as at year end (2023: €510.7m).

Group debt covenants

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

	31 March 2024 €m	31 March 2023 €m
Carrying amount of interest-bearing loans and borrowings	**945.1**	964.4
Unamortised borrowing costs	**10.3**	10.7
Total	**955.4**	975.1
Book value of owned investment properties[(1)]	**2,186.7**	2,107.3
Gross loan to value ratio	**43.7%**	46.3%

(1) Includes assets held for sale.

The Group's loans are subject to various covenants, which include interest cover ratio, loan to value, debt service cover, occupancy, etc. as stipulated in the loan agreements.

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 and the Group has a sufficient level of headroom as at year end.

Refer to note 2(c) where the Group discloses forecast covenant compliance with regard to management's going concern assessment.

Berlin Hyp AG

In the current year two existing loan facilities amounting to €168.6m have been fully repaid by 31 October 2023 and have been replaced by a new loan facility amounting to €170.0m. The new loan facility is a separate financial instrument to the existing facilities and came into effect on 1 November 2023. The loan terminates on 31 October 2030. Amortisation is 1.5% per annum with the remainder due in the six years. The loan facility is charged at a fixed interest rate of 4.26%. This facility is secured over nine property assets.

Saarbrücken Sparkasse

On 28 March 2018, the Group agreed to a facility agreement with Saarbrücken Sparkasse for €18.0m. The loan terminates on 28 February 2025. Amortisation is 4.00% 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%. The facility is secured over one property asset. No changes to the terms of the facility have occurred during the twelve month period ended 31 March 2024.

Deutsche Pfandbriefbank AG

In the current year two existing loan facilities amounting to €57.3m have been fully repaid by 31 December 2023 and have been replaced by a new loan facility amounting to €58.3m. The new loan facility is a separate financial instrument to the existing facilities and came into effect on 1 January 2024. The loan terminates on 31 December 2030. Amortisation is 2.1% per annum with the remainder due in the 6 year. The loan facility is charged at a fixed interest rate of 4.25%. This facility is secured over five property assets.

Schuldschein

On 2 December 2019, the Group agreed to new loan facilities in the form of unsecured Schuldschein for €20.0m. On 25 February 2020, the Group agreed new loan facilities in the form of unsecured Schuldschein for €30.0m. In total the unsecured facility amounts to €50.0m 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 first and second tranches totalling €15.0m were repaid during the twelve month period ended 31 March 2023.

On 30 June 2023, the Group repaid an amount of €20.0m resulting in a remaining €15.0m for the loan facility. No changes to the terms of the facility have occurred during the twelve month period ended 31 March 2024.

Corporate bond I

On 22 June 2021, the Group raised its inaugural corporate bond for €400.0m. The bond, which is listed at the Luxembourg Stock Exchange, 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. No changes to the terms of the facility have occurred during the twelve month period ended 31 March 2024.

Corporate bond II

On 24 November 2021, the Group issued its second corporate bond for €300.0m. The bond, which is listed at the Luxembourg Stock Exchange, has a term of seven years and an interest rate of 1.75% due annually on its anniversary date, with the principal balance coming due on 24 November 2028. No changes to the terms of the facility have occurred during the twelve month period ended 31 March 2024.

EPRA loan to value ("LTV")

31 March 2024	Group €m	Proportionate consolidation Investment in associates €m	Total €m
Interest-bearing loans and borrowings(1)	**245.1**	**52.2**	**297.3**
Corporate bonds	**700.0**	**—**	**700.0**
Net payables(2)	**75.3**	**5.9**	**81.2**
Cash and cash equivalents	**(244.2)**	**(7.4)**	**(251.6)**
Net debt (a)	**776.2**	**50.7**	**826.9**
Investment properties	**2,210.6**	**126.2**	**2,336.8**
Plant and equipment	**7.8**	**—**	**7.8**
Intangible assets	**3.3**	**—**	**3.3**
Loan to associates	**45.1**	**—**	**45.1**
Total property value (b)	**2,266.8**	**126.2**	**2,393.0**
EPRA LTV (a/b)	**34.2%**	**40.2%**	**34.6%**

31 March 2023	Group €m	Proportionate consolidation Investment in associates €m	Total €m
Interest-bearing loans and borrowings(1)	264.4	52.1	316.5
Corporate bonds	700.0	—	700.0
Net payables(2)	71.0	4.5	75.5
Cash and cash equivalents	(124.3)	(8.6)	(132.9)
Net debt (a)	911.1	48.0	959.1
Investment properties	2,123.0	124.2	2,247.2
Assets held for sale	8.8	—	8.8
Plant and equipment	7.2	—	7.2
Intangible assets	4.1	—	4.1
Loan to associates	44.3	—	44.3
Total property value (b)	2,187.4	124.2	2,311.6
EPRA LTV (a/b)	41.7%	38.6%	41.5%

(1) Excludes corporate bonds as shown as a separate line.

(2) This is made up of deposits, trade and other receivables, derivative financial instruments, trade and other payables and current tax liabilities.

24. 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 other receivables in the maximum exposure to credit risk table below excludes those 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 2024 €m	31 March 2023 €m
Net trade receivables	**12.9**	13.7
Other receivables(1)	**20.6**	13.6
Loans to associates	**45.1**	44.3
Derivative financial instruments	**—**	1.3
Cash and cash equivalents	**244.2**	124.3

Total	**322.8**	197.2

(1) Other receivables includes deposits of €4.0m (2023: €4.1m) and a receivable regarding the Stoke disposal of €3.5m (2023: €0.0m). It excludes leases incentives of €3.9m (2023: €4.6m).

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

	31 March 2024		31 March 2023	
	Gross €m	**Impairment €m**	Gross €m	Impairment €m
0–30 days	**8.4**	**(1.0)**	13.9	(4.3)
31–120 days (past due)	**1.1**	**(0.2)**	1.3	(0.5)
More than 120 days	**11.2**	**(6.6)**	7.2	(3.9)
Total	**20.7**	**(7.8)**	22.4	(8.7)

The movement in the expected credit loss provision for impairment in respect of trade receivables during the year was as follows:

	31 March 2024 €m	31 March 2023 €m
Balance as at the beginning of the year	**(8.7)**	(7.7)
Expected credit loss recognised	**(7.8)**	(8.7)
Expected credit loss reversed	**8.7**	7.7
Balance as at year end	**(7.8)**	(8.7)

The expected credit loss provision 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 €12.9m (2023: €13.7m) 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:

31 March 2024	**Interest-bearing loans €m**	**Derivative financial instruments €m**	**Trade and other payables €m**	**Lease liabilities €m**	**Total €m**
Undiscounted amounts payable in:					
6 months or less	**(12.3)**	**—**	**(56.2)**	**(1.7)**	**(70.2)**
6 months–1 year	**(40.0)**	**—**	**—**	**(1.7)**	**(41.7)**
1–2 years	**(23.2)**	**—**	**—**	**(3.4)**	**(26.6)**
2–5 years	**(755.0)**	**—**	**—**	**(9.9)**	**(764.9)**
5–10+ years	**(220.3)**	**—**	**—**	**(93.6)**	**(313.9)**
	(1,050.8)	**—**	**(56.2)**	**(110.3)**	**(1,217.3)**
Interest	**95.4**	**—**	**—**	**72.5**	**167.9**
	(955.4)	**—**	**(56.2)**	**(37.8)**	**(1,049.4)**

31 March 2023	Interest-bearing loans €m	Derivative financial instruments €m	Trade and other payables €m	Lease liabilities €m	Total €m
Undiscounted amounts payable in:					
6 months or less	(28.5)	(0.8)	(59.0)	(1.6)	(89.9)
6 months–1 year	(229.4)	(0.4)	—	(1.7)	(231.5)
1–2 years	(38.8)	—	—	(3.3)	(42.1)
2–5 years	(421.3)	—	—	(10.0)	(431.3)
5–10+ years	(303.4)	—	—	(94.7)	(398.1)
	(1,021.4)	(1.2)	(59.0)	(111.3)	(1,192.9)
Interest	46.3	1.2	—	71.7	119.2
	(975.1)	—	(59.0)	(39.6)	(1,073.7)

Foreign currency risk

The Group's exposure to currency risk relates primarily to the Group's exposure to the GBP and to a lesser extent the South African rand. This exposure is driven primarily by the UK operating segments (BizSpace Group). In addition thereto, the Group has dividend obligations in both the GBP and South African rand. The foreign currency risk in relation to the GBP is mitigated as a result of the BizSpace Group generating GBP denominated income in order to fund its obligations when they come due and, in addition, the Group's GBP 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 €0.05m (2023: €0.04m) (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 €0.05m (2023: €0.04m) (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:

31 March 2024	**Within 1 year €m**	**1–2 years €m**	**2–3 years €m**	**3–4 years €m**	**4+ years €m**	**Total €m**
Schuldschein	**(5.0)**	**—**	**—**	**—**	**—**	**(5.0)**

31 March 2023	Within 1 year €m	1–2 years €m	2–3 years €m	3–4 years €m	4+ years €m	Total €m
Deutsche Pfandbriefbank AG	(6.2)	—	—	—	—	(6.2)
Schuldschein	—	(5.0)	—	—	—	(5.0)

The other financial instruments of the Group that are not included in the above tables 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 yield is affected, and it can have an impact on the decision of our investors and banks.

