

# Half-year results for the six months ended 31 March 2024

16 May 2024

Continued progress on strategic priorities has delivered a solid operational performance, with good visibility on further improvement in the second half.

## FY24 half-year key figures

<b>Financial performance</b>			
<b>Six months to:</b>	<b>31 March 2024</b>	<b>31 March 2023</b>	<b>Change</b>
IFRS rental income	€35.9m	€32.6m	10.1%
Adjusted earnings per share (EPS) <sup>1</sup>	2.62 cents	2.70 cents	(3.0)%
IFRS Basic EPS <sup>1</sup>	(2.32) cents	(27.20) cents	91.5%
Dividend per share	2.50 cents	2.50 cents	-
Total Return	(3.0)%	(22.1)%	19.1 pts
	<b>31 March 2024</b>	<b>30 September 2023</b>	<b>Change</b>
Portfolio value <sup>2</sup>	€1,464.8m	€1,561.9m	(6.2)%
- like-for-like portfolio valuation change			(2.9)%
EPRA net tangible assets (NTA) per share	€0.96	€1.02	(5.9)%
IFRS Basic NAV per share	€0.94	€0.99	(5.1)%
Loan to value (LTV) ratio <sup>3</sup>	44.5%	46.4%	(1.9) pts
Annualised rental income <sup>4</sup>	€74.3m	€76.3m	(2.6)%
<b>Operational performance</b>			
	<b>31 March 2024</b>	<b>31 March 2023</b>	<b>30 September 2023</b>
	<i>H1 24</i>	<i>H1 23</i>	<i>FY23</i>
Like-for-like rental growth <sup>5</sup>	(0.3)%	2.8%	4.5%
Rent collection	100%	100%	100%
Weighted average unexpired lease term <sup>6</sup>	7.8 years	7.9 years	7.9 years
EPRA vacancy rate	3.9%	5.4%	5.5%
Adjusted EPRA cost ratio <sup>7</sup>	24.1%	25.6%	24.2%
Average cost of debt	1.4%	1.2%	1.3%
Like-for-like estimated rental value (ERV) growth <sup>8</sup>	4.0%	3.4%	6.5%

## Chairman's commentary

### Robert Orr, Chairman of Tritax EuroBox plc, commented:

“Over the past six months, we have continued to build on the good progress made on delivering the strategic priorities we outlined 18 months ago. A solid operational performance is reflected in the cost ratio within our target range, the dividend remaining fully covered, and the further advancement of our planned disposal programme that continues to lower balance sheet leverage.

“Asset sales have now reached €173 million, and we expect to complete the disposal programme and move our debt metrics towards target levels by the end of 2024. In total, these transactions have been completed broadly in line with book values, demonstrating the attractiveness of our portfolio in what has been a challenging period in investment markets. Reflecting this uncertain market backdrop, investment yields have continued to soften leading to our portfolio valuation declining marginally over the period.

“We remain confident our high-quality portfolio and customer base continues to place the Company in a strong position to benefit from the supportive structural drivers and market dynamics in the European logistics sector. However, despite the progress with our strategic priorities and well-positioned portfolio, the Board remains acutely aware of the significant share price discount to NAV. The Board is in regular dialogue with the Manager and the Board’s advisers about how to address this issue, and there is a clear alignment and focus to deliver value for all shareholders in an effective and efficient manner.”

## FY24 half-year results overview

### Rental income impacted by disposals; dividend remains covered

- IFRS rental income of €35.9 million, up 10.1%, reflecting rent indexations, asset management activity and conversion of rental guarantees into income partly offset by disposals
- Annualised rental income of €74.3 million, down 2.6%, primarily due to the sales programme. Like-for-like<sup>5</sup> rental decline of 0.3% over six months, with income growth offset by lease and rental guarantee expiries.
- Adjusted EPRA Cost Ratio<sup>7</sup> of 24.1% (H1 23: 25.6%), in line with our target range of 20-25%, benefiting from a lower Management fee due to the lower portfolio valuation.
- Adjusted EPS<sup>1</sup> of 2.62 cents, down 3.0%, primarily due to disposals.
- Dividend per share of 2.50 cents was 104.7% covered by Adjusted EPS for the period.

### Investment portfolio let to strong customers on long-term, inflation-linked leases

- Portfolio value<sup>2</sup> of €1,464.8 million (FY23: €1,561.9 million), reflecting the disposals of Bochum and Malmö and a like-for-like reduction of 2.9% primarily due to continued sector-wide outward yield shift, partly offset by ERV growth.
- Decline in portfolio value led to a reduction in NTA per share to €0.96 (FY23: €1.02) and a negative Total Return of 3.0% (FY23: negative 22.5%).
- Portfolio reversion of 21.3% or €15.9 million, reflecting a like-for-like increase in portfolio ERV of 4.0%.
- 97% of leases subject to annual rental increases, with a WAULT to expiry of 9.5 years and 82% linked to inflation.
- Decrease in EPRA vacancy rate to 3.9% (FY23: 5.5%) reflecting the new lettings in Italy, Sweden and Poland. The post period end short-term letting in Poland reduces this to 3.1%.

### Asset management and indexation added €1.8 million to annualised rental income<sup>4</sup>

- Three new leases at Settimo Torinese, Rosersberg 1 and Strykow total €1.6 million of annual rent. Post period end, signed an additional short-term lease at Strykow, securing rent of €0.6 million.
- Asset sales in Bochum and Malmö for €46.8 million and €28.3 million respectively, and post period end in Gothenburg for €33.5 million. The disposal programme has now reached €173 million, with overall sales in line with book value.
- Ongoing integration of ESG objectives into operations, including progress with the four German solar PV projects that will more than double installed capacity to 21.5MWp from 10.3MWp. Installation is expected to commence in Q4 2024.

### Balance sheet benefitting from low cost of debt and no near-term refinancing

- 100% of drawn debt with fixed rates, with an average cost of debt of 1.43% for H1 24. €250.0 million of undrawn debt facilities as at period end.
- 3.0-year weighted maturity, with earliest refinancing of drawn debt not required until Q2 2026.
- Fitch investment grade rating re-affirmed and outlook upgraded to Stable.
- Loan to value (LTV) ratio<sup>3</sup> of 44.5% remains above our preferred range, with the benefit of disposal proceeds partly offset by the portfolio valuation decline and capital expenditure on the Oberhausen development.
- Taking into account the post period end disposal at Gothenburg, the pro-forma LTV decreases to 43.3%.
- Covenant headroom with LTV<sup>3</sup> of 44.5%, interest cover of 4.8x and gearing of 86.1%, versus covenants of 65%, 1.5x and 150.0% respectively.

## Notes

1. See note 7 to the condensed financial statements for reconciliation.
2. Valuation under IFRS (excluding rental guarantees), this includes assets held for sale.
3. As per KPI definition.
4. Contracted rent, on an annualised basis, at the reporting date. With the additions of rental guarantees.
5. Excluding extensions at Strykow, the like-for-like rental income decline is 0.3%. Rental income growth for the stabilised portfolio of 0.6%.
6. Weighted average unexpired lease term to break is 7.8 years and weighted average unexpired lease term to expiry is 9.5 years.
7. Including rental guarantees.
8. Like-for-like ERV growth for six months for H1 24 and H1 23, and for 12 months for FY23.

## Presentation for investors and analysts

A Company presentation for analysts and investors will take place via a live webcast at 09:00am (UK time) today. To view the live webcast, please register via this link:

[Tritax EuroBox plc – 2024 half-year results](#)

Analysts and investors will also be able to listen to the event via a moderated conference call using the following details:

Phone number: +44 (0) 33 0551 0200

Participant access: quote 'EuroBox Half-year results'

The presentation will also be accessible on-demand later in the day from the Company website:

[tritaxeurobox.co.uk/investors/results-and-presentations/](https://tritaxeurobox.co.uk/investors/results-and-presentations/).

A Company presentation aimed more towards retail investors will take place via a live webcast at 11:30am (UK time) on Friday 17 May 2024. Investors can sign up to *Investor Meet Company* for free and add to meet Tritax EuroBox plc via:

<https://www.investormeetcompany.com/tritax-eurobox-plc/register-investor>

The presentation is open to all existing and potential shareholders. Questions can be submitted pre-event via your *Investor Meet Company* dashboard up until 16 May 2024, 09:00am (UK time), or at any time during the live presentation. Investors who already follow Tritax EuroBox plc on the *Investor Meet Company* platform will automatically be invited.

## Further information

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### Notes:

Further information on the Company is available at: [tritaxeurobox.co.uk](https://tritaxeurobox.co.uk)

The Company's LEI is: 213800HK59N7H979QU33.

## Chairman's statement

During the period, we have delivered further progress on the strategic priorities set out 18 months ago. IFRS rental income has increased by 10.1%, our Adjusted EPRA Cost Ratio of 24.1% remains within our target range and the dividend remains well covered. We have disposed of three further assets and are confident the remaining planned sales will move the LTV ratio towards our preferred percentage range of low 40s by the end of the year. The use of sale proceeds to primarily reduce leverage has, as expected, impacted annualised rental income and Adjusted Earnings, which have reduced by 2.6% and 3.0% respectively.

Despite the challenging macro-economic backdrop, our portfolio remains well-positioned. The high-quality assets and strong income characteristics are demonstrated by our 100% rent collection, high occupancy, roster of strong customers on long leases and annual rental increases through indexation.

However, the continuation of restrictive monetary conditions has caused investment markets to remain subdued and valuation yields to drift higher across European logistics markets. Reflecting these market conditions, during the period we experienced a small reduction in the valuation of our portfolio. In spite of this, we are encouraged to see macro-economic expectations improving and investor sentiment turning more positive.

### Financial performance driven by further progress on our strategic priorities

IFRS rental income increased to €35.9 million (H1 23: €32.6 million), mainly due to letting activity converting rental guarantees to IFRS income. The Company's Adjusted EPRA Cost Ratio improved to 24.1% (H1 23: 25.6%), benefiting from a reduced Management fee derived from the lower portfolio valuation. However, the positive effect on earnings from these income and cost movements was more than offset by the two disposals completed during the period. The Adjusted EPS consequently decreased by 3.0% to 2.62 cents (H1 23: 2.70 cents).

However, the dividend remained covered at 104.7% of Adjusted EPS, with a declared dividend totalling 2.50 cents per share for the period, in line with the previous year.

The portfolio was independently valued by CBRE at €1,464.8 million at the period end (FY23: €1,561.9 million), reflecting the two asset disposals and representing a like-for-like valuation reduction of 2.9% versus September 2023. Valuation declines were partially mitigated by continued ERV growth of 4.0% growing the reversionary potential of the portfolio to €15.9 million (21.3%). Overall, this resulted in EPRA NTA per share of €0.96, down 5.9% (FY23: €1.02).

In line with our previously announced disposal programme, during the period we completed the sales of assets in Bochum (Germany) for €46.8 million and in Malmö (Sweden) for €28.3 million. Post period end we completed the sale of an asset in Gothenburg (Sweden) for €33.5m and this brought sales completed over the last 12 months to €173 million.

Including the post period end sale of Gothenburg, our LTV has reduced further to 43.3%. We will look to complete the disposal programme in the second half of 2024, which is expected to lower leverage towards our preferred percentage range in the low 40s.

The Company continues to benefit from a low average cost of debt of 1.43% due to the fixed or capped rates on all its borrowings. As the Revolving Credit Facility (RCF) has been repaid during the period, the Company's earliest refinancing is the €500 million green bond. The Company expects to refinance the RCF and the bond ahead of their respective maturities in October 2025 and June 2026.

During the period, Fitch Ratings affirmed the Company's investment grade rating and revised up the Company's outlook to Stable from Negative. Together these underline the good progress made on targeted disposals and the overall quality of the portfolio.

### Advancement of our ESG strategy, particularly our solar PV installations

We continue to focus on delivering our ESG strategy and on the targets we launched a year ago. Improved ratings from CDP and Sustainalytics demonstrated this progress in our ESG performance. Our focus over the past six months has been on the four solar PV projects in Germany which will more than double portfolio capacity to 21.5MWp from 10.3MWp. We have now secured a guaranteed floor price for power entering the grid on the four schemes and have also made good progress on agreeing Power Purchase Agreements with our customers. Installation is expected to begin in Q4 2024.

