

SIRIUS REAL ESTATE LIMITED
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Sirius Real Estate Limited
("Sirius Real Estate", "Sirius", the "Company" or the "Group")

Sirius Real Estate completes on c. £31 million of acquisitions and disposes of two assets in the U.K.

Sirius Real Estate, the leading owner and operator of branded business and industrial parks providing conventional space and flexible workspace in Germany and the U.K., has completed on the acquisitions of two industrial assets in the U.K., in Banbury, South East England, and Wembley, for just over £31 million, representing a 9.2% net initial yield ("NIY") including acquisition costs.

The acquisitions will add more than 492,000 sq ft of light industrial space to the Group's U.K. portfolio, and have been made using the proceeds of the recent Maintal disposal, which was sold at a gross yield of 6% for €40.1 million in March 2024.

The Banbury acquisition comprises the c. 473,000 sq ft Beaumont Industrial Estate, which has exchanged for £25 million (excluding acquisition costs), reflecting a NIY of 9.1%. The freehold asset, which is fully let to two tenants on Full Repairing and Insuring leases, produces a net operating income of £2.4 million per annum at an average rate of £5.15 psf, with both leases expiring in July 2027. Both tenants are expected to extend their leases given the significant investment in production equipment on site by each tenant.

The second asset comprises a light industrial multi-let building in Wembley, which has exchanged for just under £6.3 million (excluding acquisition costs) reflecting a NIY of 9.3%. The property is freehold and spans 19,145 sq ft of lettable space. At almost 100% occupancy, the asset currently generates a net operating income of £624,000. Privately owned and operated, and situated at the northern end of Water Road, approximately 6 miles west of Central London, the site is strategically located to complement a trio of properties that the Company recently acquired in Islington. The current owner purchased the vacant property three years ago and converted the building into 65 workspaces targeting SMEs.

Both of the assets are located in highly desirable locations and benefit from good transport networks and connectivity, with the Wembley asset located within 5 miles of BizSpace in Perivale, enabling the Company to leverage a number of operational synergies alongside its local market expertise.

Sirius has identified a number of opportunities to drive value through the Banbury and Wembley assets by utilising its asset management platform to improve occupancy, income and service charge recovery. Both sites fall within the Company's strategy of purchasing primarily industrial assets, and will allow Sirius to continue its asset recycling programme.

Separately, the Company announces that it has notarised the disposals of two sub scale assets located in Hartlepool and Letchworth, U.K., for a combined total of £1.9 million. The assets, which comprise

just over 60,500 sq ft of space, were sold at a combined 2.7% premium to the last reported book value and were both deemed non-core to the business going forwards.

Andrew Coombs, Chief Executive Officer of Sirius Real Estate, commented: “These acquisitions present the Company with a number of value-add opportunities to utilise the Sirius platform to grow income and value across two strategic locations in the U.K., including one in which we already have an established presence. Additionally, the strategic disposal of two non-core U.K. sites, which when combined, were achieved at a modest premium to book value, allows us to crystallise returns from these assets which we will look to recycle into sites with larger scale and more opportunity.”

“We are continuing to make good progress on our acquisition pipeline, following on from six months of active investments in both Germany and the U.K.. The Company’s bond tap of its 1.75% corporate bond due in November 2028, alongside advanced discussions on additional opportunities, leaves us well funded and well placed to support the further long-term growth of the Group.”

For further information:

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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 31 March 2024, the Group's portfolio comprised 142 assets let to 9,654 tenants with a total book value of over €2.1 billion, generating a total annualised rent roll of €188.7 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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