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 profit 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 shareholder accounting return which was 7.2% as at 31 March 2024 (2023: 5.3%) and the net loan to value which was 33.9% as at 31 March 2024 (2023: 41.6%) as set out in the tables below:

The calculation of total shareholder accounting return:

	31 March 2024 €	31 March 2023 €
Movement in adjusted NAV per share	**1.91c**	0.70c
Dividend paid per share, six months ended 30 September	**3.00c**	2.70c
Dividend paid per share, six months ended 31 March	**2.98c**	2.37c
Total	**7.89c**	5.77c
Adjusted NAV per share for prior year	**109.21c**	108.51c
Total shareholder accounting return %	**7.2%**	5.3%

The calculation of net loan to value:

	31 March 2024 €m	31 March 2023 €m
Carrying amount of interest-bearing loans and borrowings	**945.1**	964.4
Unamortised borrowing costs	**10.3**	10.7
Less cash and cash equivalents (not including cash restricted under contractual terms)	**(214.5)**	(99.2)
Total	**740.9**	875.9

Book value of owned investment properties[1]	**2,186.7**	2,107.3
Net loan to value ratio	**33.9%**	41.6%

(1) Includes assets held for sale.

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 to increase the equity reserves attributable to the owners of the Company. 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 year (note 2(c)).

25. 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):

	Fair value hierarchy level	**31 March 2024**		31 March 2023	
		Carrying amount €m	**Fair value €m**	Carrying amount €m	Fair value €m
Financial assets					
Cash and cash equivalents		**244.2**	**244.2**	124.3	124.3
Trade and other receivables[1]		**33.5**	**33.5**	27.3	27.3
Loans to associates	2	**45.1**	**45.1**	44.3	44.3
Derivative financial instruments	2	**—**	**—**	1.3	1.3
Financial liabilities					
Trade and other payables		**56.2**	**56.2**	59.0	59.0
Interest-bearing loans and borrowings[2]					
Floating rate borrowings	2	**5.0**	**5.0**	11.2	11.2
Floating rate borrowings – hedged[3]	2	**—**	**—**	51.1	51.1
Fixed rate borrowings	2	**950.4**	**835.7**	912.8	813.6

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

(1) This is made up of net trade receivables, other receivables (excluding lease incentives) and deposits.

(2) Excludes loan issue costs.

(3) The Group held 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 23 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.

26. Issued share capital

Authorised	Number of shares	Share capital €m
Ordinary shares of no par value	Unlimited	—
As at 31 March 2024 and 31 March 2023	**Unlimited**	**—**

Issued and fully paid	Number of shares	Share capital €m
As at 31 March 2022	1,166,880,684	—
Issued ordinary shares	3,702,993	1.4
Transfer of share capital to other distributable reserves	—	(1.4)
Shares issued to Employee Benefit Trust	(2,500,000)	—
Shares allocated by the Employee Benefit Trust	287,545	—

As at 31 March 2023	1,168,371,222	—
Issued ordinary shares	172,276,384	164.1
Transfer of share capital to other distributable reserves	—	(164.1)
Shares issued to Employee Benefit Trust	—	—
Shares allocated by the Employee Benefit Trust	200,541	—
As at 31 March 2024	**1,340,848,147**	**—**

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 an equity raise of €165.3m on 24 November 2023, the Company issued 170,417,384 ordinary shares at an issue price of £0.86, resulting in the Company's overall issued share capital being 1,348,140,369 ordinary shares. Costs associated with the equity raise amounted to €3.3m.

In addition, during the year the Company issued 1,859,000 shares in relation to the exercise of the LTIP 2018 (June 2020 grant) as per note 8. These shares were issued at nil-cost, and the fair value of these shares recorded in the share capital account has been transferred back to the other distributable reserves.

Treasury shares held by the Employee Benefit Trust are disclosed as own shares held. During the year nil shares were acquired and 200,541 were allocated by the Employee Benefit Trust in relation to the issue of DBP shares as per note 8. A total of 7,292,222 own shares purchased at an average share price of €1.1108 are held by the Employee Benefit Trust (2023: 7,492,763 own shares purchased at an average share price of €1.1185). The total number of shares with voting rights was 1,348,140,369 (2023: 1,175,863,985). 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 (2023: none) and there are no Treasury Shares held directly by the Company at the year end (2023: none).

27. Other reserves

Other distributable reserve

This reserve comprises of amounts in relation to scrip dividend transfers from share capital, share-based payment transactions and share buy-backs. The balance of €605.7m in total at year end (2023: €516.4m) is considered distributable.

Foreign currency translation reserve

The Group holds a foreign currency translation reserve which relates to foreign currency translation effect during the course of the business with the UK segment.

The following table illustrates the movement in the foreign currency translation reserve:

	31 March 2024 €m	31 March 2023 €m
Balance as at the beginning of the year	**(18.9)**	(1.7)
Foreign currency translation	**12.9**	(17.2)
Balance as at year end	**(6.0)**	(18.9)

The movement in the year of €12.9m gain is a result of an increasing GBP/EUR rate which is higher at current year end compared with 31 March 2023 (2023: €17.2m loss).

28. Dividends

On 20 November 2023, the Company announced a dividend of 3.00c per share, with a record date of 15 December 2023 for UK shareholders and 14 December 2023 for South African ("SA") shareholders and payable on 25 January 2024. On the record date, 1,348,140,369 shares were in issue. Since there were no shares held in treasury, 1,348,140,369 shares (including shares held by the Employee Benefit Trust) were entitled to participate in the dividend. The Company's Employee Benefit Trust waived its rights to the dividend. The Company offered a dividend reinvestment plan ("DRIP") to shareholders as an alternative to a cash dividend. DRIP allows shareholders to reinvest the dividend to purchase additional shares in the Company in the open market, not newly issued shares by the Company. Holders of 2,401,799 shares elected to receive the dividend in ordinary shares under the DRIP alternative representing 157,365 shares from the UK share register with an average amount of £0.857 per share and 2,244,434 shares from the South African register with an average amount of R 21.473 while the remaining shares opted for a cash dividend with a value of €40.3m.

On 5 June 2023, the Company announced a dividend of 2.98c per share, with a record date of 14 July 2023 for the UK and SA shareholders and payable on 17 August 2023. On the record date, 1,177,722,985 shares were in issue. Since there were no shares held in treasury, 1,177,722,985 shares (including shares held by the Employee Benefit Trust) were entitled to participate in the dividend. The Company's Employee Benefit Trust waived its rights to the dividend, reducing the total dividend (payable in cash) from €35.1m to €34.9m (€35.0m as at settlement date).

On 21 November 2022, the Company announced a dividend of 2.70c per share, with a record date of 9 December 2022 for the UK and SA shareholders and payable on 19 January 2023. On the record date, 1,175,863,985 shares were in issue. Since there were no shares held in treasury, 1,175,863,985 shares (including shares held by the Employee Benefit Trust) were entitled to participate in the dividend. The Company's Employee Benefit Trust waived its rights to the dividend, reducing the total dividend (payable in cash) from €31.7m to €31.5m (€31.5m as at settlement date).

On 13 June 2022, the Company announced a dividend of 2.37c per share, with a record date of 8 July 2022 for the UK and SA shareholders and payable on 18 August 2022. On the record date, 1,172,160,992 shares were in issue. Since there were no shares held in treasury, 1,172,160,992 shares (including shares held by the Employee Benefit Trust) were entitled to participate in the dividend. Holders of 61,453,275 shares elected to receive the dividend in ordinary shares under the scrip dividend alternative, representing a dividend of €1.4m (€1.4m as at settlement date) while holders of 1,110,707,717 shares opted for a cash dividend with a value of €26.3m. The Company's Employee Benefit Trust waived its rights to the dividend, reducing the cash payable to €26.2m (€26.3m as at settlement date). The total dividend was €27.7m (€27.7m as at settlement date).

The Group's profit attributable to the equity holders of the Company for the year was €122.4m (2023: €77.2m). The Board has authorised a dividend in respect of the second half of the financial year ended 31 March 2024 of 3.05c per share representing 69% of FFO, an increase of 2.2% on the equivalent dividend last year, which represented 65% of FFO [(1)]. The total dividend for the year is 6.05c, an increase of 6.5% on the 5.68c total dividend for the year ended 31 March 2023.

It is expected that, for the dividend authorised relating to the six month period ended 31 March 2024, the ex-dividend date will be 27 June 2024 for shareholders on the SA register and 26 June 2024 for shareholders on the UK register. It is further expected that for shareholders on both registers the record date will be 28 June 2024 and the dividend will be paid on 25 July 2024. A detailed dividend announcement was made on 3 June 2024.

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 excluding tax on disposals.