As part of its ongoing programme of engagement with investors, the Board met with seven of the top-10 shareholders and directly interacted with approximately half of the Company's active, institutional shareholders during the period. The Board remains committed to maintaining an active dialogue with shareholders and has appreciated the productive discussions, including those on strategic options available to the Company.

## Outlook

The future performance of the business is underpinned by our portfolio of high-quality, modern logistics assets that are mission-critical to our customers. Our buildings have strong ESG credentials and are concentrated in the major distribution corridors in key European markets, which means they remain well-positioned to deliver performance and value to stakeholders over the long term.

With a steady reduction in inflation in recent months, we have seen increasing confidence that the rate hiking cycle in Europe is now behind us and expectations that the next movement in rates will be downwards. Signs are emerging that investor sentiment and wider capital markets are responding to this shift, as demonstrated by the increase in European logistics transaction volumes recorded in the period, up 17% versus the same period in the prior year. This improvement underpins the growing consensus that we are near the end of interest-rate-driven outward yield shift and the market backdrop should be more supportive for asset values through the remainder of 2024 and into 2025.

Occupational markets remain broadly healthy, particularly in core markets where supply remains constrained and vacancy levels are low. Take-up continues to be well supported by the ongoing structural drivers of demand and the diversified nature of occupational requirements from a range of business sectors. However, we are seeing evidence of the more challenging economic outlook in Continental Europe leading to increasing caution from some occupiers, with decision-making taking longer and expansion plans being reviewed.

Within this context, our high-quality and well-located portfolio has allowed us to benefit from positive structural drivers and supportive market dynamics, and the roster of strong customers on long, inflation-linked leases with minimal exposure to development risk also provides defensive characteristics in the event occupational markets become tougher.

Although future income growth from within our own portfolio will continue to be primarily driven by the annual fixed and index-linked uplifts inherent in nearly all our leases, unlocking the €15.9 million (21.3%) of rent reversion within the portfolio through asset-management initiatives remains a priority. In addition, the ongoing engagement with our strong customer base will continue to be a source of new opportunities to grow income.

The Board continues to believe the emphasis on delivering high-quality earnings, paying a covered dividend, and maintaining balance sheet strength through completing the planned disposal programme, remains appropriate and will deliver value to Shareholders in the long term.

However, despite the progress with our strategic priorities and well-positioned portfolio, the Board remains acutely aware of the significant share price discount to NAV. The Board is in regular dialogue with the Manager and the Board's advisers about how to address this issue, and there is a clear alignment and focus to deliver value for all shareholders in an effective and efficient manner.

## Manager's report

18 months ago, we set out four key priorities: to capture income growth opportunities embedded within the existing portfolio; to improve operational efficiencies to lower the cost ratio; to combine these activities to drive earnings per share and deliver a covered dividend for the year; and to underpin these activities by maintaining balance sheet strength. Over the past six months, the Company has taken further steps in delivering these priorities despite the economic and property market backdrop remaining challenging.

Market sentiment has continued to be influenced by macro-economic factors, with the continuation of restrictive monetary conditions and uncertainty on the timing of interest rate cuts, leading many investors to adopt a "wait-and-see" approach. This environment has led to valuations across some of our markets to drift lower during the period. However, with inflation in Continental Europe on a downward trajectory and expectations that interest rates will also turn lower, this should provide a more supportive backdrop for our markets over the remainder of the year.

While investment volumes have remained subdued, more recently we have seen evidence of activity picking up, particularly from those investors with high conviction on the sector's long-term structural drivers and strong market fundamentals. The reported up-tick in investment volumes during the period reflects this trend and is also an encouraging sign that activity should gain momentum through the year and into 2025. However, stability and valuation improvement will likely remain dependent on the extent and timing of Central Bank actions in the near term.

Occupier markets in Continental Europe have also not been immune to the more challenging economic outlook, with take-up declining, albeit off the back of three very strong years through the pandemic. Demand remains broad-based but some occupiers are becoming more cautious, and decision-making is taking longer.

The significant decline in development pipelines towards the end of last year has mitigated to a degree this fall in demand, with average vacancy levels only increasing moderately in most markets. Increases in country averages also mask a divergence between core markets, that remain very tight, and peripheral markets, where speculative development is taking longer to lease up. Overall, occupier market fundamentals remain robust and continue to support positive rental growth.

### Delivering on our strategic priorities

A key part of our focus on driving operational performance is the capture of income growth opportunities embedded within the existing property portfolio. In line with this objective, we successfully completed several initiatives during the period increasing IFRS rental Income to €35.9 million, up 10.1% from the previous interim period, reflecting rent indexations, asset management activity and new lettings converting rental guarantees into rental income.

The annualised rental income of €74.3 million was down 2.6%, as a result of the disposals over the past 12 months. On a like-for-basis, the annualised income decreased by 0.3%, driven by the rental guarantee expiry at Rosersberg. On the stabilised portfolio (excluding the Rosersberg assets), the like-for-like income grew 0.6%. With good visibility on new income and lease indexations weighted to the second half of the year, we anticipate the stabilised portfolio will deliver like-for-like income growth of between 3% and 5% for the full financial year.

The portfolio's EPRA vacancy rate reduced to 3.9% from 5.5% reflecting this good progress in letting recently completed speculatively developed schemes at Settimo Torinese (Italy) and Rosersberg (Sweden). The post period end short-term letting of existing vacant space at Strykow (Poland) reduces this further to 3.1%. The majority of the vacancy relates to the recently completed speculative schemes at Rosersberg, with the lease-up of this space a key priority for the remainder of the year.

Our Adjusted EPRA Cost Ratio declined to 24.1% from 25.6% in H1 23 as we continued to manage our costs and benefited from a reduced Management fee due to the alignment with the lower portfolio valuation. Our Adjusted EPRA Cost Ratio remains within our target range of 20–25%. We continue to seek opportunities to reduce the cost base further to enable us to move towards our longer-term aspiration of being at the lower end of this range.

Reflecting the asset management and disposal activity during the period, adjusted EPS consequently decreased by 3.0% to 2.62 cents. However, the dividend remained covered at 104.7%. The Company declared quarterly dividends totalling 2.50 cents in the period, in line with the prior year.

Underpinning these priorities is our objective to maintain a strong balance sheet position, encompassing the management of our cost of debt, available liquidity and metrics including the LTV and net debt/EBITDA ratios.

To support this objective, in May last year we announced our intention to sell at least €150 million of assets to lower leverage and move debt metrics to within target ranges. Two disposals were signed in the period at Bochum in Germany for c.€47 million and Malmö in Sweden for c.€28 million. Together with the previous disposal of Hammersbach in Germany for c.€65 million, these transactions have brought sales completed to €139 million as at the end of March.

Post period end, we announced the disposal of an asset in Gothenburg for €33.5 million, 3.8% below the September 2023 valuation and in line with the latest valuation. This sale increased proceeds from the disposal programme to €173 million and, in total, have been secured at a price broadly in line with book value. In the context of a subdued investment market backdrop and lower transactional volumes, the ability to effectively execute the sales programme through this period demonstrates the attractiveness of our high-quality assets.

Including the post period end sale in Gothenburg, the pro forma LTV has now reduced to 43.3%. We expect to complete the planned disposal programme over the course of 2024 and remain confident of achieving our target of an LTV percentage in the low 40s by the end of the calendar year.

### Valuation performance

The Company's portfolio valuation movements over the past two years have broadly reflected wider market trends, that in turn have been led by the rapid change in the macro-economic and interest rate environment. The first signs of outward yield shift became apparent in the second half of FY22 and were followed by a greater impact in the first half of FY23. This yield expansion moderated in the latter half of FY23 and at the latest valuation date at the end of March 2024.

As at 31 March 2024, the property portfolio was valued by the Company's independent valuer, CBRE, at €1,464.8 million compared with €1,561.9 million at 30 September 2023. The valuation declined by 2.9% on a like-for-like

basis during the period, driven by the modest outward yield shift partly offset by asset management gains, indexations and continued ERV growth.

As at 31 March 2024, the portfolio net initial yield was 4.7% (FY23: 4.4%), with the equivalent yield at 5.2% (FY23: 4.9%). Lower yielding assets, larger lot sizes and assets with vacancies experienced the most outward yield movement with assets in supply-constrained markets such as the Netherlands and Belgium performing well.

Portfolio ERV growth of 4.0% during the period continued the positive momentum seen through FY23. As at 31 March 2024, the portfolio's ERV was €90.2 million (30 September 2023: €89.7 million). As a result, the portfolio reversion has increased to €15.9 million or 21.3% (FY23: €13.4 million or 17.6%), and the reversionary yield has increased to 5.6% from 5.3% on 30 September 2023.

## Enhancing our portfolio and its performance

We have made good progress during the period on our portfolio objectives.

### Growing income through asset management activity

We have successfully completed several asset management initiatives during the period, including:

#### **Strykow, Poland:**

- Completion of 8,808 sqm building extension for Arvato together with a lease re-gear, extending the unexpired term to break to 8 years and to expiry to 11 years on all of Arvato's 67,956 sqm of space. This added €0.5 million pa of annualised rental income.
- Lease re-gear signed with existing customer, Tillmann, for the expansion of their unit of 3,287 sqm by an additional 4,680 sqm on a new 6.5-year lease.
- Post period end, a short-term lease expiring in January 2025 signed with Arvato for an additional 17,156 sqm and meaning the 102,328 sqm Strykow scheme is now fully let. New rent of €0.6 million will be generated over the 10-month period.

#### **Settimo Torinese, Italy:**

- Lease completed on 14,150 sqm Unit 1 with I-Dika, who also leased Unit 2 in August 2023. The new six-year lease agreed at a rent of €0.71 million pa was 11.3% above the rental guarantee and 9% above the rent on the recently leased Unit 2.

#### **Rosersberg, Sweden:**

- Lease completed with Aprilice on 5,007 sqm DC2, on a 5-year lease with a 5-year extension option and a tenant-only break option. The agreed rent was 20% above the appraisal underwrite and 3.2% above the September 2023 ERV level, representing €0.5 million of annualised rental income.

#### **Bornem, Belgium:**

- Post period end, lease re-gear of 13,945 sqm unit B and new lease for 14,935 unit C; both are inflation-linked, with an eight-year duration and have been agreed with an existing customer. Together the leases secure annualised income of €1.5 million until 2032. Also, the customer signed a Power Purchase Agreement for the existing 1.4MWp solar scheme, adding further annualised income of €0.1 million.

### Completing our pipeline of development projects

Following the completion of six forward-funded developments totalling 224,763 sqm in FY23, one further asset is under construction:

#### **Oberhausen, Germany:**

- Construction commenced in July 2023 on this two-unit, 23,243 sqm speculative forward funding, which has the potential to produce annualised rental income of €1.9 million when completed and fully let. Practical completion is scheduled for Q3 2024, and we are targeting a DGNB Gold certification. Active discussions are on-going with potential customers.

### Progressing the disposal programme

We made further progress with our planned disposal programme during the period, with two sales completing at Bochum in Germany for c.€47 million and Malmö in Sweden for c.€28 million. The Bochum sale price was broadly in line with book value, with Malmö significantly ahead due to its specific user case as a data centre commanding a

high premium from the purchaser. Together with the earlier disposal of Hammersbach in Germany for c.€65 million, these transactions brought gross sale proceeds to €139 million.

Post period end we disposed of an asset in Gothenburg in Sweden for €33.5m 3.8% below the 30 September valuation and in line with the latest valuation. The sale follows the Malmö disposal agreed in December 2023 and means our Swedish portfolio now comprises only two assets in Rosersberg, located to the north of Stockholm, where we continue to seek tenants for the remaining vacant units.

We will look to complete the planned disposal programme over the remainder of 2024 to achieve our primary objectives of reducing our debt metrics to within target ranges and funding existing portfolio opportunities. Following the completion of the programme, we will continue to review the portfolio on our usual biannual basis to ensure portfolio performance and positioning is maintained and aligned with external market conditions.

