

LIGHTHOUSE PROPERTIES p.l.c.

(Registered in Malta)

(Registration number: C 100848)

Share code: LTE

ISIN: MU0461N00015

LEI: 549300UG27SWRF0X2U62

(“Lighthouse” or the “Company”)



CATEGORY 2 TRANSACTION - ACQUISITION OF A MALL IN PORTUGAL

INTRODUCTION

Shareholders are advised that the Company, through a wholly-owned subsidiary, Lighthouse Netherlands B.V. (the “**Purchaser**”) entered into a share purchase and sale agreement (the “**SPA**”) with Tiekeneven Holding B.V. (the “**Seller**”), owned by Soficole Exploitiemaatschappij B.V. (98%) and Valportugal S.C.A. (2%), for the purchase of a mall known as Alegro Montijo (“**Alegro Montijo**” or the “**Property**”) (the “**Acquisition**”).

The Acquisition is structured as a share deal in terms of which the Seller will sell the entire issued share capital and shareholder claims in Alegro Montijo – Gestão de Centro Comercial, Sociedade Unipessoal, Lda. (“**OpCo**”), which indirectly owns the Property. The articles of association of OpCo do not impede compliance with Lighthouse’s obligations in terms of the JSE Listings Requirements.

ALEGRO MONTIJO

Alegro Montijo is a 62 433m² regional mall located in the municipality of Montijo, which forms part of the greater Lisbon metropolitan, in Portugal. The mall dominates its catchment with a strong tenant offering, including a newly refurbished Zara, Bershka, Stradivarius, Pull&Bear, Primark (scheduled to open in 3Q2024), Fnac, JD Sports and a 16 964 m² Continente Hypermarket (which is separately owned and does not form part of the Acquisition). The Acquisition includes 45 469 m² of the gross lettable area of Alegro Montijo.

This mall has good visibility and access off the A33 motorway (southern section of the greater Lisbon ring road).

RATIONALE FOR THE ACQUISITION

The Acquisition is in accordance with the Company’s investment policy and strategy to invest in dominant and defensive malls in growing regions with a strong economic underpin. The mall’s offering includes targeted key fashion retailers such as Primark and Zara.

Following the Company’s two recent acquisitions in Spain, this Acquisition will further increase the Company’s exposure to Iberia. The Iberian portfolio will, post-acquisition, constitute 72,2% of the pro rata fair value of Lighthouse’s directly held properties.

PURCHASE CONSIDERATION

The gross purchase consideration is EUR 177,8 million (“**Purchase Consideration**”). The Purchase Consideration net of existing senior bank debt of EUR 76,3 million with Banco Santander Totta, S.A., Banco BPI, S.A., Banco de Sabadell, S.A. – Sucursal em Portugal and Caixa Central – Caixa Central de Crédito Agrícola e Mútuo CRL (the “**Lenders**”) (which will be retained), will be funded from existing cash resources.

The Purchase Consideration represents an annualised net initial yield of 7,2% based on the forecast 2024 net operating income.

CONDITION PRECEDENT

The Acquisition is subject to the Purchaser having agreed with the Lenders the full and final terms of new financing agreements, based on an agreed term sheet by no later than 30 September 2024 (the “**Condition Precedent**”).

EFFECTIVE DATE

The effective date of the Acquisition will be within 15 business days following the fulfilment of the Condition Precedent, on which date the entire issued share capital and shareholder claims in OpCo will transfer to the Purchaser against payment of the Purchase Consideration (the “**Closing Date**”).

The SPA contains warranties, undertakings and indemnities that are standard for a transaction of this nature.

THE PROPERTY

Property name and address	Geographical location	Sector	Gross lettable area (m ²)	Weighted average net rental per month (EUR / m ²)	Purchase Consideration for the Property (EUR)*
Alegro Montijo, Rua da Azinheira 1, 2870-100 Montijo, Portugal	Afonsoeiro, Pau Queimado, Montijo, District of Setúbal, Portugal	Retail	45,469	24,64	177 800 000*

* *The Purchase Consideration is considered to be the Property's fair market value, as determined by the directors of the Company. The directors of the Company are not independent and not registered as professional valuers or as professional associate valuers in terms of the Property Valuers Profession Act, No. 47 of 2000 or the Royal Institute of Chartered Surveyors.*

FORECAST FINANCIAL INFORMATION

Set out below are the forecast revenue, net property income, net profit after taxation and distributable profit relating to the Property (the “**Forecast**”) for the 5-month period ending 31 December 2024 and the 12-month period ending 31 December 2025 (the “**Forecast Period**”).

The Forecast has been prepared on the assumption that the Acquisition will be implemented on the Closing Date and on the basis that the Forecast includes forecast results for the duration of the Forecast Period. The Forecast, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the directors of the Company. The Forecast has not been reviewed or reported on by the Company's auditors.

The Forecast presented in the table below has been prepared in accordance with the Company's accounting policies, which are in compliance with International Financial Reporting Standards.

	Forecast for the 5-month period ending 31 December 2024 (EUR)	Forecast for the 12-month period ending 31 December 2025 (EUR)
Revenue	5 602 766	13 909 368
Net property income	5 375 000	13 337 433
Net profit after taxation	3 267 917	8 241 758
Distributable profit	3 267 917	8 241 758

The Forecast incorporates the following material assumptions:

1. Alegro Montijo is acquired from the Closing Date, estimated to be on or about 31 July 2024.
2. The Forecast is based on information derived from the management accounts, budgets and rental contracts provided by the Seller.
3. The forecast net profit after taxation includes forecast administrative expenses, finance costs on refinanced senior bank debt, and applicable taxes.
4. Contracted revenue is based on existing lease agreements including stipulated increases, as well as expected indexation, all of which are valid and enforceable.
5. 90% of rental income is contracted. The remaining 10% of rental income represents renewals during the remainder of 2024 and 2025, which have been forecast at similar rentals to their current levels.
6. Property operating expenditure has been forecast by the property manager (Nhood Portugal) based on the 2024 approved budget.
7. No fair value adjustment is recognised.

CATEGORISATION OF THE ACQUISITION

The Acquisition represents a category 2 transaction in terms of the JSE Listings Requirements and accordingly no shareholder approval is required.

4 July 2024

JSE sponsor and corporate advisor

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Company Secretary


**STONEHAGE
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