The dividend per share was calculated as follows:

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Reported profit before tax	**115.2**	87.0
Adjustments for:		
(Gain)/loss on revaluation of investment properties	**(12.2)**	9.8
Loss on revaluation relating to leased investment properties	**(0.9)**	(1.5)
Gain of disposals of properties	**(0.9)**	(4.7)
Loss on revaluation of investment property from associates and related tax	**1.6**	0.1
Other adjusting items[(1)]	**5.9**	6.2
Change in fair value of financial derivatives	**1.3**	(0.9)
Adjusted profit before tax	**110.0**	96.0
Adjustments for:		
Foreign exchange effects[(2)]	**(3.4)**	0.2
Depreciation and amortisation (excluding depreciation relating to IFRS 16)	**3.3**	3.4
Amortisation of financing fees	**3.5**	3.3
Adjustment in respect of IFRS 16	**0.6**	2.2
Current taxes incurred (see note 10)	**(4.8)**	(3.0)
Add back current tax relating to disposals	**1.0**	—
Funds from operations, year ended 31 March	**110.2**	102.1
Funds from operations, six months ended 30 September	**53.0**	48.5
Funds from operations, six months ended 31 March	**57.2**	53.6
Dividend pool, six months ended 30 September	**35.1**	31.5
Dividend pool, six months ended 31 March[(3)]	**40.9**	34.8
Dividend per share, six months ended 30 September	**3.00c**	2.70c
Dividend per share, six months ended 31 March	**3.05c**	2.98c

(1) Includes the effect of other expenses not included in FFO and share awards. See note 11 for details.

(2) Management decided to exclude foreign exchange effects from the funds from operations calculation of €3.4m (2023: (0.2)m).

(3) Calculated as 69% of FFO of 4.42c per share (2023: 4.59c per share using 65% of FFO) based on average number of shares outstanding of 1,294,286,020 (2023: 1,168,134,871).

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.

29. Notes to cash flow

Changes in liabilities arising from financing activities

Reconciliation of movements of liabilities arising from financing activities:

	31 March 2023 €m	Cash flows €m	New leases €m	Changes in fair values €m	Other[(1)] €m	**31 March 2024 €m**
Interest-bearing loans and borrowings	964.4	(22.8)	—	—	3.5	**945.1**
Lease liabilities	39.6	(3.3)	—	—	1.5	**37.8**
Derivative financial instruments	(1.3)	—	—	1.3		**—**
Total	1,002.7	(26.1)	—	1.3	5.0	**982.9**

	31 March 2022 €m	Cash flows €m	New leases €m	Changes in fair values €m	Other[(1)] €m	31 March 2023 €m
Interest-bearing loans and borrowings	981.5	(20.4)	—	—	3.3	964.4

Lease liabilities	38.7	(2.3)	2.8	—	0.4	39.6
Derivative financial instruments	(0.3)	—	—	(0.9)	(0.1)	(1.3)
Total	1,019.9	(22.7)	2.8	(0.9)	3.60	1,002.7

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

30. Related parties

Related parties are defined as those persons and companies that control the Group, or that are controlled, jointly controlled or subject to significant influence by the Group.

Key management personnel

Fees paid to people considered to be key management personnel (the Company Board of Directors (excluding the Senior Independent Director) and the Executive Committee members) of the Group during the year include:

Consolidated income statement	**Year ended 31 March 2024 €m**	Year ended 31 March 2023 €m
Directors' fees	**0.5**	0.5
Salary and employee benefits	**6.4**	5.0
Share-based payments	**3.0**	3.0
Total	**9.9**	8.5

Included within salary and employee benefits are pension contributions amounting to €0.2m (2023: €0.2m).

There are no payables as at 31 March 2024 from Directors' fees and salary and employee benefits (2023: €nil).

Directors' emoluments have been disclosed in the Annual report in the Remuneration report under the 'Single figure table' and in the additional disclosures in respect of the single figure table section on pages 114 and 115.

Associates

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

Consolidated statement of financial position	**31 March 2024 €m**	31 March 2023 €m
Loans to associates	**45.1**	44.3
Trade and other receivables	**4.6**	4.0
Total	**49.7**	48.3

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 expected credit losses have been recognised in the year.

Consolidated income statement	**Year ended 31 March 2024 €m**	Year ended 31 March 2023 €m
Services supplied	**19.7**	15.1
Interest income	**2.2**	2.2
Total	**21.9**	17.3

Services provided to associates primarily relate to the provision of property and asset management services. Providing these services, the Group generated service charge income from managed properties and other income from managed properties of €19.7m (2023: €15.1m) as set out in note 5.

A performance fee arrangement is in place between the associates and the Group. Within services supplied, the performance fee was €0.8m during the year (2023: €nil).

For details regarding the investment in associates, including dividends received, see note 19.

31. Capital and other commitments

As at year end, the Group had contracted capital expenditure for development and enhancements on existing properties of €20.9m (2023: €14.9m) and capital commitments amounting to €nil (2023: €nil).

The above noted 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 2024 €m	31 March 2023 €m
Less than 1 year	**147.9**	125.3
1–2 years	**92.5**	98.2
2–3 years	**62.7**	76.6
3–4 years	**44.2**	58.7
4–5 years	**25.6**	36.7
More than 5 years	**50.9**	68.1
Total	**423.8**	463.6

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

33. List of subsidiary undertakings and investments in associates

The Group consists of 118 subsidiary companies (2023: 122 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 the UK.

Company name	Country of incorporation	**Ownership at 31 March 2024 %**	Ownership at 31 March 2023 %
BizSpace Acquisitions Ltd	Jersey	**100.00**	100.00
BizSpace Developments Ltd(1)	UK	**100.00**	100.00
BizSpace Green Holdings Ltd	UK	**100.00**	100.00
BizSpace Green Operations Ltd	UK	**100.00**	100.00
BizSpace Holdings Ltd	UK	**100.00**	100.00
BizSpace II Ltd	UK	**100.00**	100.00
BizSpace Ltd	UK	**100.00**	100.00
BizSpace Property 100 Ltd	Jersey	**100.00**	100.00
BizSpace Property I Ltd	UK	**100.00**	100.00
BizSpace Property SSP Ltd	UK	**100.00**	100.00
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**	100.00
Helix Investments Ltd(2)	Jersey	**100.00**	100.00
Helix Property Ltd	Jersey	**100.00**	100.00
LB² Catering and Services GmbH	Germany	**100.00**	100.00
M25 Business Centres Ltd	UK	**100.00**	100.00
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.(2)	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.(3)	Netherlands	**100.00**	100.00
Sirius Aloe GmbH & Co. KG	Germany	**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.(2)	Netherlands	**100.00**	100.00
Sirius Dahlia GmbH & Co. KG	Germany	**100.00**	100.00
Sirius Facilities (UK) Ltd(2)	UK	**100.00**	100.00
Sirius Facilities GmbH	Germany	**100.00**	100.00
Sirius Finance (Cyprus) Ltd(2, 4)	Cyprus	**100.00**	100.00
Sirius Four B.V.	Netherlands	**100.00**	100.00
Sirius Frankfurt Erste GmbH & Co. KG	Germany	**100.00**	100.00
Sirius Frankfurt Zweite GmbH & Co. KG	Germany	**100.00**	100.00
Sirius Gum B.V.	Netherlands	**100.00**	100.00
Sirius Jasmine GmbH & Co. KG	Germany	**100.00**	100.00
Sirius Juniper B.V.	Netherlands	**100.00**	100.00
Sirius Kale GmbH & Co. KG	Germany	**100.00**	100.00
Sirius Krefeld Erste GmbH & Co. KG	Germany	**100.00**	100.00
Sirius Lily B.V.	Netherlands	**100.00**	100.00
Sirius Lotus GmbH & Co. KG	Germany	**100.00**	100.00
Sirius Management One GmbH	Germany	**100.00**	100.00
Sirius Management Two GmbH	Germany	**100.00**	100.00