### **Increase the solar PV generating capacity of the portfolio**

Our focus over the past six months has been on the four solar PV projects in Germany, in collaboration with our customers Wayfair, Action, Rhenus and GXO. These proposed projects will take current portfolio installed capacity to 21.5MWp from 10.3MWp, an increase of 109%. We have now secured a guaranteed long-term floor price for power entering the grid and we have also made good progress on agreeing Power Purchase Agreements with our customers. Installation is expected to begin during Q4 2024.

In the near-term, there is a further 6.0MWp of capacity which can be installed across three more assets in Germany plus an extension of the existing scheme at Piacenza in Italy.

### **Delivering our ESG strategy**

In addition to the advancement of the portfolio's solar PV schemes, we have delivered progress across the updated ESG targets launched in 2023. During the first half of FY24:

- We updated the ESG criteria we use for our Investment Committee processes, enhancing investment decision-making.
- We held a workshop on our ESG ambitions and objectives with the relevant country teams from CBRE property management, identifying ways in which they can further support us in achieving these.
- We engaged with our supply chain and customers to explore options for delivering net zero carbon emissions in partnership.
- We continued our charity partnership with Mission to Seafarers.

These activities have been complemented by some further development and asset management progress. Specifically:

- Our units in Settimo Torinese achieved BREEAM New Construction Very Good, and we are targeting a Gold DGNB certification for our Oberhausen development.
- We signed three new green leases.

Finally, our progress was reflected in improved ESG rating agency scores, including a CDP climate benchmark score of B, and a 9.8 (Negligible Risk) score for Sustainalytics (2023: 14.3 (Low Risk)). These ratings bring us within the 8<sup>th</sup> percentile of companies within the Real Estate industry.

### **Good visibility of further progress in the second half and beyond**

#### **Future growth potential and priorities**

Future income growth from within our own portfolio will continue to be primarily driven by the annual fixed and index-linked uplifts inherent in nearly all our leases. However, the €15.9 million of rent reversion within the portfolio represents a major opportunity and unlocking this potential through asset-management initiatives remains a key priority. In addition, the attractiveness of our well-located, high-quality portfolio and ongoing engagement with our customers will facilitate further opportunities to grow income. In the near-term, this potential includes annualised rental income of €4.4 million from leasing vacant space at our speculative schemes at Rosersberg and Oberhausen. In the medium-term, our solar PV revenue stream will make an increasing contribution to portfolio income as the programme continues to expand.

#### **Outlook**

Our portfolio of high-quality assets with strong income characteristics continues to be well-placed to benefit from the sector's positive growth drivers with its defensive qualities also providing income security through the market cycle. In the second half we expect:

- the like-for-like rental growth to move up to between 3% and 5% on the stabilised portfolio
- to maintain the cost ratio within our target range of 20-25% for the full year.
- the dividend to remain fully covered for the financial year 2024, including the impact of planned asset sales.
- to complete the planned disposal programme by the end of 2024 – as originally outlined – and expect the LTV ratio to move to our target percentage of low 40s.

## Financial Review

### Portfolio valuation

The portfolio was independently valued by CBRE as at 31 March 2024, in accordance with the RICS Valuation – Global Standards. The portfolio's total value at the period end was €1,464.8 million (30 September 2023: €1,561.9 million), reflecting a like-for-like valuation decrease of 2.9%. The Valuation's equivalent yield increased by 26 bps over the past six months, with this outward yield shift only partially offset by like-for-like ERV growth of 4.0% in the period.

### Financial results

#### Income

IFRS rental income for the period was €35.9 million (H1 23: €32.6 million), up 10.1%. The growth was primarily due to the conversion of previous rental guarantees into rental income through the letting of assets under development in the prior period. However, the increase was partly offset by the three disposals completed since the start of the disposal programme in May 2023.

Over six months, the like-for-like rental decline of 0.3% with income growth offset by lease and rental guarantee expiries. As at 31 March 2024, the portfolio's annualised rent was €74.3 million (H1 23: €76.3 million), including €1.6 million of annualised rental guarantees.

#### Costs

The Company's operating and administrative costs were €7.5 million (H1 23: €9.0 million), which primarily comprised:

- the Management Fee payable to the Manager of €2.3 million (H1 23: €3.4 million);
- the Company's running costs, including accounting, tax and audit; and
- the Directors' fees.

The EPRA Cost Ratio for the period (inclusive of vacancy cost) was 25.8% (H1 23: 30.3%). The Adjusted EPRA Cost Ratio of 24.1% (H1 23: 25.6%), including rental guarantees received, remains within the stated target range of 20-25%. The lower cost ratio was primarily driven by a lower Management fee due to the decrease in portfolio valuation.

The total cost of debt for the period was €5.4 million (H1 23: €4.3 million), reflecting an attractive average cost of debt of 1.4% (H1 23: 1.2%). This represents a small increase against the prior period, due to the expiry of the previously held caps at the start of the financial year.

The Group made a consolidated loss before tax for the period of €17.95 million (H1 23: loss of €241.3 million), primarily driven by the negative valuation movement of investment properties.

The current income taxation charge for the year was €5.4 million (H1 23: €0.9 million). The relatively higher charge against prior period is the result of capital gains realised on disposals of investment properties during the year. This exceptional taxation charge was €3.9 million. Overall, the taxation charge is incurred in the local jurisdictions in which the Company invests. As an HMRC approved investment trust, the Company is exempt from UK corporation tax on its chargeable gains. The Company is also exempt from UK corporation tax on dividend income received, whether from UK or non-UK companies, provided the dividends fall within one of the exempt classes under the Corporation Tax Act 2009.

The corporation tax rate in future periods will depend primarily on the jurisdictions where the Company owns property assets, given the differing tax rates across Continental Europe. The Company does not use any structures designed to artificially reduce its tax liabilities and looks to pay the appropriate level of tax where it is due.

#### Earnings Per Share

IFRS Basic Earnings Per Share for the period was negative 2.32 cents (H1 23: negative 27.20 cents), with the improvement versus the prior year reflecting a less negative adverse valuation movement through the period. EPRA EPS, which excludes valuation movements, was 2.60 cents (H1 23: 3.21 cents). Adjusted Earnings, which include

rental guarantees and other adjustments, was €21.1 million (H1 23: €21.8 million), resulting in Adjusted EPS of 2.62 cents (H1 23: 2.70 cents).

More information about the calculation of basic, EPRA and Adjusted EPS can be found in Note 7 to the Financial Statements.

### Net assets

The IFRS NAV per share at the year-end was €0.94 (FY23: €0.99). The EPRA NTA per share at the year-end was €0.96 (FY23: €1.02). The valuation of investment property is the main driver of the EPRA NTA movement and was determined by CBRE as independent valuer.

The Board is satisfied that the valuation exercise was performed in accordance with RICS Valuation – Global Standards. As such, the Board has full confidence in the level of EPRA NTA disclosed in the financial statements at the reporting date.

More information on EPRA's net asset valuation metrics can be found in the EPRA Performance Measures section.

### Debt financing

At the period end, the Company had total debt drawn of €700 million. This resulted in an LTV ratio of 44.5% (30 September 2023: 46.4%), with €250.0 million available undrawn debt facilities. We expect the disposal programme to complete over the second half of the financial year with the aim of reducing the LTV towards our preferred percentage range of low 40s.

The Company expects to refinance the RCF and the bond ahead of their respective maturities in October 2025 and June 2026. Our expectation is for the refinanced debt facilities to be smaller than the current amount, albeit at a higher rate to reflect a likely higher interest rate environment.

During the period Fitch Ratings re-affirmed the Company's investment grade rating, comprising its Long-Term Issuer Default Rating at 'BBB-' and its senior unsecured debt rating at 'BBB'. Fitch also upgraded the Company's outlook to Stable from Negative, mainly as a result of the successful disposal programme.

### Dividends

The Company has declared the following dividends in respect of the year:

Declared	Amount per share	In respect of	Paid/to be paid
15 February 2024	1.25 cents	1 October to 31 December 2022	14 March 2023
16 May 2023	1.25 cents	1 January to 31 March 2023	21 June 2023

The total dividend for the period was 2.50 cents per share or €20.2 million (H1 23: 2.50 cents per share or €20.2 million) and was 104.7% covered by Adjusted Earnings (H1 23: 108.0%). We expect the dividend for the full year to be fully covered by Adjusted Earnings.

### Post period-end activity

On 8 April 2024, a short-term lease was agreed with Arvato at Strykow, Poland.

On 1 May 2024 a lease re-gear of unit B and new lease for unit C was agreed at Bornem, Belgium. The customer also signed a Power Purchase Agreement for the existing solar scheme.

On 13 May 2024, the sale of Gothenburg, Sweden was agreed.

### Related party transactions

Transactions with related parties included the Management Fee paid to the Manager and the Directors' fees.

### Alternative Investment Fund Manager (AIFM)

The Company is an Alternative Investment Fund within the meaning of the Alternative Investment Fund Managers Directive 2011 and has appointed the Manager as its AIFM. The Manager is authorised and regulated by the Financial Conduct Authority as a full scope AIFM.

## Our market

### Structural drivers still support occupier markets despite weak macro-economic conditions

Take-up across our markets during the period totalled 8.4 million sqm (H1 23: 11.2 million sqm)<sup>1</sup>. Logistics real estate markets have not been immune to the weaker macro-economic backdrop which is reflected in activity slowing across the continent. While demand remains broad-based, occupier decision-making is taking longer.

Demand continues to be supported by the ongoing need for companies to evolve warehouse networks to better meet customer requirements and their business objectives. As well as the continuing shift to online sales, requirements are underpinned by: the need to handle returns; secure greater supply chain resilience; and, build out networks to meet demand for electric vehicles and green energy solutions. Further, the growing importance of reflecting corporate ESG ambitions throughout supply chain networks and physical estates frames customer decision-making.

### Vacancy rates continue to diverge between countries, reflecting a varied supply picture

Pan-European vacancy moved up to 4.1% (Q3 2023: 3.3%)<sup>2</sup>. These regional numbers, however, hide significant differences at a country, and especially local-market, level. Vacancy in Spain and Poland is above 7%; while Germany, Belgium, the Netherlands, and Italy continue to see national vacancy levels below 3.5%<sup>1</sup>. Vacancy in core markets within these countries is often lower still.

Challenging financing conditions and lower demand have slowed development with completions totalling 7.9 million sqm in the period, down from 10.8 million sqm across the corresponding period last year<sup>1</sup>. Speculative space under construction across the continent remains below the record levels of recent years. Again, however, the picture remains uneven. Speculative development, for example, remains elevated in Italy (in response to the very tight market conditions where the national vacancy rate is 1.5%); while activity in countries such as Germany, France, the Netherlands, and Belgium remain below 2022/2023 levels.

### Rental growth healthy but below recent peaks

European markets have seen further rental growth across the period with prime headline rents increasing by 2.2% on average<sup>3</sup> (H1 2023: 5.0%). As we highlighted 12 months ago, growth continues to slow from the exceptional levels of recent years but remains healthy by longer-term standards. Rental growth is also becoming more sub-market specific; not least because the volume of new supply in many core markets remains limited due to high barriers to development. We continue to believe our portfolio is well-positioned to capitalise on this trend.

### Sentiment improving and capital market pricing increasingly compelling

European capital markets saw a shift in sentiment and pricing through the period. Uncertainty around further ECB rate hikes, the cost-of-capital and corresponding pricing of assets has given way to a widespread belief that with inflation steadily declining and little to no economic growth across the continent, the current hiking cycle is complete.

Real estate logistics capital markets reflected this transition, albeit with a time lag. Pricing uncertainty and investor hesitance resulted in a further outward shift in yields across the period. At a country level, yields held flat in Belgium and moved out by 50bps in France and Poland. Yield movements in all other countries were between 15bps and 30bps<sup>1</sup>.

