SIRIUS REAL ESTATE LIMITED
(Incorporated in Guernsey)
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7 April 2025

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

Trading Update for the financial year ended 31 March 2025

6.3% increase in Group like-for-like rent roll

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., provides an update on trading for its financial year ended 31 March 2025.

The Group has achieved a 12.8%* year-on-year increase in rent roll, driven by a combination of strong organic growth and the ongoing successful asset acquisition programme, coupled with continued strong demand for space at our business parks. On a like-for-like basis, rent roll has accelerated since the first half, leading to a total annual increase of 6.3%* compared to the year ended 31 March 2024, marking the eleventh consecutive year of rent roll growth in excess of 5%. Similar levels of growth have been achieved across both Germany and the U.K. The Group accordingly expects to deliver full year results in line with market expectations.

The Group also expects to announce a positive valuation movement at Group level at the period end. In Germany, rent roll has continued to benefit from stronger rates, despite anticipated routine move-outs at the beginning of the year which held back occupancy in the first half. It is pleasing to report that the second half saw particularly strong growth in occupancy as the Company’s strategy began to bear fruit. The Company’s in-house asset management platform was again pivotal in balancing increases in rates whilst maintaining a healthy occupancy mix which permits further growth from our portfolio. We expect to see the growth in income translate into a meaningful increase in our portfolio valuation in Germany against a backdrop of stable yields as the transactional market continues to improve.

In the U.K., similar to Germany, like-for-like rates continued to grow strongly and a particularly strong finish to the year has seen occupancy increases, driving like-for-like rent roll growth well ahead of that reported in the first half. Total rent roll growth in the U.K. has been underpinned by material acquisitions in the period and we expect to see valuations in the U.K. stabilise, in contrast to recent periods. We believe the improving transactional market will build further confidence.

The Group continues to acquire attractive assets offering both day one income and value creation potential in the U.K. and Germany and looks forward to completing on the recently announced acquisitions in Chalcroft (Southampton) and Mönchengladbach early in the first quarter of the new financial year. In the past year we have notarised and/or completed on 11 acquisitions, with an aggregate investment of more than €250 million. The acquisition pipeline remains strong, and the combination of cash and balance sheet headroom will allow the Group to execute on these opportunities to continue to drive earnings growth in the year ahead.

The Company maintains a strong balance sheet as demonstrated through its €350 million, seven year corporate bond raise in January 2025, at a coupon rate of 4.0%. In addition, the Company raised debt in Germany at an attractive interest cost of 3.26% with the refinancing of its Saarbrücken asset in February 2025, for a five year term, and hopes to take advantage of similar financing opportunities going forward. The Group remains mindful of the transition to a higher interest rate expense but is confident that leverage will continue to have a positive overall effect on shareholder returns, especially as valuations continue to stabilise and improve. This is particularly the case given the relatively high yielding nature of the Group's existing assets, the yields at which the Company has been able to acquire new assets and the continued growth in the rent roll, which will help to offset future increases in financing costs.

Commenting on trading during the period, Andrew Coombs, Chief Executive Officer of Sirius Real Estate, said: "Over the course of 2024 our focus on growth, asset management and demonstrating the value Sirius' platform can bring to our occupiers allowed us to deliver a strong performance, with momentum building strongly as we finished the year. This has translated into our eleventh year of above 5% like-for-like rental growth, as well as improving occupancy and an expected overall valuation increase. We have also been very active in prudently deploying capital, investing around €250 million into eleven acquisitions, which will be both accretive to our rent roll and also offer the opportunity for future value creation, in line with our strategy. We have a strong balance sheet and have demonstrated our ability to raise debt at attractive levels, which will allow us to execute our healthy pipeline of further investment opportunities. While there is undoubtedly some heightened macro uncertainty at the moment, we feel that our assets will continue to prove their resilience and attractiveness to occupiers. We believe the Group is well placed to benefit from the positive impact of the recently announced German defence and infrastructure spending plans, which are widely expected to provide a clear catalyst for economic growth in Germany with a read across to the U.K."

Full Year Results

Sirius will announce results for the financial year ended 31 March 2025 on Monday, 2 June 2025, at which time there will be an in-person presentation and a virtual webinar for analysts and investors.

The financial information on which this trading update is based has not been reviewed or reported on by the Company´s external auditors or a reporting accountant.

*Group rent roll has been translated utilising a constant foreign currency exchange rate of GBP:EUR 1.1971, being the closing exchange rate as at 31 March 2025.

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NOTES TO EDITORS
About Sirius Real Estate

Sirius is a property company listed on the equity shares (commercial companies) category of the London Stock Exchange and the premium segment of 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 2024, the Group's owned portfolio comprised 145 assets let to 10,025 tenants with a total book value of €2.4 billion, generating a total annualised rent roll of €214 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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