Company name	Country of incorporation	**Ownership at 31 March 2024 %**	Ownership at 31 March 2023 %
Sirius Management Three GmbH	Germany	**100.00**	100.00
Sirius Management Four GmbH	Germany	**100.00**	100.00
Sirius Management Five GmbH	Germany	**100.00**	100.00
Sirius Management Six GmbH	Germany	**100.00**	100.00
Sirius Management Seven GmbH	Germany	**100.00**	100.00
Sirius Management Eight GmbH	Germany	**100.00**	100.00
Sirius Management Nine GmbH	Germany	**100.00**	100.00
Sirius Management Ten GmbH	Germany	**100.00**	100.00
Sirius Narcissus GmbH & Co. KG	Germany	**100.00**	100.00
Sirius Oak B.V.(5)	Netherlands	**100.00**	100.00
Sirius One B.V.	Netherlands	**100.00**	100.00
Sirius Orange B.V.	Netherlands	**100.00**	100.00
Sirius Palm B.V.	Netherlands	**100.00**	100.00
Sirius Pepper GmbH & Co. KG	Germany	**100.00**	100.00
Sirius Pine B.V.	Netherlands	**100.00**	100.00
Sirius Renewable Energy GmbH	Germany	**100.00**	100.00
Sirius Tamarack B.V.	Netherlands	**100.00**	100.00
Sirius Three B.V.	Netherlands	**100.00**	100.00
Sirius Thyme B.V.	Netherlands	**100.00**	100.00
Sirius Tulip B.V.	Netherlands	**100.00**	100.00
Sirius Two B.V.	Netherlands	**100.00**	100.00
Sirius UK1 Ltd(2)	UK	**100.00**	100.00
Sirius UK2 Ltd(1, 2)	UK	**100.00**	100.00
Sirius Willow B.V.	Netherlands	**100.00**	100.00
Marba Bonn B.V.	Netherlands	**99.73**	99.73
Marba Bremen B.V.	Netherlands	**99.73**	99.73
Marba Brinkmann B.V.(6)	Netherlands	**99.73**	99.73
Marba Cedarwood B.V.	Netherlands	**99.73**	99.73
Marba Chestnut B.V.	Netherlands	**99.73**	99.73
Marba Dutch Holdings B.V.	Netherlands	**99.73**	99.73
Marba Foxglove B.V.	Netherlands	**99.73**	99.73
Marba HAG B.V.	Netherlands	**99.73**	99.73
Marba Hornbeam B.V.	Netherlands	**99.73**	99.73
Marba Königswinter B.V.	Netherlands	**99.73**	99.73
Marba Maintal B.V.	Netherlands	**99.73**	99.73
Marba Marigold B.V.	Netherlands	**99.73**	99.73
Marba Merseburg B.V.	Netherlands	**99.73**	99.73
Marba Mimosa B.V.	Netherlands	**99.73**	99.73
Marba Regensburg B.V.	Netherlands	**99.73**	99.73
Marba Saffron B.V.	Netherlands	**99.73**	99.73
Marba Troisdorf B.V.	Netherlands	**99.73**	99.73
Sirius Acerola GmbH & Co. KG	Germany	**99.73**	99.73
Sirius Almond GmbH & Co. KG	Germany	**99.73**	99.73
Sirius Bluebell GmbH & Co. KG	Germany	**99.73**	99.73
Sirius Cypress GmbH & Co. KG	Germany	**99.73**	99.73
Sirius Grape GmbH & Co. KG	Germany	**99.73**	99.73
Sirius Hibiscus GmbH & Co. KG	Germany	**99.73**	99.73
Sirius Indigo GmbH & Co. KG	Germany	**99.73**	99.73
Sirius Mayflower GmbH & Co. KG	Germany	**99.73**	99.73
Sirius Oyster GmbH & Co. KG	Germany	**99.73**	99.73
Sirius Administration One GmbH & Co KG	Germany	**94.80**	94.80
Sirius Administration Two GmbH & Co KG	Germany	**94.80**	94.80
Verwaltungsgesellschaft Gewerbepark Bilderstöckchen GmbH	Germany	**94.15**	94.15

(1) During the twelve month period ended 31 March 2024 BizSpace Developments Ltd issued 20,744,551 preference shares of nominal value £1.00 (€1.15) each that were fully subscribed to by Sirius UK2 Ltd. The funds raised were used to finance the acquisition of assets to the investment property portfolio.

(2) Subsidiary company directly held by the parent entity, Sirius Real Estate Limited.

(3) Sirius Alder B.V. merged with Sirius Ivy B.V. on 29 December 2023. For tax and accounting purposes the merger is effective retrospectively from 1 April 2023.

(4) During the twelve month period ended 31 March 2024 Sirius Finance (Cyprus) Ltd issued 63,000,000 ordinary shares of nominal value €1.00 each that were fully subscribed to by the parent entity, Sirius Real Estate Limited. The funds raised were used to enable the acquisition of assets to the investment property portfolio.

(5) Sirius Oak B. V. merged with Sirius Ash B.V. and Sirius Mannheim B.V. on 22 November 2023. For tax and accounting purposes the merger is effective retrospectively from 1 April 2023.

(6) Marba Brinkmann B.V. merged with Marba Catalpa B.V. on 30 March 2024. For tax and accounting purposes the merger is effective retrospectively from 1 January 2024.

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

Company name	Country of incorporation	**Ownership at 31 March 2024 %**	Ownership at 31 March 2023 %

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
Sirius Pear B.V.	Netherlands	**35.00**	35.00

34. Post balance sheet events

On 9 February 2024, the Group notarised the acquisition of an asset in Göppingen, for €21.4m. The mixed-use multi-tenanted business park which comprises 35,160 sqm of storage, industrial and office space is 86% occupied. The transaction completed in April 2024.

On 28 February 2024, the Group notarised the acquisition of an asset in Klipphausen, for €14.6m. The mixed-use single-tenanted business park which comprises 17,683 sqm of storage, industrial and office space is 100% occupied. The transaction completed in April 2024.

On 23 January 2024, the Group notarised the acquisition of an asset in Dresden, for €1.1m. The mixed-use site which comprises 1,183 sqm of storage, residential and office space is 41% occupied. The transaction completed in April 2024.

On 27 March 2024, the Group notarised the acquisition of an asset in Gloucestershire, UK, for £50.1m (€58.6m). The mixed-use site which comprises 139,400 sqm of storage, industrial and office space is 81% occupied. The transaction completed in April 2024.

On 30 April 2024, the Group performed a tap issue for its €300.0m corporate bond issued in November 2021 resulting in approximately €51.3m additional debt, such bonds carry a coupon of 1.75% and were issued at 86.67cents. The coupon of 1.75% is due annually on its anniversary date, with the principal balance coming due on 24 November 2028. The Group intends to utilise these proceeds for fuelling its acquisition pipeline and corporate purposes.

BUSINESS ANALYSIS (UNAUDITED INFORMATION)

Non-IFRS measures

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Total profit for the year attributable to the owners of the Company	**107.8**	79.6
(Deduct gain)/add loss on revaluation of investment properties	**(12.2)**	9.8
Add loss/(deduct gain) on disposal of properties (net of related tax)	**0.1**	(4.7)
Change in fair value of derivative financial instruments	**1.3**	(0.9)
Deferred tax in respect of EPRA earnings adjustments	**2.5**	4.3
NCI relating to revaluation (net of related tax)	**0.0**	—
NCI relating to gain on disposal of properties (net of related tax)	**0.0**	—
Add loss on revaluation of investment property relating to associates	**1.6**	0.5
Tax in relation to the revaluation gains/losses on investment property relating to associates	**(0.0)**	(0.4)
EPRA earnings	**101.1**	88.2
Add/(deduct) change in deferred tax relating to derivative financial instruments	**0.2**	(0.1)
(Deduct)/add change in fair value of derivative financial instruments	**(1.3)**	0.9
NCI in respect of the above	—	—
Headline earnings after tax	**100.0**	89.0
Add/(deduct) change in fair value of derivative financial instruments (net of related tax and NCI)	**1.1**	(0.8)
Deduct revaluation loss relating to leased investment properties (net of related tax)	**(0.8)**	(1.5)
Add adjusting items[1] (net of related tax and NCI)	**5.9**	6.2
Adjusted earnings after tax	**106.2**	92.9

(1) See note 11 to the financial statements.

For more information on EPRA earnings refer to Annex 1.

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
EPRA earnings	**101.1**	88.2
Weighted average number of ordinary shares	**1,231,991,541**	1,167,757,975
EPRA earnings per share (cents)	**8.21**	7.55
Headline earnings after tax	**100.0**	89.0
Weighted average number of ordinary shares	**1,231,991,541**	1,167,757,975
Headline earnings per share (cents)	**8.12**	7.62
Adjusted earnings after tax	**106.2**	92.9
Weighted average number of ordinary shares	**1,231,991,541**	1,167,757,975
Adjusted earnings per share (cents)	**8.62**	7.96

Geographical property analysis – owned investment properties

Germany

March 2024	No. of owned properties	Total sqm 000	Occupancy	Rate psqm €	Annualised rent roll €m	% of portfolio by annualised rent roll	Value €m(2)	Gross yield	Net yield	WALE rent	WALE sqm
Frankfurt	16	339	85.8%	7.76	27.1	21%	344.1	7.9%	7.2%	2.6	2.5
Berlin	4	104	95.7%	9.00	10.7	8%	171.2	6.3%	6.3%	2.4	2.4
Stuttgart	9	330	91.5%	5.63	20.4	16%	256.0	8.0%	7.5%	3.1	3.2
Cologne	8	147	89.7%	8.87	14.0	11%	183.1	7.7%	7.3%	2.7	2.8
Munich	3	123	81.9%	8.89	10.8	8%	194.6	5.5%	4.8%	1.3	1.3
Düsseldorf	15	371	78.0%	6.92	24.0	19%	308.0	7.8%	6.6%	3.0	3.3
Hamburg	4	92	83.6%	5.63	5.2	4%	63.2	8.2%	7.5%	1.5	1.4
Other	9	246	82.2%	7.21	17.5	13%	205.0	8.5%	7.9%	2.6	2.4
Total Germany	**68**	**1,752**	**85.2%**	**7.24**	**129.7**	**100%**	**1,725.2**	**7.5%**	**6.8%**	**2.7**	**2.7**