The shift in sentiment and wider capital market pricing, however, alongside sustained confidence in sector fundamentals and increasingly attractive logistics pricing in both absolute and relative terms, has resulted in a pick-up in transaction activity. Deal volumes totalled €12.3 billion for the period, 17% higher than a year ago<sup>1</sup>.

While the near-term outlook will continue to be influenced by macro trends, it is encouraging to see logistics real estate deal volumes pick up off the back of improved sentiment. Higher transaction activity lends support to the premise that the sector is priced appropriately for current market conditions and offers attractive returns over the medium term.

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<sup>1</sup> Source: CBRE

<sup>2</sup> Source: CBRE. Based on a weighted average vacancy for Germany, France, the Netherlands, Belgium, Italy, Spain, Sweden, and Poland.

<sup>3</sup> Source: CBRE. Based on a straight average of prime headline rents in the following sub-markets: Munich, Paris Ile-de-France, Amsterdam, Brussels, Milan, Barcelona, Stockholm, and Warsaw.

## Portfolio strategy and composition

Our portfolio strategy is based on a long-term investment approach and the goal to generate income-orientated returns with the ability to capture capital growth over time. We seek to deliver this strategy through combining a disciplined approach to capital allocation and proactive asset management and customer engagement, with enhancing ESG performance central to all our activities.

Our portfolio composition is based on the following characteristics:

- diversified by:
  - geography, but with the objective of each country having the appropriate critical mass to enable advantages of scale to be captured;
  - building size, but with a focus on larger-scale warehouses that facilitate operational efficiencies and where existing and potential supply is limited; and
  - customer and business sector, but with a focus on large, multi-national organisations;
- displaying an appropriate balance between:
  - stabilised, income producing assets; and
  - exposure to opportunities to create value through asset management and development activities;
- highly efficient:
  - let on long leases to strong companies; and
  - incorporating in-built, inflation-linked rent escalators;
- with market-leading ESG credentials:
  - reducing the environmental impact of our own and our customers' operations;
  - making a meaningful difference to people and communities across our geographies; and
  - seeking green lease clauses, which commit customers to using buildings sustainably, along with an obligation to share resource usage data.

At the period end, the portfolio comprised 22 high-quality warehouse assets, diversified by location, building size and customer sector, plus one building under construction. The assets are modern, with 87% of the portfolio built in the past 10 years, located across Belgium, Germany, Italy, the Netherlands, Poland, Spain and Sweden, and are relatively large, with 68% of the portfolio in excess of 50,000 sqm (the average size being 67,000 sqm).

To deliver an attractive level of return with an appropriate level of risk, our portfolio combines core, stabilised assets with a managed exposure to development and land. The exposure to development and value-add activities is managed dynamically to be aligned with investment and occupational market conditions. With the external environment becoming more challenging over the past 12 months, we have sought to reduce portfolio exposure to speculative development risk and to focus on capturing income growth and value from the existing stabilised portfolio.

The stabilised assets provide the portfolio's core income, comprise the majority of the portfolio and reflect the relatively low-risk positioning of the Company.

Exposure to development activity provides the potential for capturing higher returns with the forward funding of pre-let developments representing the lower end of the risk spectrum and the funding of speculative developments the higher end. Rental guarantees are agreed with our developer-partners to provide protection from potential void periods following the completion of the building. Speculative development offers the opportunity to capture higher market rental levels than appraised levels or the additional rental growth that may have occurred through the construction phase of the development.

<b>Asset type</b> (as a % of portfolio value)	<b>H1 24</b>	<b>H1 23</b>
Stabilised assets	98%	92%
<i>Pre-let forward funding</i>	0%	7%
<i>Speculative forward funding</i>	2%	1%
Development assets	2%	8%
<b>Total</b>	<b>100%</b>	<b>100%</b>

The stabilised assets combine to form a highly efficient portfolio, reinforced by four distinct characteristics. Specifically, the assets are let:

i) On long leases

At the period end, the portfolio Weighted Average Unexpired Lease Term to expiry was 9.5 years (H1 23: 9.6 years) and the Weighted Average Unexpired Lease Term to the first break was 7.8 years (H1 23: 7.9 years).

<b>Lease duration</b> (as a % of passing rent)	<b>H1 24</b>	<b>H1 23</b>
0 – 5 years	31%	37%
5 – 10 years	32%	28%
>10 years	37%	35%
<b>Total</b>	<b>100%</b>	<b>100%</b>

ii) To a high-quality customer base

Across the portfolio, the Company has 32 customers operating in a range of business sectors. Many of the Company's customers are multi-billion Euro businesses, including some of the world's best-known companies, underpinning the security of the portfolio's rental income.

<b>Customer</b> (as a % of passing rent)	<b>H1 24</b>	<b>H1 23</b>
Mango	14%	13%
Amazon	9%	8%
Puma	8%	7%
Lidl	8%	7%
Wayfair	7%	7%
Action Logistics	6%	6%
Rhenus	6%	-%
Cummins	5%	5%
Arvato	4%	3%
GXO	4%	-%
Other	29%	44%
<b>Total</b>	<b>100%</b>	<b>100%</b>

iii) With annual rental uplifts

The majority of the Company's leases contain indexation provisions offering significant inflation protection and regular uplifts in income. Rental uplifts are either linked to local inflation measures or fixed at an agreed rate, with the increases usually taking place annually.

<b>Indexation</b> (as a % of passing rent)	<b>H1 24</b>	<b>H1 23</b>
CPI uncapped	54%	54%
CPI – capped/other	28%	26%
Fixed	15%	17%
None	3%	3%
<b>Total</b>	<b>100%</b>	<b>100%</b>

iv) With structurally low vacancies

The EPRA vacancy at the period end was 3.9% (FY23: 5.5%). This decrease was due to the lettings for the second half of the development at Settimo Torinese (Italy) and the unit at Rosersberg I. Post period end, the short-term letting

of the vacant space at Strykow (Poland) reduced the vacancy rate to 3.1%. The vacancy rate represents voids at Rosersberg 2, the second unit at Rosersberg 1 and Unit 2 at Bremen 1.

### Strong ESG credentials

Our customers require the ESG performance of the buildings they occupy to be aligned with their own ESG commitments and targets. The ESG credentials of our buildings play an important role in attracting and retaining high-quality occupiers to the portfolio and also enable our customers to meet the expectations of their stakeholders. We have a clear ESG strategy focused on working collaboratively with our customers to jointly deliver enhanced building performance including carbon reduction, wellbeing and biodiversity.

The ESG performance of our buildings and alignment with our net zero carbon pathway are key considerations in determining the future value and liquidity of our assets. The Company holds a four Green Star rating from GRESB and EPRA Gold for its Sustainability Best Practices Recommendations submission.

<b>ESG credentials</b> (as a % of passing rent)	<b>H1 24</b>	<b>FY23</b>
EPC rating & green building certification	38%	35%
EPC rating	40%	45%
Green building certification	6%	6%
Unrated	16%	14%
<b>Total</b>	<b>100%</b>	<b>100%</b>

In addition, our progress was reflected in improved ESG rating agency scores, including a CDP climate benchmark score of B, and a 9.8 (Negligible Risk) score for Sustainalytics (2023: 14.3 (Low Risk)). These ratings bring us within the 8<sup>th</sup> percentile of companies within the Real Estate industry.

### A proactive approach to asset management

A fundamental part of how we deliver our portfolio strategy is our proactive approach to asset management. This is focused on extracting income growth and value uplifts from the opportunities embedded within the existing portfolio.

Our asset management operations are led by an experienced team, giving us scope to take a direct and active role in the strategic asset management of the portfolio and strengthen relationships with our customers. The in-house team works closely and collaboratively with our locally based partners and also draws on the specialist skills within the wider Tritax Group, such as supply chain, ESG and power expertise, to help formulate our future asset management plans.

We undertake a thorough bottom-up review of all our assets on a biannual basis. This enables us to determine the value-maximising strategy for each property and to review expected returns. In conjunction with this, a top-down assessment is undertaken to ensure the portfolio is optimally positioned to capture efficiencies and to benefit from the positive structural tailwinds that continue to support the Continental European logistics sector.

This process informs our asset recycling strategy by highlighting those assets where, for example, we have completed our asset management plans and maximised value or where forecast ESG performance is not aligned with our overall portfolio objectives. It also identifies markets where we expect performance to be less strong or where we have a sub-scale position and gaining sufficient scale in an appropriate timescale will be challenging. Such assets will be identified for disposal, enabling us to recycle the capital into higher returning opportunities, reduce leverage, or other purposes that enhances the overall performance of the Company.

## Key Performance Indicators

Set out below are the key performance indicators we use to track our strategic progress.

KPI and definition	Our progress in H1 FY24	Performance
<b>1. Dividend per share</b> Dividends paid to shareholders and declared in relation to the period.	Our policy is to pay an attractive and progressive dividend, with a minimum payout of 85% of Adjusted Earnings.  While the Dividend per share was unchanged from the prior year, the dividend remained covered despite the impact of disposals.	<b>2.50 cents per share for the six months to 31 March 2024</b>  (six months ended 31 March 2023: 2.50 cents per share)
<b>2. Total Return (TR)</b> Total Return measures the change in the EPRA Net Tangible Assets (EPRA NTA) over the period plus dividends paid.	Dividends paid have been more than offset by the decline in portfolio asset values, which was driven by market-wide yield shift reflecting higher levels of interest rates.	<b>(3.0)% for the six months to 31 March 2024</b>  (six months ended 31 March 2023: (22.1%))
<b>3. Basic Net Asset Value</b> Net asset value in IFRS GAAP.	Declines in portfolio valuation, reflecting impact of higher interest rates and market wide yield shift, outweighing the positive impact of continued market rental growth and indexation.	<b>€757.5 million</b> <b>€0.94 per share at 31 March 2024</b>  (€795.6 million or €0.99 per share at 30 September 2023)
<b>4. Adjusted earnings</b> EPRA earnings, adjusted to include licence fees and rental guarantees receivable on forward funded development assets and for other earnings not supported by cash flows – see note 7 of financial statements.	Adjusted Earnings decreased by 3.0% in the six months, driven by loss of income from disposals offset by indexation events and asset management adding to the rent roll.	<b>€21.1 million</b> <b>2.62 cents per share for the six months to 31 March 2024</b>  (six months to 31 March 2023: €21.8 million or 2.70 cents per share)
<b>5. Loan to value ratio (LTV)</b> The proportion of our gross asset value that is funded by net borrowings (excluding cash).	The positive impact of disposals off-set by lower portfolio valuation and development capital expenditure. The Company remains comfortably below the LTV ratio covenant of 65%. Including the disposal of Gothenburg, the pro forma LTV is 43.3%.	<b>44.5% at 31 March 2024</b>  (30 September 2023: 46.4%)
<b>6. Weighted average unexpired lease term (WAULT)</b> The portfolio average of the remaining number of years, weighted by annual passing rents, until the sooner of the lease expiry (WAULT) or the customer's break option (WAULB).	The Company has a WAULB of 7.8 years and WAULT of 9.5 years. This remains significantly above the portfolio target of >5 years.	<b>7.8 years at 31 March 2024, 9.5 years to term</b>  (30 September 2023: 7.9 years, 9.6 years to term)
<b>7. Dividend cover</b> Adjusted Earnings as a proportion of the dividend declared for the financial period.	A fully covered dividend, with the per share dividend maintained at 2.50 cents, at 104.7% of adjusted earnings.	<b>104.7% for the six months to 31 March 2024</b>  (six months to 31 March 2023: 108.0%)

<p><b>8. Interest cover</b></p> <p>The ratio of consolidated earnings before interest and taxation to consolidated net finance costs in respect of any measurement period.</p> <p>The definition, and calculation method, of interest cover ratio has changed during the period aligning banking covenants and reporting. See Notes to EPRA and Other Key Performance Indicators for calculation.</p>	<p>The Company remains comfortably above its interest cover ratio covenant of 1.5x.</p>	<p><b>4.78 times for the six months to 31 March 2024</b></p> <p>(six months to 31 March 2023: 6.79 times)</p>
<p><b>9. Like-for-like rental growth</b></p> <p>Like-for-like rental growth compares the growth of the rental income of the portfolio that has been consistently in operation and not under development during the two full preceding periods, including rental guarantees.</p>	<p>Like-for-like rental growth was negative 0.3% in the period. From our asset management initiatives and indexation but offset by rental guarantee and lease expiry.</p>	<p><b>(0.3)% or €0.2 million for the six months to 31 March 2024</b></p> <p>(six months to 31 March 2023: 5.8% or €4.3 million)</p>

## EPRA performance measures

The table below shows additional performance measures, calculated in accordance with the Best Practices Recommendations of the European Public Real Estate Association (EPRA). We provide these measures to aid comparison with other European real estate businesses. For a full reconciliation of the new EPRA NAV measures, please see the Notes to the EPRA and Other Key Performance Indicators.