UK

March 2024	No. of owned properties	Total sqm 000	Occupancy	Rate psqm €(1)	Annualised rent roll €m(1)	% of portfolio by annualised rent roll	Value €m(2)	Net yield	WALE rent	WALE sqm
Midlands	10	50	84.0%	15.68	9.4	14%	61.8	9.6%	1.1	1.5
North	13	72	91.0%	11.41	9.9	15%	65.1	9.3%	0.8	1.0
North East and North	14	95	89.3%	7.12	8.1	12%	66.6	8.3%	1.6	2.1
North West	13	88	86.6%	10.82	11.4	18%	85.5	9.7%	1.1	1.0
South East	13	35	81.1%	27.31	11.6	18%	103.8	6.9%	1.5	1.5
South West	11	62	82.3%	19.84	14.6	23%	78.8	12.8%	1.0	1.0
Total UK	**74**	**402**	**86.6%**	**15.58**	**65.0**	**100%**	**461.6**	**9.3%**	**1.2**	**1.4**

(1) The Group's UK business charges 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 sqm	% of total sqm	Occupied sqm	% of occupied sqm	Annualised rent roll €m	% of annualised rent roll	Vacant sqm	Rate psqm €
Office	588,698	33.6%	475,059	31.8%	49.9	38.5%	113,639	8.76
Storage	573,721	32.8%	497,058	33.3%	32.4	25.0%	76,663	5.42
Production	354,537	20.2%	335,588	22.5%	21.4	16.5%	18,949	5.32
Smartspace	110,519	6.3%	77,566	5.2%	8.8	6.8%	32,953	9.51
Other(1)	124,123	7.1%	107,785	7.2%	17.2	13.2%	16,338	13.27
Total Germany	**1,751,598**	**100.0%**	**1,493,056**	**100.0%**	**129.7**	**100.0%**	**258,542**	**7.24**

UK

Usage	Total sqm	% of total sqm	Occupied sqm	% of occupied sqm	Annualised rent roll €m(3)	% of annualised rent roll	Vacant Sqm	Rate psqm €(3)
Office	132,050	32.9%	106,689	30.7%	39.8	61.2%	25,361	31.09
Workshop	253,135	63.0%	227,725	65.5%	23.1	35.5%	25,410	8.45
Storage	2,098	0.5%	1,412	0.4%	0.3	0.5%	686	17.60
Other(2)	14,243	3.6%	11,731	3.4%	1.8	2.8%	2,512	12.97
Total UK	**401,526**	**100.0%**	**347,557**	**100.0%**	**65.0**	**100.0%**	**53,969**	**15.58**

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

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

(3) The Group's UK business charge licences 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 €m	Production €m	Storage €m	Smartspace €m	Other(1) €m	Adjustments in relation to lease incentives €m	Total €m
Less than 1 year	44.7	20.5	29.7	4.3	14.8	(0.6)	113.4
Between 1 and 5 years	78.3	40.1	50.0	1.2	26.1	(0.2)	195.5
More than 5 years	12.7	10.4	10.0	—	7.0	—	40.1
Total	**135.7**	**71.0**	**89.7**	**5.5**	**47.9**	**(0.8)**	**349.0**

Germany by sqm

	Office	Production	Storage	Smartspace	Other(1)	Total

	sqm	sqm	sqm	sqm	sqm	sqm
Less than 1 year	119,975	48,950	118,151	68,474	18,918	374,468
Between 1 and 5 years	278,742	209,940	317,046	9,057	73,157	887,941
More than 5 years	76,342	76,698	61,862	35	15,710	230,647
Total	**475,059**	**335,588**	**497,059**	**77,566**	**107,785**	**1,493,056**

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

UK by income

	Office €m	Workshop €m	Storage €m	Other(2) €m	Adjustments in relation to lease incentives €m	Total €m
Less than 1 year	11.9	6.2	0.1	0.5	—	18.7
Between 1 and 5 years	21.7	12.4	—	0.8	—	34.9
More than 5 years	11.0	9.0	—	2.9	—	22.9
Total	**44.6**	**27.6**	**0.1**	**4.2**	—	**76.5**

UK by sqm

	Office sqm	Workshop sqm	Storage sqm	Other(2) sqm	Total sqm
Less than 1 year	71,399	147,308	1,412	8,176	228,295
Between 1 and 5 years	30,962	61,233	—	3,553	95,748
More than 5 years	4,328	19,184	—	2	23,514
Total	**106,689**	**227,725**	**1,412**	**11,731**	**347,557**

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

The Group's UK business provides flexible leases that represent approximately 72% of annualised rent roll and conventional leases that represent 28% 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 31.9% of contracts in place at 31 March 2024 are subject to contractual uplifts. The average contractual uplift over the coming twelve months split by usage are detailed as follows:

Usage	Increase in %
Office	4.39%
Storage	4.52%
Production	4.15%
Smartspace	9.91%
Other(1)	5.25%
Total	**4.63%**

(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 2024, approximately 42.2% are subject to contractual uplifts. The average contractual lease contract uplifts over the coming twelve months split by usage are detailed as follows:

Usage	Increase in %
Office	4.70%
Workshop	9.35%
Total	**6.97%**

Property profile March 2024*

Germany

Property and location	Total sqm	Office sqm	Storage sqm	Production sqm	Other(1) sqm	Rate psqm €
Aachen I	24,443	12,955	2,246	5,510	3,732	9.54
Aachen II	9,725	1,402	6,669	1,511	143	6.78
Alzenau	66,471	27,702	7,451	24,087	7,231	7.38
Bochum	55,589	12,690	36,027	3,965	2,907	5.13
Bochum II	4,249	3,502	479	12	256	9.33
Bonn	9,004	3,087	2,403	477	3,037	9.00
Bonn - Dransdorf	19,064	5,367	6,891	1,665	5,141	7.81
Buxtehude	28,238	1,120	10,831	13,420	2,867	4.43
Cölln Parc	13,482	6,514	3,386	2,867	715	11.23
Cologne	30,134	2,628	13,021	3,125	11,360	6.38
Dreieich	12,769	7,313	2,929	—	2,527	8.33
Dreieich II	5,512	549	4,537	—	426	5.61
Dresden	57,658	25,431	17,803	11,170	3,254	8.78

Property and location	Total sqm	Office sqm	Storage sqm	Production sqm	Other[(1)] sqm	Rate psqm €
Dusseldorf - Sud	21,420	2,814	12,376	1,970	4,260	7.23
Düsseldorf II	9,839	4,433	4,949	—	457	8.60
Düsseldorf III	33,974	21,694	10,614	171	1,495	11.41
Erfurt	23,237	7,585	11,980	—	3,672	3.95
Essen	15,251	5,772	4,806	2,367	2,306	7.10
Essen II	11,614	8,556	1,829	627	602	8.98
Fellbach	26,181	1,752	16,173	340	7,916	6.14
Fellbach II	9,736	4,574	274	—	4,888	10.57
Frankfurt	4,260	2,260	484	68	1,448	11.67
Frankfurt III	10,107	4,903	1,369	—	3,835	13.76
Frankfurt Röntgenstraße	5,496	3,846	555	36	1,059	12.34
Freiburg Teningen	20,796	7,140	6,131	5,578	1,947	5.32
Frickenhausen	27,859	6,516	8,499	10,743	2,101	5.77
Friedrichsdorf	17,572	6,492	5,475	3,199	2,406	8.60
Gartenfeld	25,473	5,375	10,821	3,297	5,980	9.42
Grasbrunn	14,254	7,254	4,743	—	2,257	12.94
Hallbergmoss	18,358	12,276	2,995	—	3,087	11.35
Hamburg Lademannbogen	10,305	8,081	1,049	—	1,175	10.39
Hanover	22,733	8,113	3,966	6,344	4,310	7.17
Heidenheim	46,843	8,415	15,420	13,828	9,180	4.86
Heiligenhaus	44,629	20,089	7,534	12,364	4,642	4.68
Köln Porz	21,089	15,207	2,319	279	3,284	12.60
Köln Rodenkirchen	19,861	9,918	6,689	2,178	1,076	8.03
Krefeld	11,318	7,131	2,520	594	1,073	8.66
Krefeld II	6,101	2,893	325	2,171	712	8.38
Krefeld III	9,666	4,918	3,342	924	482	8.60
Ludwigsburg	28,229	7,392	10,036	3,585	7,216	7.16
Mahlsdorf	29,355	11,613	10,796	1,963	4,983	8.77
Mahlsdorf II	12,737	5,765	1,263	1,906	3,803	8.48
Maintal Mitte	11,016	462	4,523	5,685	346	5.83
Mannheim	68,789	13,378	20,821	27,913	6,677	5.42
Mannheim II	14,235	6,260	3,986	586	3,403	6.74
Mannheim III	3,033	2,276	741	—	16	7.58
Markgröningen	57,728	4,532	30,853	20,337	2,006	3.81
Munich - Neuaubing	90,765	12,606	32,330	32,184	13,645	8.08
Nabern II	5,578	1,620	491	2,376	1,091	9.07
Neckartenzlingen	51,577	15,295	19,465	14,087	2,730	4.92
Neu-Isenburg	8,239	5,752	1,244	—	1,243	13.30
Neuruppin	22,959	1,404	7,629	13,133	793	5.67
Neuss	17,589	13,397	1,284	153	2,755	13.44
Neuss II	33,338	7,959	17,198	6,058	2,123	6.15
Norderstedt	12,627	3,052	7,507	172	1,896	5.48
Nürnberg	14,106	2,323	3,241	7,532	1,010	7.56
Oberhausen	82,896	41,174	29,966	1,739	10,017	6.38
Offenbach Carl Legien-Strasse	45,596	10,249	9,316	17,678	8,353	6.43
Offenbach I	15,028	3,474	2,475	2,351	6,728	7.40
Öhringen	18,761	1,969	7,448	8,772	572	6.05
Pfungstadt	32,614	6,692	12,259	9,786	3,877	6.51
Potsdam	35,862	12,490	12,720	4,956	5,696	9.05
Potsdam II	244	165	71	—	8	13.90
Rastatt	19,043	4,898	7,279	2,199	4,667	5.64
Rostock	18,617	8,230	1,956	6,606	1,825	6.94
Saarbrücken	46,912	28,707	9,846	2,270	6,089	9.27
Schenefeld	40,250	10,283	26,500	1,961	1,506	5.29
Solingen	13,332	2,475	4,409	4,925	1,523	2.88
Stuttgart - Kirchheim	57,863	20,168	12,897	18,737	6,061	6.64
Wiesbaden	18,370	14,371	1,261	—	2,738	17.05
Total	**1,751,598**	**588,698**	**573,721**	**354,537**	**234,642**	**7.24**

UK

Property and location	Total sqm	Office sqm	Workshop sqm	Storage sqm	Other[(2)] sqm	Rate psqm €[(3)]
Albion Mills Business Centre	15,001	5,425	5,371	865	3,340	9.08
Altrincham	4,498	1,442	2,768	—	288	19.53
Ashford	1,824	1,823	—	—	1	45.87
Barnsley	6,702	687	5,930	—	85	8.88
Barnsley Carlton	3,367	1,172	2,000	—	195	19.93
Basingstoke	10,314	10,183	—	—	131	31.02
Birmingham Tyseley	12,335	854	9,820	1,233	428	9.94
Bradford - Dudley Hill	11,218	1,099	9,962	—	157	8.91

Property and location	Total sqm	Office sqm	Workshop sqm	Storage sqm	Other[2] sqm	Rate psqm €[3]
Bristol Equinox	1,304	1,303	—	—	1	54.39
Bury	3,911	3,911	—	—	—	16.27
Camberwell - Lomond	2,039	1,266	546	—	227	38.83
Cardiff	4,106	4,105	—	—	1	35.53
Cheadle	1,628	1,600	—	—	28	41.15
Christchurch	2,663	2,058	605	—	—	32.71
Consett	3,094	—	3,094	—	—	4.74
Coventry	1,621	1,621	—	—	—	18.35
Design Works	4,777	3,437	555	—	785	17.16
Didcot	1,021	491	510	—	20	35.32
Dinnington	3,788	1,000	2,648	—	140	11.87
Doncaster	2,778	2,777	—	—	1	31.99
Dorking	2,148	1,406	715	—	27	47.08
Egham	1,002	927	—	—	75	39.99
Fareham	1,758	1,758	—	—	—	47.00
Gateshead	13,160	—	11,927	—	1,233	5.41
Gloucester	20,751	2,989	16,669	—	1,093	6.51
Gloucester - Barnwood	3,402	3,378	24	—	—	53.86
Hartlepool - Oakesway	2,585	—	2,585	—	—	2.55
Hebburn	5,463	—	5,462	—	1	8.11
Hemel Hempstead	4,387	4,384	—	—	3	37.56
Hooton	1,376	1,230	—	—	146	28.31
Hove	2,939	2,160	695	—	84	35.87
Huddersfield (Linthwaite)	2,365	—	2,364	—	1	8.58
Islington Studio	3,138	2,936	201	—	1	39.91
Leeds - Brooklands	2,076	2,042	—	—	34	25.46
Leeds - Wortley	3,735	—	3,734	—	1	7.65
Letchworth	3,037	2,368	661	—	8	18.48
Littlehampton	1,993	1,992	—	—	1	41.32
Liverpool	3,488	1,324	2,164	—	—	18.34
London Colney	1,887	1,767	—	—	120	36.27
M25 Business Centre	3,282	2,151	1,085	—	46	37.13
Maidstone	1,645	1,644	—	—	1	45.54
Manchester - Trafford Park	8,815	—	8,675	—	140	10.65
Manchester - Newton Heath	5,660	2,273	3,353	—	34	18.96
Manchester - Old Trafford	4,579	1,703	2,806	—	70	26.44
Milton Keynes	3,591	3,529	14	—	48	33.15
New Addington - Croydon	6,621	379	6,158	—	84	15.14
Newcastle - Amber Court	4,296	4,296	—	—	—	24.97
Northampton - K2	4,689	57	4,631	—	1	13.75
Northampton - KG	12,617	910	11,609	—	98	10.42
Nottingham - Arnold	5,523	1,313	4,009	—	201	10.20
Nottingham - Park Row	4,128	4,110	—	—	18	42.86
Nottingham - Roden	4,545	9	4,533	—	3	8.37
Oldham - Hollinwood	5,525	5,495	—	—	30	25.19
Perivale	2,147	542	1,604	—	1	32.49
Peterlee	18,307	—	18,306	—	1	4.66
Poole	6,707	6,558	—	—	149	27.33
Preston	5,319	1,741	3,577	—	1	19.31
Rochdale (Fieldhouse)	23,179	527	22,329	—	323	4.48
Rochdale (Moss Mill)	16,226	—	14,441	—	1,785	4.45
Rotherham	4,482	1,369	3,112	—	1	14.98
Sandy Business Park	9,373	108	9,152	—	113	9.25
Sheffield (Cricket)	1,927	—	1,927	—	—	11.19
Shipley	2,238	2,238	—	—	—	14.05
Solihull	1,715	1,714	—	—	1	57.70
Spectrum House	4,279	4,109	169	—	1	35.40
Stanley	3,775	—	3,775	—	—	6.44
Sunderland - North Sands	2,819	2,818	—	—	1	19.95
Swindon	6,824	339	6,380	—	105	18.52
The Ivories	2,300	—	2,299	—	1	37.93
Theale	2,602	2,544	—	—	58	65.96
Wakefield	20,759	619	18,443	—	1,697	5.21
Warrington - Craven Court	3,829	—	3,829	—	—	12.55
Wimbledon	3,309	1,459	1,569	—	281	38.63
Wolverhampton - Willenhall	5,215	581	4,340	—	294	10.93
Total	**401,526**	**132,050**	**253,135**	**2,098**	**14,243**	**15.58**

* Excluding commercial leased investment properties.

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

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

(3) The Group's UK business charges 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 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, EPRA loan to 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 (where applicable) gains/losses on revaluation of investment properties, gains/losses on disposal of properties (net of related tax), recoveries from prior disposals of subsidiaries (net of related tax), refinancing costs, exit fees and prepayment penalties, goodwill impairment, acquisition costs in relation to business combinations, changes in fair value of derivative financial instruments (collectively, the "EPRA earnings adjustments"), deferred tax in respect of the EPRA earnings adjustments, NCI relating to revaluation (net of related tax), NCI relating to gains/losses on disposal properties (net of related tax), gains/losses on revaluation of 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 net deferred tax asset/liability. 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 derivative financial instruments 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 (where applicable) derivative financial instruments at fair value, deferred tax relating to valuation movements (excluding that relating to assets held for sale) and derivative financial instruments, goodwill and intangible assets as per the note reference in the audited 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 (where applicable) goodwill 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.
- EPRA loan to value ("EPRA LTV") in order to assist in comparisons with similar businesses in the real estate sector. EPRA LTV is a definition of loan to value ratio as set out by the European Public Real Estate Association. EPRA LTV represents net debt to total property value as defined in note 23. It includes all capital which is not equity as debt, irrespective of its IFRS classification, and is based upon proportional consolidation, therefore including the Group's share in the net debt and net assets of associates. Assets are included at fair value, net debt at nominal value. The reconciliation for EPRA LTV is detailed in table D below.
- Adjusted profit before tax in order to provide an alternative indication of the Group's underlying business performance. Accordingly, it adjusts for the effect of the gains/losses on revaluation of investment properties, gains/losses on revaluation relating to leased investment properties, gains/losses on disposal of properties, gains/losses on revaluation of investment property from associates and related tax, other adjusting items and change in fair value of derivative financial instruments. The reconciliation for adjusted profit before tax is detailed in table E 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 is adjusted profit before tax. Accordingly, funds from operations exclude 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 E below.