KPI and definition	Comments	Performance
<p><b>1. EPRA Net Reinstatement Value (EPRA NRV)</b></p> <p>Basic NAV adjusted for mark-to-market valuation of derivatives, deferred tax and transaction costs (real estate transfer tax and purchaser's costs).</p>	<p>A key measure to highlight the value of net assets on a long-term basis. The metric reflects what would be needed to recreate the current portfolio of the company.</p>	<p><b>€853.9m</b></p> <p><b>€1.06 per share at 31 March 2024</b></p> <p>(30 September 2023: €903.0 million or €1.12 per share)</p>
<p><b>2. EPRA Net Tangible Assets (EPRA NTA)</b></p> <p>Basic NAV adjusted to remove the fair values of financial instruments and deferred taxes. This excludes transaction costs.</p>	<p>Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.</p>	<p><b>€776.2m</b></p> <p><b>€0.96 per share at 31 March 2024</b></p> <p>(30 September 2023: €820.6 million or €1.02 per share)</p>
<p><b>3. EPRA Net Disposal Value (EPRA NDV)</b></p> <p>Equivalent to IFRS NAV, as this includes the fair values of financial instruments and deferred taxes.</p>	<p>Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.</p>	<p><b>€757.5m</b></p> <p><b>€0.94 per share at 31 March 2024</b></p> <p>(30 September 2023: €795.6 million or €0.99 per share)</p>
<p><b>4. EPRA Earnings</b></p> <p>Earnings from operational activities.</p>	<p>A key measure of the Company's underlying results and an indication of the extent to which current dividend payments are supported by earnings.</p>	<p><b>€21.0 million</b></p> <p><b>2.60 cents per share for the six months to 31 March 2024</b></p> <p>(six months to 31 March 2023: €25.9 million or 3.21 cents per share)</p>
<p><b>5. EPRA Net Initial Yield (NIY)</b></p> <p>Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.</p>	<p>This measure should make it easier for investors to judge for themselves how the valuations of portfolios compare.</p>	<p><b>4.8% at 31 March 2024</b></p> <p>(30 September 2023: 4.2%)</p>
<p><b>6. EPRA 'Topped-up' NIY</b></p> <p>This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).</p>	<p>This measure should make it easier for investors to judge for themselves how the valuations of portfolios compare.</p>	<p><b>4.7% at 31 March 2024</b></p> <p>(30 September 2023: 4.3%)</p>
<p><b>7. EPRA Vacancy Rate</b></p> <p>Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.</p>	<p>A 'pure' (%) measure of investment property space that is vacant, based on ERV.</p>	<p><b>3.9% as at 31 March 2024</b></p> <p>(30 September 2023: 5.5%)</p>

<p><b>8. EPRA Cost Ratio</b></p> <p>Administrative and operating costs (including and excluding costs of direct vacancy) divided by gross rental income.</p>	<p>A key measure to enable meaningful measurement of the changes in a company's operating costs.</p>	<p><b>25.8%<sup>1</sup> for the six months to 31 March 2024</b></p> <p>(six months to 31 March 2023: 30.3%<sup>1</sup>)</p> <p><b>25.5%<sup>2</sup> for the six months to 31 March 2024</b></p> <p>(six months to 31 March 2023: 29.3%<sup>2</sup>)</p>
<p><b>9. Adjusted EPRA Cost Ratio</b></p> <p>EPRA Cost Ratio adjusted for non-operational items.</p>	<p>This ratio includes licence fee income and rental guarantees and excludes exceptional items of a capital nature.</p>	<p><b>24.1% for the six months to 31 March 2024</b></p> <p>(six months to 31 March 2023: 25.6%)</p>
<p><b>10. EPRA Loan to value (LTV) ratio</b></p> <p>The proportion of our gross asset value funded by net borrowings (incorporating net payables).</p>	<p>The EPRA LTV introduces a consistent and comparable metric for the sector, with the aim to assess the gearing of the shareholder equity within a real estate company.</p>	<p><b>45.7% as at 31 March 2024</b></p> <p>(30 September 2023: 46.3%)</p>

<sup>1</sup> Inclusive of vacant property costs.

<sup>2</sup> Exclusive of vacant property costs.

## Principal risks and uncertainties

At least twice a year, the Board undertakes a formal risk review, with the assistance of the Audit & Risk Committee, to assess the effectiveness of our risk management and internal control systems. During the period the Audit & Risk Committee instructed BDO LLP to perform a risk review. In conjunction with the Manager, the engagement was to enhance the Company's approach to risk management. The outcome of the review has led to an improved risk register, enhanced mitigations and a pathway to more adequate risk-based decisions in the future.

The Audit & Risk Committee considers that general macroeconomic uncertainty results in greater volatility on certain risks, namely the value of the portfolio, finance costs and customer default risk.

The Company's principal risks are summarised below:

### Property risks

1. Customers may default.\*
2. The value of the property portfolio may experience adverse change.\*
3. Portfolio growth may slow.
4. Lack of diversification may amplify local risks.
5. Development activities may not be profitable.
6. The product may not appeal to customers or investors.\*
7. Getting the market cycle wrong, leading to wrong investment, divestment, and/or leasing decisions.\*
8. Inappropriate portfolio construct.\*

### Operational risks

9. The performance of the Manager and/or third-party suppliers may not be adequate.\*
10. Insurance at appropriate premiums may not be available.

### Financial risks

11. Debt funding at appropriate levels may not be available.
12. The Euro may fluctuate against other currencies of countries in which the Company operates.
13. The leverage level and target range may not be appropriate.\*
14. Debt covenants may be breached.

### Taxation risks

15. A change in the Company's investment trust status may cause loss.
16. Changes to local tax legislation in countries in which the Company is invested may cause loss.

### Political and market risks

17. General political and/or economic uncertainty may disrupt the Company's ability to execute its strategy.
18. Rising energy prices may impact the overall economy and our customers.

### ESG risks

19. Physical and transition risks from climate change.

### Other risks

20. The Company's data may be exposed to cyber-attack.
21. Lack of corporate governance and/or lack of compliance with laws and regulations.\*

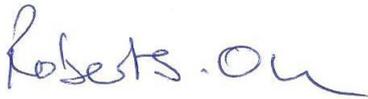
\*Deemed as a key risk

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK;
- the interim management report includes a fair review of the information required by:
  - DTR 4.2.7R of the *Disclosure Guidance and Transparency Rules*, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - DTR 4.2.8R of the *Disclosure Guidance and Transparency Rules*, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

Approved by the Board on 15 May 2024 and signed on its behalf by:



Robert Orr  
Director

## INDEPENDENT REVIEW REPORT TO Tritax EuroBox PLC

### Conclusion

We have been engaged by Tritax Eurobox plc (“the Company”) to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2024 which comprises the condensed group statement of comprehensive income, condensed consolidated statement of financial position, condensed group statement of changes in equity, condensed group cash flow statement and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2024 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* as adopted for use in the UK and the Disclosure Guidance and Transparency Rules (“the DTR”) of the UK’s Financial Conduct Authority (“the UK FCA”).

### Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* (“ISRE (UK) 2410”) issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

### Directors’ responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with UK-adopted international accounting standards.

The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted for use in the UK.

In preparing the condensed set of financial statements, the directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group’s or to cease operations, or have no realistic alternative but to do so.

## **Our responsibility**

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

## **The purpose of our review work and to whom we owe our responsibilities**

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

**John Waterson**

**for and on behalf of KPMG LLP**

*Chartered Accountants*

15 Canada Square

London

E14 5GL

15 May 2024

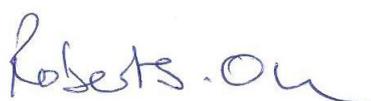
**Condensed Group Statement of Comprehensive Income for the six months ended 31 March 2024**

	Note	Six months ended 31 March 2024 (unaudited) €m	Six months ended 31 March 2023 (unaudited) €m
Rental income	4	35.91	32.55
Service charge income	4	6.16	5.60
Other income	4	0.09	0.37
<b>Gross property income</b>	4	<b>42.16</b>	<b>38.52</b>
Direct property costs		(8.00)	(6.88)
<b>Net property income</b>		<b>34.16</b>	<b>31.64</b>
Fair value loss on investment properties	9	(46.22)	(267.70)
Gain on disposal of investment properties	9	6.36	-
Administrative and other expenses		(7.53)	(8.96)
<b>Operating loss</b>		<b>(13.23)</b>	<b>(245.02)</b>
Finance income	5	0.97	1.35
Finance expense	5	(8.15)	(6.77)
Present value movement on remeasurement of put options	5	2.85	9.87
Effect of foreign exchange differences		0.16	(0.16)
Changes in fair value and realised loss on interest rate derivatives	14	(0.55)	(0.56)
<b>Loss before taxation</b>		<b>(17.95)</b>	<b>(241.29)</b>
Taxation	6	(0.79)	21.85
<b>Loss for the period</b>		<b>(18.74)</b>	<b>(219.44)</b>
<b>Other comprehensive income</b>			
Foreign currency translation differences- foreign operations		0.80	(3.75)
<b>Total comprehensive (loss)/income for the year attributable to the Shareholders</b>		<b>(17.94)</b>	<b>(223.19)</b>
<b>Earnings Per Share (EPS) (expressed in cents per share)</b>			
EPS – basic and diluted	7	(2.32)	(27.20)

**Condensed Consolidated Statement of Financial Position as at 31 March 2024**

	Note	31 March 2024 (unaudited) €m	30 September 2023 (audited) €m
<b>Non-current assets</b>			
Investment properties	9	1,431.14	1,512.55
Derivative financial instruments	14	0.66	1.05
Trade and other receivables	11	1.76	1.76
Deferred tax assets		2.01	1.23
<b>Total non-current assets</b>		<b>1,435.57</b>	<b>1516.59</b>
<b>Current assets</b>			
Asset held for sale	10	33.62	49.30
Trade and other receivables	11	13.71	33.63
Cash and cash equivalents		48.17	52.31
<b>Total current assets</b>		<b>95.50</b>	<b>135.24</b>
<b>Total assets</b>		<b>1,531.07</b>	<b>1,651.83</b>
<b>Current liabilities</b>			
Trade and other payables		(29.38)	(30.21)
Income tax liability		(5.96)	(1.32)
<b>Total current liabilities</b>		<b>(35.34)</b>	<b>(31.53)</b>
<b>Non-current liabilities</b>			
Trade and other payables		(0.42)	(1.71)
Loan notes and borrowings	12	(694.83)	(770.10)
Deferred tax liabilities		(21.31)	(27.22)
Other liabilities	13	(19.32)	(23.31)
Customer deposit		(2.34)	(2.34)
<b>Total non-current liabilities</b>		<b>(738.22)</b>	<b>(824.68)</b>
<b>Total liabilities</b>		<b>(773.56)</b>	<b>(856.21)</b>
<b>Net assets</b>		<b>757.51</b>	<b>795.62</b>
<b>Equity</b>			
Share capital	16	8.07	8.07
Share premium reserve		597.58	597.58
Translation reserve		(11.87)	(12.67)
Retained earnings		163.73	202.64
<b>Total equity</b>		<b>757.51</b>	<b>795.62</b>
<b>Net Asset Value ("NAV") per share (expressed in Euro per share)</b>			
Basic NAV	17	0.94	0.99
EPRA NTA	17	0.96	1.02

The financial statements were approved by the Board of Directors on 15 May 2024 and signed on its behalf by:



**Robert Orr**  
Director

**Condensed Group Statement of Changes in Equity for the six months ended 31 March 2024**

(Unaudited)	Note	Share capital €m	Share premium €m	Translation Reserve €m	Retained earnings €m	Total €m
At 1 October 2023		<b>8.07</b>	<b>597.58</b>	<b>(12.67)</b>	<b>202.64</b>	<b>795.62</b>
Net loss for the year		-	-	-	<b>(18.74)</b>	<b>(18.74)</b>
Other comprehensive income		-	-	<b>0.80</b>	-	<b>0.80</b>
Total comprehensive income		-	-	<b>0.80</b>	<b>(18.74)</b>	<b>(17.94)</b>
<b>Contributions and distributions:</b>						
Dividends paid	8	-	-	-	<b>(20.17)</b>	<b>(20.17)</b>
Total contributions and distributions		-	-	-	<b>(20.17)</b>	<b>(20.17)</b>
<b>At 31 March 2024</b>		<b>8.07</b>	<b>597.58</b>	<b>(11.87)</b>	<b>163.73</b>	<b>757.51</b>

(Audited)	Note	Share capital €m	Share premium €m	Translation Reserve €m	Retained earnings €m	Total €m
At 1 October 2022		<b>8.07</b>	<b>597.58</b>	<b>(6.24)</b>	<b>466.34</b>	<b>1,065.75</b>
Net profit for the year		-	-	-	<b>(223.36)</b>	<b>(223.36)</b>
Other comprehensive income		-	-	<b>(6.43)</b>	-	<b>(6.43)</b>
Total comprehensive income		-	-	<b>(6.43)</b>	<b>(223.36)</b>	<b>(229.79)</b>
<b>Contributions and distributions:</b>						
Dividends paid		-	-	-	<b>(40.34)</b>	<b>(40.34)</b>
Total contributions and distributions		-	-	-	<b>(40.34)</b>	<b>(40.34)</b>
<b>At 30 September 2023</b>		<b>8.07</b>	<b>597.58</b>	<b>(12.67)</b>	<b>202.64</b>	<b>795.62</b>

(Unaudited)	Note	Share capital €m	Share premium €m	Translation Reserve €m	Retained earnings €m	Total €m
At 1 October 2022		<b>8.07</b>	<b>597.58</b>	<b>(6.24)</b>	<b>466.34</b>	<b>1,065.75</b>
Net profit for the year		-	-	-	<b>(219.44)</b>	<b>(219.44)</b>
Other comprehensive income		-	-	<b>(3.75)</b>	-	<b>(3.75)</b>
Total comprehensive income		-	-	<b>(3.75)</b>	<b>(219.44)</b>	<b>(223.19)</b>
<b>Contributions and distributions:</b>						
Dividends paid	8	-	-	-	<b>(20.17)</b>	<b>(20.17)</b>
Total contributions and distributions		-	-	-	<b>(20.17)</b>	<b>(20.17)</b>
<b>At 31 March 2023</b>		<b>8.07</b>	<b>597.58</b>	<b>(9.99)</b>	<b>226.73</b>	<b>822.39</b>

**Condensed Group Cash Flow Statement for the six months ended 31 March 2024**

	Note	Six months ended 31 March 2024 (unaudited) €m	Six months ended 31 March 2023 (unaudited) €m
<b>Cash flows from operating activities</b>			
Loss for the period		(18.74)	(219.44)
Gain on disposal of investment properties	9	(6.36)	0
Changes in fair value of investment properties	9	46.22	267.70
Changes in fair value of derivatives	14	0.98	0.56
Tax (credit)/expense	6	0.79	(21.85)
Net finance expense	5	4.35	(4.45)
Spreading of customer lease incentives	4	(0.77)	(1.09)
Amortisation of capital contributions and lease commissions		0.02	0.48
Decrease/(increase) in trade and other receivables		19.38	(3.15)
Increase/(decrease) in trade and other payables		1.56	8.26
(Decrease)/increase in other liabilities		(2.72)	0.42
<b>Cash generated from operations</b>		<b>44.71</b>	<b>27.44</b>
Tax paid		(2.84)	(0.40)
<b>Net cash flow generated/(used) by operating activities</b>		<b>41.87</b>	<b>27.04</b>
<b>Investing activities</b>			
Purchase of investment properties	9	-	(7.69)
Improvements to investment properties and development expenditure	9	(19.74)	(98.53)
Proceeds from disposal of investment properties		72.17	-
Rental guarantees received		2.49	5.94
<b>Net cash flow generated/(used) from investing activities</b>		<b>54.92</b>	<b>(100.28)</b>
<b>Financing activities</b>			
Loans received	12	-	68.00
Loans repaid		(77.50)	-
Premium paid for interest rate caps		(0.59)	-
Finance expense paid		(2.93)	(2.28)
Dividends paid to equity holders	8	(20.17)	(20.17)
<b>Net cash flow (used)/generated in financing activities</b>		<b>(101.19)</b>	<b>45.55</b>
Net movement in cash and cash equivalents for the period		(4.40)	(27.69)
Cash and cash equivalents at start of the period		52.31	90.18
Unrealised foreign exchange gains/(losses)		0.26	(0.32)
<b>Cash and cash equivalents at end of the period</b>		<b>48.17</b>	<b>62.17</b>

## Notes to the Condensed Consolidated Financial Statements for the six months ended 31 March 2024

### 1. Basis of preparation

These condensed financial statements for the six months ended 31 March 2024 have been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Services Authority, IAS 34 'Interim Financial Reporting', and with UK-adopted international accounting standards. These condensed financial statements are unaudited and do not constitute statutory accounts for the purposes of the Companies Act 2006. They were approved for issue on 15 May 2024.

The Group's business is not judged to be highly seasonal, therefore comparatives used for the six month period ended 31 March 2024 Consolidated Income Statement are the six month period ended 31 March 2023 Consolidated Income Statement. It is therefore not necessary to disclose the Consolidated Income Statement for the full year ended 30 September 2023 (available in the last annual report).

The comparative financial information presented herein for the period to 30 September 2023 for the Condensed Consolidated Statement of Financial Position or 31 March 2023 for other primary statements does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for that period has been delivered to the Registrar of Companies. The auditor's report on those accounts for the period from 1 October 2022 to 30 September 2023 was not qualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report, and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

#### 1.1. Going concern

The Directors have prepared cash flow forecasts for the Group for a period of 12 months from the date of approval of the condensed interim financial statements. These forecasts include the Directors' assessment of plausible downside scenarios on the Group. The assumptions underpinning these forecast cash flows and covenant compliance forecasts were sensitised, to explore the Group's resilience to the potential impact of its significant risks, or a combination of those risks. These forecasts have been further sensitised for the following scenarios:

- 1) The combined impact of four key tenants defaulting without replacement, combined with a twelve-month delay in letting properties under development and vacant units.
- 2) Yield expansion resulting in further property valuation falls and the impact on debt covenants.
- 3) Worsening macroeconomic environment resulting in increasing debt costs.

The above sensitivities indicated that the Group would be able to operate within its existing facilities and maintain covenant compliance in a severe but plausible downside. The Group's cash balance at 31 March 2024 was €48.17 million. It also had undrawn amounts under its unsecured revolving credit facility (the RCF) of a further €250 million at the date of approval of these financial statements. Of the Group's total facilities (the RCF, Green Bond and US private placement), €250 million will mature in October 2025, €500 million in June 2026, €100 million in January 2029, €50 million in January 2032 and €50 million in January 2034. The loans include financial covenants for loan-to-value ("LTV"), interest cover ratio ("ICR") and gearing. These covenants have been complied with throughout the period and up to the date of approval of these financial statements.

LTV and gearing covenants are measured using "net borrowings" which reduces the drawn debt by the Group's cash holdings at each measurement date. The LTV covenant is measured quarterly based on the property valuation as used in the consolidated financial statements. Based on the valuation as at 31 March 2024 of €1,464.8 million, the Group retained headroom against a covenant limit, reporting 44.5% against the limit of 65%. LTV would breach 65% if the valuation of the Group's investment properties were to decrease by 31.5%, based on the latest valuation.

The gearing covenant is measured quarterly based on consolidated total net borrowings to consolidated shareholders' funds. Based on the most recent reporting the Group retained headroom against the covenant limit, reporting 86.1% against the limit of 150%. Gearing would breach 150% if the valuation of the Group's investment properties were to decrease by 22.1%, based on the latest valuation. The Directors are confident that there's sufficient headroom from the potential downside scenarios identified in the reverse stress tests.

The ICR covenant is measured as the ratio of the Group's consolidated earnings before income and tax, subject to certain adjustments, to consolidated net finance costs in respect of any measurement period, by reference to accounting income. Based on the most recent reporting, the Group was not in breach of its covenant minimum reporting 4.8 times which leaves headroom above the 1.5 times minimum.

As a result of the above considerations the Directors forecast that covenant compliance will continue for at least the next 12 months.

Consequently, the directors are confident that the Group and the Company will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

## **2. Significant accounting judgements, estimates and assumptions**

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

### **2.1 Judgements**

In the process of applying the Group's accounting policies, management has made the following judgement, which has the most significant effect on the amounts recognised in the consolidated financial statements:

#### **Segment reporting**

The Directors are of the opinion that the Group is engaged in a single segment business, being the investment in European Big Box assets. The Directors consider that these properties have similar economic characteristics and as a result these individual properties have been reported as a single operating segment.

### **2.2 Estimates**

#### **Fair valuation of investment property**

The fair value of investment property is determined, by an independent property valuation expert, to be the estimated amount for which a property should exchange on the date of the valuation in an arm's length transaction. Properties

have been valued on an individual basis. The valuation expert uses recognised valuation techniques, applying the principles of both IAS 40 and IFRS 13.

The valuations have been prepared in accordance with the Royal Institution of Chartered Surveyors (“RICS”) Valuation – Global Standards January 2022 (“the Red Book”). Factors reflected include current market conditions, annual rentals, lease lengths and location. The significant methods and assumptions used by valuers in estimating the fair value of investment property are set out in note 9.

### **3.3 Summary of significant accounting policies**

The accounting policies adopted in this report are consistent with those applied in the Group’s consolidated financial statements for the year ended 30 September 2023 and are expected to be applied consistently during the year ending 30 September 2024.

#### **Standards in issue and effective from 1 October 2023**

There was no material effect from the adoption of amendments to IFRS effective in the year. They have no impact to the Group significantly as they are either not relevant to the Group’s activities or require accounting which is consistent with the Group’s current accounting policies.

#### **New standards issued but not yet effective**

There are new standards and amendments to standards and interpretations which have been issued that are effective in future accounting periods, and which the Group has decided not to adopt early. None of these are expected to have a material impact on the consolidated financial statements of the Group.

Certain new accounting standards and amendments are effective for annual periods beginning after 1 January 2024, and have not been applied in preparing these Financial Statements:

- Amendments to IAS 1, ‘Presentation of financial statements’, on classification of liabilities as Current or Non-current.
- Amendments to IFRS 16, ‘Leases’, on Lease liabilities in a Sale and Leaseback transaction.
- Amendments to IAS 7, ‘Statement of Cashflows’ and IFRS 7, ‘Financial Instruments: Disclosures’, on Supplier Finance Arrangements.

The amendments that are not yet effective are not expected to have a material impact on the Group in the current or future reporting periods and on the foreseeable future transactions.