The Non-IFRS Financial Information is presented in accordance with the JSE Limited Listings 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. The Non-IFRS Financial Information required by the JSE Limited Listings Requirements solely relates to Headline Earnings Per Share and not EPRA.

Ernst & Young Inc have issued an independent auditor report on the Non-IFRS Financial Information for the year ended 31 March 2024 which is available for inspection at the Group's registered office. The starting point for all the Non-IFRS Financial Information has been extracted, without adjustment, from the audited Group's consolidated financial statements for the year ended 31 March 2024 (the "consolidated financial statements").

Table A – EPRA earnings

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Basic and diluted earnings attributable to owners of the Company(1)	**107.8**	79.6
(Deduct gain)/add loss on revaluation of investment properties(2)	**(12.2)**	9.8
Add loss/(deduct gain) on disposal of properties (net of related tax)(3)	**0.1**	(4.7)
Change in fair value of derivative financial instruments(4)	**1.3**	(0.9)
Deferred tax in respect of EPRA earnings adjustments(5)	**2.5**	4.3
NCI relating to revaluation (net of related tax)(6)	**0.0**	—
NCI relating to gain on disposal of properties (net of related tax)(7)	**0.0**	—
Add loss on revaluation of investment property relating to associates(8)	**1.6**	0.5
Tax in relation to the revaluation gains/losses on investment property relating to associates(9)	**(0.0)**	(0.4)
EPRA earnings(10)	**101.1**	88.2

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 or loss 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 (net of related tax) which has been extracted from note 11 within the consolidated financial statements.

(4) Presents the change in fair value of derivative financial instruments which has been extracted from the consolidated income statement within the consolidated financial statements.

(5) Presents deferred tax relating EPRA earning adjustments which has been extracted from note 11 within the consolidated financial statements.

(6) Presents the non-controlling interest relating to revaluation (net of related tax) which has been extracted from note 11 within the consolidated financial statements.

(7) Presents the non-controlling interest relating to gain or loss on disposal of properties (net of related tax) which has been extracted from note 11 within the consolidated financial statements.

(8) Presents the gain or loss on revaluation of investment property relating to associates which has been extracted from note 11 within the consolidated financial statements.

(9) Presents tax in relation to the revaluation gains/losses on investment property relating to associates which has been extracted from note 11 within the consolidated financial statements.

(10) Presents the EPRA earnings for the year.

Table B – Adjusted net asset value

	31 March 2024 €m	31 March 2023 €m
Net asset value		
Net asset value for the purpose of assets per share (total equity attributable to the owners of the Company)(1)	**1,407.3**	1,197.1
Deferred tax liabilities(2)	**82.7**	80.2
Derivative financial instruments at fair value(3)	—	(1.3)
Adjusted net asset value attributable to owners of the Company(4)	**1,490.0**	1,276.0

Notes:

(1) Presents the net asset value for the purpose of assets per share (total equity 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 the net deferred tax liabilities or assets which have been extracted from the note 10 within the consolidated financial statements.

(3) Presents current derivative financial instrument assets 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 2024	**EPRA NRV €m**	**EPRA NTA €m**	**EPRA NDV €m**
Net asset value as at year end (basic)(1)	**1,407.3**	**1,407.3**	**1,407.3**
Diluted EPRA net asset value at fair value	**1,407.3**	**1,407.3**	**1,407.3**
Group			
Derivative financial instruments at fair value(2)	—	—	**n/a**
Deferred tax in respect of EPRA fair value movements on investment properties(3)	**82.7**	**82.7**(*)	**n/a**
Intangibles(4)	**n/a**	**(3.3)**	**n/a**
Fair value of fixed interest rate debt(5)	**n/a**	**n/a**	**114.7**
Real estate transfer tax(6)	**170.3**	**n/a**	**n/a**
Investment in associate			
Deferred tax in respect of EPRA fair value movements on investment properties(3)	**7.0**	**7.0**(*)	**n/a**
Fair value of fixed interest rate debt(5)	**n/a**	**n/a**	**6.7**
Real estate transfer tax(6)	**9.4**	**n/a**	**n/a**
Total EPRA NRV, NTA and NDV(7)	**1,676.7**	**1,493.7**	**1,528.7**

31 March 2023	EPRA NRV €m	EPRA NTA €m	EPRA NDV €m
Net asset value as at year end (basic)(1)	1,197.1	1,197.1	1,197.1
Diluted EPRA net asset value at fair value	1,197.1	1,197.1	1,197.1
Group			
Derivative financial instruments at fair value(2)	(1.3)	(1.3)	n/a
Deferred tax in respect of EPRA fair value movements on investment properties(3)	80.2	80.1*	n/a
Intangibles(4)	n/a	(4.1)	n/a
Fair value of fixed interest rate debt(5)	n/a	n/a	99.2
Real estate transfer tax(6)	164.4	n/a	n/a
Investment in associate			
Deferred tax in respect of EPRA fair value movements on investment properties(3)	7.0	7.0*	n/a
Fair value of fixed interest rate debt(5)	n/a	n/a	9.9
Real estate transfer tax(6)	9.3	n/a	n/a
Total EPRA NRV, NTA and NDV(7)	1,456.7	1,278.8	1,306.2

* The Group 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.

Notes:

(1) Presents the net asset value for the purpose of assets per share (total equity 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 which have been extracted from the consolidated statement of financial position within the consolidated financial statements.

(3) Presents for the Group the net deferred tax liabilities or assets which have been extracted from note 10 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 €nil (2023: €0.1m). For investment in associates the deferred tax income/(expense) arising on revaluation losses/gains amounted to €nil (2023: €0.4m).

(4) Presents the net book value of software and licences with definite useful life which has been extracted from note 16 within the consolidated financial statements.

(5) Presents the fair value of financial liabilities and assets on the consolidated statement of financial position, net of any related deferred tax.

(6) 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.

(7) Presents the EPRA NRV, EPRA NTA and EPRA NDV, respectively, as at year end.

Table D – EPRA LTV metric

		Proportionate consolidation	
31 March 2024	**Group €m**	**Investment in associates €m**	**Total €m**
Interest-bearing loans and borrowings(1)	**245.1**	**52.2**	**297.3**
Corporate bonds(2)	**700.0**	**—**	**700.0**
Net payables(3)	**75.3**	**5.9**	**81.2**
Cash and cash equivalents(4)	**(244.2)**	**(7.4)**	**(251.6)**
Net debt (a)(5)	**776.2**	**50.7**	**826.9**
Investment properties(6)	**2,210.6**	**126.2**	**2,336.8**
Plant and equipment(8)	**7.8**	**—**	**7.8**
Intangible assets(9)	**3.3**	**—**	**3.3**
Loan to associates(10)	**45.1**	**—**	**45.1**
Total property value (b)(11)	**2,266.8**	**126.2**	**2,393.0**
EPRA LTV (a/b)(12)	**34.2%**	**40.2%**	**34.6%**

		Proportionate consolidation	
31 March 2023	Group €m	Investment in associates €m	Total €m
Interest-bearing loans and borrowings(1)	264.4	52.1	316.5
Corporate bonds(2)	700.0	—	700.0
Net payables(3)	71.0	4.5	75.5
Cash and cash equivalents(4)	(124.3)	(8.6)	(132.9)
Net debt (a)(5)	911.1	48.0	959.1
Investment properties(6)	2,123.0	124.2	2,247.2
Assets held for sale(7)	8.8	—	8.8
Plant and equipment(8)	7.2	—	7.2
Intangible assets(9)	4.1	—	4.1
Loan to associates(10)	44.3	—	44.3
Total property value (b)(11)	2,187.4	124.2	2,311.6
EPRA LTV (a/b)(12)	41.7%	38.6%	41.5%

Notes:

(1) Presents the interest-bearing loans and borrowings which have been extracted from the consolidated statement of financial position within the consolidated financial statements less the corporate bonds which have been extracted from note 23 within the consolidated financial statements.

(2) Presents the corporate bonds which have been extracted from note 23 within the consolidated financial statements.

(3) Presents the net payables, which is the sum of trade and other receivables, derivative financial instruments, trade and other payables, current tax liabilities (all of which have been extracted from the consolidated statement of financial position within the consolidated financial statements) and deposits which have been extracted from note 18 within the consolidated financial statements.

(4) Presents the cash and cash equivalents which have been extracted from the consolidated statement of financial position within the consolidated financial statements.

(5) Presents the net debt, which is the sum of interest-bearing loans and borrowings, corporate bonds, and net payables, less cash and cash equivalents.

(6) Presents the investment properties values which have been extracted from the consolidated statement of financial position within the consolidated financial statements.

(7) Presents the assets held for sale which have been extracted from the consolidated statement of financial position within the consolidated financial statements.

(8) Presents the plant and equipment which have been extracted from the consolidated statement of financial position within the consolidated financial statements.