**4. Gross property income**

	<b>Six months ended 31 March 2024 (unaudited) €m</b>	Six months ended 31 March 2023 (unaudited) €m
Rental income	<b>35.50</b>	31.94
Spreading of customer incentives	<b>0.77</b>	1.09
Amortisation of capital contributions and lease commissions	<b>(0.36)</b>	(0.48)
<b>Gross rental income</b>	<b>35.91</b>	32.55
Service charges recoverable	<b>6.16</b>	5.60
Other income	<b>0.09</b>	0.37
<b>Gross property income</b>	<b>42.16</b>	38.52

The Group derives property income from the following countries:

<b>Gross property income (unaudited)</b>	<b>Belgium €m</b>	<b>Germany €m</b>	<b>Spain €m</b>	<b>Italy €m</b>	<b>Poland €m</b>	<b>The Netherlands €m</b>	<b>Sweden €m</b>	<b>Total €m</b>
<b>Period ended 31 March 2024</b>	<b>4.46</b>	<b>17.48</b>	<b>5.65</b>	<b>5.38</b>	<b>3.58</b>	<b>4.50</b>	<b>1.11</b>	<b>42.16</b>
Period ended 31 March 2023	4.46	15.18	5.45	4.78	3.62	3.43	1.60	38.52

The future minimum lease payments under non-cancellable operating leases receivable by the Group are as follows:

<b>(Unaudited)</b>	<b>Less than 1 year €m</b>	<b>Between 1 and 2 years €m</b>	<b>Between 2 and 3 years €m</b>	<b>Between 3 and 4 years €m</b>	<b>Between 4 and 5 years €m</b>	<b>More than 5 years €m</b>	<b>Total €m</b>
<b>31 March 2024</b>	<b>71.55</b>	<b>68.14</b>	<b>64.55</b>	<b>59.41</b>	<b>52.07</b>	<b>259.13</b>	<b>574.85</b>
<b>31 March 2023</b>	74.63	68.94	64.95	62.42	57.80	300.72	629.46

The Group's investment properties are leased mainly to single customers, some of which have additional security, under the terms of a commercial property lease. The majority have rent indexation that are linked to either RPI/CPI or fixed uplifts.

One customer represented more than 10% of rental income during the period (€5.12 million). As at 31 March 2024 one customer represented more than 10% of passing rent (€5.08million). (31 March 2023: two customers represented more than 10% of rental income (€5.16 million and €3.21) and three customers represented more than 10% of passing rent (€5.08 million, €3.13 million and €2.89 million)).

## 5. Finance income and expense

	Six months ended 31 March 2024 (unaudited) €m	Six months ended 31 March 2023 (unaudited) €m
Interest income on interest rate derivative	0.65	1.35
Interest income on bank deposits	0.32	-
<b>Total finance income</b>	<b>0.97</b>	<b>1.35</b>
Interest payable on loans and bank borrowings	5.27	4.61
Commitment fees payable on bank borrowings	0.55	0.51
Bank fees	0.07	0.17
Repayment of put option	0.55	0.20
Amortisation of loan arrangement fees and derivative financial instruments	1.71	1.28
<b>Total finance expense</b>	<b>8.15</b>	<b>6.77</b>
<b>Present value movement on remeasurement of put options</b>	<b>2.85</b>	<b>9.87</b>

The present value movement on remeasurement and repayment of put options relates to the minority interest in the Group's German properties. This reflects the minority interest's share of the respective financial result for the financial year. In the prior period the present value movement on remeasurement of put options was presented as a finance expense, however in the current period this has been presented on a separate line.

The total interest payable on financial liabilities carried at amortised cost comprises interest and commitment fees payable on bank borrowings of €5.82 million (31 March 2023: €5.12 million), of which nil was capitalised in both periods. The total amortisation of loan arrangement fees for 31 March 2024 was €1.28 million (31 March 2023: €1.28 million), of which nil was capitalised into the loan in the period (31 March 2023: €nil).

## 6. Taxation

Tax charge in the Group Statement of Comprehensive Income

	Six months ended 31 March 2024 (unaudited) €m	Six months ended 31 March 2023 (unaudited) €m
Current taxation:		
UK taxation	-	-
Overseas taxation	(5.38)	(0.88)
Deferred taxation:		
UK taxation	-	-
Overseas taxation	4.59	22.73
<b>Total tax credit/(charge)</b>	<b>(0.79)</b>	<b>21.85</b>

The UK corporation tax charge of nil reflects the Company's intention to declare sufficient "qualifying interest distributions" to fully offset its "qualifying interest income" in the period, in accordance with its status as an Investment Trust Company ("ITC").

An exceptional capital gain tax charge, following the disposal of the Malmo asset, of €3.9 million was incurred in the period.

## 7. Earnings per share

Earnings per share (“EPS”) amounts are calculated by dividing profit or loss for the period attributable to ordinary equity holders of the Group by the weighted average number of Ordinary Shares in issue during the period. As at 31 March 2024 there are no dilutive or potentially dilutive equity arrangements in existence.

The calculation of EPS is based on the following:

	Net profit attributable to Ordinary Shareholders €m	Weighted average number of Ordinary Shares '000	Earnings per share Cent
For the period ended 31 March 2024 (unaudited)			
<b>Basic EPS</b>	<b>(18.74)</b>	<b>806,804</b>	<b>(2.32)</b>
Adjustments to remove:			
Deferred and capital gains tax charge/(credit) (note 6)	<b>(0.67)</b>		
Changes in fair value of investment properties and investment properties under construction (note 9)	<b>46.22</b>		
Gain on disposal of investment properties	<b>(6.36)</b>		
Changes in fair value of interest rate derivatives (note 13)	<b>0.55</b>		
<b>EPRA EPS</b>	<b>21.00</b>	<b>806,804</b>	<b>2.60</b>
Adjustments to include/(exclude):			
Rental income recognised in respect of fixed uplifts	<b>(0.77)</b>		
Amortisation of capital contributions and lease commissions	<b>0.36</b>		
Rental guarantee receipts excluded from property income-settled via cash	<b>2.49</b>		
Amortisation of loan arrangement fees	<b>1.28</b>		
Unrealised foreign exchange currency loss	<b>(0.17)</b>		
Present value movement on remeasurement of put option	<b>(2.85)</b>		
Over hedged portion of interest income from financial derivatives	<b>(0.23)</b>		
<b>Adjusted EPS</b>	<b>21.11</b>	<b>806,804</b>	<b>2.62</b>

	Net profit attributable to Ordinary Shareholders €m	Weighted average number of Ordinary Shares <sup>1</sup> '000	Earnings per share Cent
For the period ended 31 March 2023 (unaudited)			
<b>Basic EPS</b>	<b>(219.44)</b>	<b>806,804</b>	<b>(27.20)</b>
Adjustments to remove:			
Deferred tax charge (note 6)	<b>(22.73)</b>		
Changes in fair value of investment properties (note 9)	<b>267.70</b>		
Changes in fair value of interest rate derivatives (note 13)	<b>0.37</b>		
<b>EPRA EPS</b>	<b>25.90</b>	<b>806,804</b>	<b>3.21</b>
Adjustments to include/(exclude):			
Rental income recognised in respect of fixed uplifts	<b>(1.09)</b>		
Amortisation of capital contribution and lease commission	<b>0.48</b>		
Rental guarantee receipts excluded from property income-settled via cash	<b>5.94</b>		
Amortisation of loan arrangement fees	<b>1.28</b>		
Unrealised foreign exchange currency gain	<b>0.32</b>		
Gain on remeasurement of put option	<b>(10.10)</b>		

Over hedged portion of interest income from financial derivatives	(0.93)		
<b>Adjusted EPS</b>	<b>21.80</b>	<b>806,804</b>	<b>2.70</b>

1 Based on the weighted average number of Ordinary Shares in issue throughout the period.

Adjusted Earnings is a performance measure used by the Board to assess the level of the Group's dividend payments. The metric mainly adjusts EPRA earnings for:

- i. Exclusion of non-cash items credited or charged to the Group Statement of Comprehensive Income, such as fixed rental uplift adjustments and amortisation of loan arrangement fees;
- ii. Inclusion of licence fees which relate to cash received from developers during development periods, in order to access the land; and
- iii. Inclusion of rental guarantee adjustments which relate to acquired assets with properties which have had an income guarantee attached to them as part of the acquisition of the asset. The rental guarantee is released (through a cash movement or contracted liability settlement) as Adjusted Earnings over the period of the lease which it is intended to cover or lease break. However, this release does not go through rental income in the Group Statement of Comprehensive Income, and as such an adjustment is made to recognise the receipt.
- iv. Exclusion of exceptional items, considered as an expense under IFRS, which are capital in substance and nature and result in longer term value to the business.
- v. Exclusion of the over hedged portion of interest income from financial derivatives, considered as income under IFRS, as financing activities are not part of the Group's operations.

## 8. Dividends paid

	<b>Six months ended 31 March 2024 (unaudited) €m</b>	Six months ended 31 March 2023 (unaudited) €m
Final dividend in respect of period ended 30 September 2023 at 1.25 cent per Ordinary Share (30 September 2022: 1.25 cent)	<b>10.08</b>	10.08
First interim dividend in respect of year ended 30 September 2024 at 1.25 cent per Ordinary Share (30 September 2023: 1.25 cent)	<b>10.09</b>	10.09
<b>Total dividends paid</b>	<b>20.17</b>	20.17
<b>Total dividends paid per share for the period</b>	2.50 cent	2.50 cent
<b>Total dividends unpaid but declared per share for the period</b>	1.25 cent	1.25 cent
<b>Total dividends declared per share for the period</b>	2.50 cent	2.50 cent

On 16 May 2024, the Directors of the Company declared a second interim dividend in respect of the year ended 30 September 2024 of 1.25 cent per Ordinary Share, which will be payable on or around 21 June 2024 to Shareholders on the register on 24 May 2024.

Out of €10.08 million dividends declared for the period, €3.47 million is designated as interest distribution.

## 9. Investment properties

The Group's investment property has been valued at fair value by CBRE, an accredited independent valuer with a recognised and relevant professional qualification and with recent experience in the locations and categories of the investment properties being valued. The valuations have been prepared in accordance with the RICS Valuation – Global Standards January 2022 (“the Red Book”) and incorporate the recommendations of the International Valuation Standards which are consistent with the principles set out in IFRS 13. In forming its opinion, CBRE makes a series of assumptions, which are typically market related, such as yields and expected rental values and are based on the valuer's professional judgement and the current tenancy of the properties.

The valuations are the ultimate responsibility of the Directors. Accordingly, the critical assumptions used in establishing the independent valuation are reviewed by the Board. Other than Tritax EuroBox plc, the external valuer provides valuation and research-related services to the Tritax Group, as well as to other funds Tritax Group manages. The Directors ensure full independence of the valuer.

(Unaudited)	Investment properties completed €m	Investment properties under construction €m	Investment properties Total €m
<b>As at 1 October 2023</b>	<b>1,494.86</b>	<b>17.69</b>	<b>1,512.55</b>
Acquisition of properties <sup>1</sup>	-	-	-
Additions to investment properties	0.60	13.08	13.68
Disposals of investment properties	(16.51)	-	16.51
Transfer from investment properties under construction to investment properties	8.10	(8.10)	-
Investment property transferred to asset held for sale	(33.62)	-	(33.62)
Fixed rental uplift and tenant lease incentives <sup>2</sup>	1.56	-	1.56
Amortisation on rental uplift and customer lease incentives <sup>2</sup>	(0.81)	-	(0.81)
Change in fair value during the period <sup>3</sup>	(47.75)	1.53	(46.22)
Foreign exchange movement during the period	0.51	-	0.51
<b>As at 31 March 2024</b>	<b>1,406.94</b>	<b>24.20</b>	<b>1,431.14</b>
(Audited)	Investment properties completed €m	Investment properties under construction €m	Investment properties Total €m
<b>As at 1 October 2022</b>	<b>1,543.87</b>	<b>221.73</b>	<b>1765.60</b>
Acquisition of properties <sup>1</sup>	1.13	7.05	8.18
Additions to investment properties	2.42	142.42	144.84
Transfer from investment properties under construction to investment properties	339.87	(339.87)	-
Investment property transferred to asset held for sale	(49.30)	-	(49.30)
Disposal of investment property	(65.70)	-	(65.70)
License fees and rental guarantees recognised	(3.21)	-	(3.21)
Fixed rental uplift and tenant lease incentives <sup>2</sup>	4.64	-	4.64
Amortisation on rental uplift and tenant lease incentives <sup>2</sup>	(1.49)	-	(1.49)
Change in fair value during the period <sup>3</sup>	(271.79)	(13.64)	(285.43)
Foreign exchange movement during the period	(5.58)	-	(5.58)
<b>As at 30 September 2023</b>	<b>1,494.86</b>	<b>17.69</b>	<b>1,512.55</b>

<sup>1</sup> Included acquisition costs of €nil million (30 September 2023: €0.64 million).