(9) Presents the intangible assets which have been extracted from the consolidated statement of financial position within the consolidated financial statements.

(10) Presents the loan to associates which has been extracted from note 24 within the consolidated financial statements.

(11) Presents the total property value, which is the sum of investment properties, assets held for sale, plant and equipment, intangible assets and loan to associates.

(12) Presents the EPRA LTV which is net debt divided by total property value in percentage.

Table E – Adjusted profit before tax and funds from operations

	Year ended 31 March 2024 €m	Year ended 31 March 2023 €m
Reported profit before tax[(1)]	**115.2**	87.0
Adjustments for:		
(Gain)/loss on revaluation of investment properties[(2)]	**(12.2)**	9.8
Loss on revaluation relating to leased investment properties[(3)]	**(0.9)**	(1.5)
Gain on disposals of properties[(4)]	**(0.9)**	(4.7)
Loss on revaluation of investment property from associates and related tax[(5)]	**1.6**	0.1
Other adjusting items[(6)]	**5.9**	6.2
Change in fair value of financial derivatives[(7)]	**1.3**	(0.9)
Adjusted profit before tax[(8)]	**110.0**	96.0
Adjustments for:		
Foreign exchange effects[(9)]	**(3.4)**	0.2
Depreciation and amortisation (excluding depreciation relating to IFRS 16)[(10)]	**3.3**	3.4
Amortisation of financing fees[(11)]	**3.5**	3.3
Adjustment in respect of IFRS 16[(12)]	**0.6**	2.2
Current taxes incurred[(13)]	**(4.8)**	(3.0)
Add back current tax relating to disposals[(14)]	**1.0**	—
Funds from operations[(15)]	**110.2**	102.1

Notes:

(1) Presents profit before tax which has been extracted from the consolidated income statement within the consolidated financial statements.

(2) Presents the gain or loss 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 revaluation relating to leased investment properties which has been extracted from note 13 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 gain or loss on revaluation of investment property relating to associates and related tax which has been extracted from note 10 within the consolidated financial statements.

(6) Presents the total adjusting items which have been extracted from note 11 within the consolidated financial statements.

(7) Presents the change in fair value of derivative financial instruments which has been extracted from the consolidated income statement within the consolidated financial statements.

(8) Presents the adjusted profit before tax for the year.

(9) Presents the net foreign exchange gains or losses as included in other administration costs in note 6 within the consolidated financial statements.

(10) Presents depreciation of plant and equipment and amortisation of intangible assets which have been extracted from note 6 within the consolidated financial statements.

(11) Presents amortisation of capitalised finance costs which has been extracted from note 9 within the consolidated financial statements.

(12) 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 €3.9m (2023: €4.5m) and the actual cash expense recorded in the consolidated statement of cash flows for the year amounting to €3.3m (2023: €2.3m).

(13) Presents the total current income tax which has been extracted from note 10 within the consolidated financial statements.

(14) Presents the current income tax charge relating to disposals of investment properties which has been extracted from note 10 within the consolidated financial statements.

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

GLOSSARY OF TERMS

Adjusted earnings after tax	is the earnings attributable to the owners of the Company, adjusted for the effect of the gains/losses on revaluation of investment properties and related tax, (also to associates net of related tax), gains/losses on disposal of properties and related tax, NCI relating to revaluation (net of related tax), NCI relating to gains/losses on disposal properties (net of related tax), changes in fair value of derivative financial instruments (net of related tax and NCI), revaluation gains/losses relating to leased investment properties (net of related tax) and adjusting items (net of related tax and NCI)
Adjusted net asset value	is the total equity attributable to the owners of the Company adjusted for derivative financial instruments at fair value and net deferred tax liabilities/assets
Adjusted profit before tax	is the reported profit before tax adjusted for the effect of gains/losses on revaluation of investment properties, gains/losses on revaluation relating to lease investment properties, gains/losses on disposal of properties, gains/losses on revaluation of investment property from associates and related tax, other adjusting items and changes in fair value of derivative financial instruments
Annualised acquisition net operating income	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
Annualised acquisition rent roll	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
Annualised rent roll	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 2024. Annualised rent roll should not be interpreted or 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 audited consolidated income statement for reasons including: • annualised rent roll represents contracted rental income at a specific point in time expressed in annual terms; • rental income as reported within revenue represents rental income recognised in the period under review; and • rental income as reported within revenue includes accounting adjustments including those relating to lease incentives
Capital value	is the market value of a property divided by the total sqm of a property
Company	is Sirius Real Estate Limited, 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 (primary listing) and the Main Board of the Johannesburg Stock Exchange (primary listing)
Cumulative total return	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
EPRA	European Public Real Estate Association
EPRA earnings	is earnings after adjusting for (where applicable) gains/losses on revaluation of investment properties, gains/losses on disposal of properties (net of related tax), recoveries from prior disposals of subsidiaries (net of related tax), refinancing costs, exit fees and prepayment penalties, goodwill impairment, acquisition costs in relation to business combinations, changes in fair value of derivative financial instruments (collectively, the “EPRA earnings adjustments”), deferred tax in respect of the EPRA earnings adjustments, NCI relating to revaluation (net of related tax), NCI relating to gains/losses on disposal properties (net of related tax), gains/losses on revaluation of investment property relating to associates and the related tax thereon
EPRA loan to value	is the ratio of net debt to total property value as defined in note 23. It includes all capital which is not equity as debt, irrespective of its IFRS classification, and is based upon proportional consolidation, therefore including the Group’s share in the net debt and net assets of associates. Assets are included at fair value, net debt at nominal value
EPRA net reinstatement value	is the net asset value after adjusting for derivative financial instruments at fair value, deferred tax relating to valuation movements and derivative financial instruments and real estate transfer tax presented in the Valuation Certificate, including the amounts of the above related to the investment in associates
EPRA net tangible assets	is the net asset value after adjusting for (where applicable) derivative financial instruments at fair value, deferred tax relating to valuation movements (just for the part of the portfolio that the Group intends to hold should be excluded) and derivative financial instruments goodwill and intangible assets as per the note reference in the audited consolidated statement of financial position, including the amounts of the above related to the investment in associates.
EPRA net disposal value	is the net asset value after adjusting for (where applicable) goodwill and the fair value of fixed interest rate debt, including the amounts of the above related to the investment in associates
EPRA net initial yield	is the annualised rent roll based on the cash rents passing at reporting date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers’ costs

EPRA net yield	is the net operating income generated by a property expressed as a percentage of its value plus purchase costs
ERV	is the estimated rental value which is the annualised rental income at 100% occupancy
Executive Committee	is made up of the CEO, CFO, CMIO, COO, CIO and GHRO as set out on pages 76 and 77 of the Group's Annual Report and Accounts 2024
Funds from operations ("FFO")	is adjusted profit before tax adjusted for depreciation and amortisation (excluding depreciation relating to IFRS 16), amortisation of financing fees, net foreign exchange differences, adjustment in respect of IFRS 16 and current tax excluding tax on disposals
Geared IRR	is an estimate of the rate of return taking into consideration debt
Gross loan to value ratio	is the ratio of principal value of total debt to the aggregated value of investment property
Group	comprises that of the Company and its subsidiaries
Like for like	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
LTIP	Long Term Incentive Plan
LTV	loan to value
Net loan to value ratio	is the ratio of principal value of total debt less cash, excluding that which is restricted in contractual terms, to the aggregate value of investment property
Net operating income	is the rental, service charge and other income generated from investment and managed properties less directly attributable costs
Net yield	is the net operating income generated by a property expressed as a percentage of its value
Occupancy	is the percentage of total lettable space occupied as at reporting date
Operating cash flow on investment (geared)	is an estimate of the rate of return based on operating cash flows and taking into consideration debt
Operating cash flow on investment (ungeared)	is an estimate of the rate of return based on operating cash flows
Operating profit	is the net operating income adjusted for gains/losses on revaluation of investment properties, gains/losses on disposal of properties, movement in expected credit loss provision, administrative expenses and share of profit of associates
Rate	for the German portfolio is rental income per sqm expressed on a monthly basis as at a specific reporting date 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 EUR 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
Senior Management Team	as set out on page 78 of the Group's Annual Report and Accounts 2024
SIP	Share Incentive Plan
Sirius	comprises that of the Company and its subsidiaries
Total debt	is the aggregate amount of the interest-bearing loans and borrowings
Total shareholder accounting return	is the return obtained by a shareholder calculated by combining both movements in adjusted NAV per share and dividends paid
Total return	is the return for a set period of time combining valuation movement and income generated
Ungeared IRR	is an estimate of the rate of return
Weighted average cost of debt	is the weighted effective rate of interest of loan facilities expressed as a percentage
Weighted average debt expiry	is the weighted average time to repayment of loan facilities expressed in years

CORPORATE DIRECTORY

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LSE (GBP) Share Code: SRE
LEI: 213800NURUF5W8QSK566
ISIN Code: GG00B1W3VF54

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Registered number
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