<sup>2</sup> This balance arises as a result of the IFRS treatment of leases with fixed or minimum rental uplifts and rent free periods, which requires the recognition of rental income on a straight line basis over the lease term. The amount as at 31 March 2024 was €13.99 million (30 September 2023: €13.30 million). The difference between this and cash receipts changes the carrying value of the property against which revaluations are measured (also see note 4).

<sup>3</sup> Included in the fair value change in the period were unrealised gains of €11.73 million (30 September 2023: €6.16 million) and unrealised losses of €57.95 million (30 September 2023: €291.59 million).

	<b>31 March 2024</b>	<b>30 September 2023</b>
	<b>€m</b>	<b>€m</b>
Investment properties and assets held for sale	<b>1,464.76</b>	1,561.85
Rental guarantee held in separate receivable	<b>0.80</b>	2.90
<b>Total external valuation of investment properties</b>	<b>1,465.56</b>	1,564.75

As at 31 March 2024, the Group had the following capital commitments in relation to its development assets totalling €12.0 million (30 September 2023: €22.9 million):

- Oberhausen €12.0 million

These costs are not provided for in the Statement of Financial Position. Capital commitments represent costs to bring the asset to completion under the developer's funding agreements, which include the developer's margin.

### Valuation and real estate risks

There is risk to the fair value of real estate assets that are part of the portfolio of the Group, comprising variation in the yields that the market attributes to the real estate investments and the market income that may be earned.

Real estate investments can be impacted adversely by external factors such as the general economic climate, supply and demand dynamics in the market, climate risks, competition and increase in operating costs.

Besides asset specific characteristics, general market circumstances affect the value and income from investment properties such as the cost of regulatory requirements related to investment properties, interest rate levels and the availability of financing.

The Manager of the Group has implemented a portfolio strategy with the aim to mitigate the above stated real estate risks. Through diversification in regions, risk categories and customers, it is expected to lower the risk profile of the portfolio.

With respect to new investments, the Manager will be targeting specific investment categories based on the Group's investment objective and restrictions. Because such investments may be made over a substantial period of time, the Group faces the risk of interest rate fluctuations in case of leveraging these investments and adverse changes in the real estate markets.

### Fair value hierarchy

The Group considers that all of its investment properties and investment properties under construction fall within Level 3 of the fair value hierarchy as defined by IFRS 13. There have been no transfers between Level 1 and Level 2 during any of the periods, nor have there been any transfers between Level 2 and Level 3 during any of the periods.

The valuations have been prepared on the basis of Market Value ("MV"), which is defined in the RICS Valuation Standards, as:

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

MV as defined in the RICS Valuation Standards is the equivalent of fair value under IFRS.

The following descriptions and definitions relating to valuation techniques and key unobservable inputs made in determining fair values are as follows:

## **Valuation techniques**

### **Investment properties completed: income approach**

The income method (or income approach) quantifies the net present value of future benefits associated with the ownership of the asset by totalling the current tenancy of the property, followed by the market rent on lease expiry, capitalised at an appropriate yield. The methodology is based on a direct capitalisation model where the lease-based income has been capitalised with an all-risk yield in perpetuity. The choice of this methodology represents the likely basis of analysis to be used by a potential purchaser for this type of property (income producing).

### **Investment properties under construction: residual approach**

The residual approach for properties under construction takes the expected valuation of the finished property using the income approach and deducts forecast costs to complete the development and an allowance for developer's profit.

### **Unobservable input: estimated rental value ("ERV")**

ERV is dependent upon a number of variables in relation to the Group's property. These include: size, building specification and location. At 31 March 2024 the range was between €34.00 - €94.00 per square metre, per annum (30 September 2023: €33.00 - €104.00 per square metre, per annum). The Group has not disclosed the weighted average ERV due to the large dispersion of these caused by the different markets that the properties are located in.

### **Unobservable input: yield**

Yield is dependent on the tenant, lease length and the other variables listed above for ERV. At 31 March 2024, the weighted average net initial yield for standing assets was 4.65% and the range was between 2.16% and 5.77% (30 September 2023: average net initial yield was 4.43% and the range was between 3.56% and 5.70%). Implicit in the yield is the valuer's consideration of climate risks.

Yield and ERV are not necessarily independent variables. It is possible a change in one assumption may result in an offsetting change to the other but equally the change in both assumptions may increase the impact on valuation.

### **Sensitivities of measurement of significant unobservable inputs**

As set out within significant accounting estimates and judgements above, the Group's property portfolio valuation is open to estimation uncertainty and is inherently subjective in nature. At the balance sheet date, when the property portfolio was valued, the Group considered the range used below, in the sensitivity analysis, to be appropriate as at that date as in a stabilised logistics market, the ranges used represent reasonable possible changes in unobservable inputs.

As a result, the following sensitivity analysis has been prepared for investment properties and assets held for sale:

	-0.25%yield €m	+0.25% yield €m	-5% ERV €m	+5 % ERV €m
<b>(Decrease)/increase in the fair value of investment properties as at 31 March 2023</b>	<b>77.76</b>	<b>(69.93)</b>	<b>(50.92)</b>	<b>51.17</b>
(Decrease)/increase in the fair value of investment properties as at 30 September 2023	85.45	(76.19)	(52.79)	53.08

The CBRE valuation includes deductions for transaction costs that would be incurred by a hypothetical purchaser at the valuation date. These costs include Real Estate Transfer Tax (“RETT”) equivalent to stamp duty except for properties in Belgium, Italy, Poland and Sweden. In Italy, this is due to the structure of an Investment Management Company (“SGR”). In Belgium, Poland and Sweden, the local valuation practice is to exclude such costs given the prevalence of corporate rather than asset transactions in these markets.

#### 10. Asset held for sale

	<b>31 March 2024 (unaudited) €m</b>	30 September 2023 (audited) €m
Asset held for sale	<b>33.62</b>	49.30

Asset held for sale relates to an investment property for which there was Investment Committee approval to dispose of at the period-end date, and the intention is to dispose of the asset, which is highly probable to be disposed of within 12 months.

#### 11. Trade and other receivables

	<b>31 March 2024 (unaudited) €m</b>	30 September 2023 (audited) €m
<b>Non-current trade and other receivables</b>		
Cash in public institutions	<b>1.76</b>	1.76

The cash in public institutions is a deposit of €1.76 million given by the tenant for the property in Barcelona, Spain.

	<b>31 March 2024 (unaudited) €m</b>	30 September 2023 (audited) €m
<b>Current trade and other receivables</b>		
Trade receivables	<b>1.28</b>	1.77
Prepayments, accrued income and other receivables	<b>10.46</b>	28.89
VAT receivable*	<b>1.97</b>	2.97
	<b>13.71</b>	33.63

\* VAT receivable includes VAT on capital expenditure across the developments and a reclaim on the purchase of a property in Italy €0.04 million (30 September 2023: €0.93 million).

The carrying value of trade and other receivables classified at amortised cost approximates fair value.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing.

The expected loss rates are based on the Group's historical credit losses experienced over the period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers. Both the expected credit loss provision and the incurred loss provision in the current and prior period are immaterial.

No reasonably possible changes in the assumptions underpinning the expected credit loss provision would give rise to a material expected credit loss.

## 12. Loans and borrowings

As at 31 March 2024, 73.7% (30 September 2023: 73.7%) of the Group's debt facilities are fixed term with 26.3% floating term (30 September 2023: 26.3%). The LTV across all drawn debt was 44.46% against a limit of 65% in the debt documentation. The Group has been in compliance with all of the financial covenants of the Group's bank facilities as applicable throughout the period.

The Group had available headroom of €250 million under its bank borrowings (30 September 2023: €172.5 million).

Any associated fees in arranging the loan and borrowings that are unamortised as at the period end are offset against amounts drawn on the facilities as shown in the table below:

	<b>31 March 2024 (unaudited) €m</b>	30 September 2023 (audited) €m
Bank borrowings at the beginning of the year	<b>76.25</b>	9.11
Bank borrowings drawn in the year	-	126.00
Bank borrowings repaid in the year	<b>(77.50)</b>	(59.50)
Loan issue costs paid	-	(0.01)
Non-cash amortisation of loan issue costs	<b>0.30</b>	0.65
Reclass unamortised loan issue costs to/(from) prepayments	<b>0.95</b>	-
<b>Non-current liabilities: borrowings</b>	<b>-</b>	<b>76.25</b>

	<b>31 March 2024 (unaudited) €m</b>	30 September 2023 (audited) €m
0.95% Green Bonds 2026	<b>500.00</b>	500.00
1.216% USPP 2029	<b>100.00</b>	100.00
1.449% USPP 2032	<b>50.00</b>	50.00
1.590% USPP 2034	<b>50.00</b>	50.00
Less: unamortised costs on loan notes	<b>(5.17)</b>	(6.15)
<b>Non-current liabilities: loans notes</b>	<b>694.83</b>	<b>693.85</b>

### **Maturity of loans and borrowings**

	<b>31 March 2024 (unaudited)</b>		
	<b>Drawn €m</b>	<b>Undrawn €m</b>	<b>Total debt available €m</b>
Repayable between one and two years	-	250.00	250.00
Repayable between two and three years	500.00	-	500.00
Repayable between three and four years	-	-	-
Repayable between four and five years	-	-	-
Repayable in over five years	200.00	-	200.00
	<b>700.00</b>	<b>250.00</b>	<b>950.00</b>

Set out below is a comparison by class of the carrying amounts and the fair value of the Group's financial instruments:

	<b>Book Value</b> <b>31 March</b> <b>2024</b> <b>€m</b>	<b>Fair Value</b> <b>31 March</b> <b>2024</b> <b>€m</b>	Book Value 30 September 2023 €m	Fair Value 30 September 2023 €m
Bank borrowings: RCF	-	-	77.50	77.50
0.950% Green Bonds 2026	<b>500.00</b>	<b>460.85</b>	500.00	440.30
1.216% USPP 2029	<b>100.00</b>	<b>93.54</b>	100.00	91.85
1.449% USPP 2032	<b>50.00</b>	<b>45.42</b>	50.00	44.37
1.590% USPP 2034	<b>50.00</b>	<b>44.69</b>	50.00	43.52
<b>Total borrowings and loan notes</b>	<b>700.00</b>	<b>644.5</b>	<b>777.50</b>	<b>697.54</b>

The fair value of financial liabilities traded on active liquid markets, including the 0.95% Green Bonds 2026, 1.216% USPP 2029, 1.449% USPP 2032 and 1.590% USPP 2034, are determined with reference to the quoted market prices. The financial liabilities are considered to be Level 1 and Level 2 fair value measure. The fair value of the financial liabilities at Level 1 was €460.85 million (30 September 2023: €440.30 million) and Level 2 was €183.65 million (30 September 2023: €179.74).

### 13. Other liabilities

The Group's properties in Germany are held in subsidiaries in which the Group holds 94.9% or 89.9% of the shares. As part of the purchase agreements, the Group issued put options to the minority shareholders. The options are exercisable ten years after acquisition and would require the Group to acquire all shares held by the minority shareholder at the then market value. Prior to the option date the Group has guaranteed a fixed dividend to the minority shareholder. If this is not met by the subsidiary, then the Company is required to settle this obligation.

### 14. Derivative financial instruments

To mitigate the interest rate risk that arises as a result of entering into variable rate loans, a number of interest rate caps have been taken out in respect of the Group's variable rate debt to cap the rate to which three-month Euribor can rise. €20m of caps expire in April 2024, a further €20m expire in July 2024, with the final €40m expiring in October 2025.

On 18 October 2023 the Group purchased interest rate caps with a notional value of €55m with various expiry dates as detailed in the table below. On 19 October 2023 interest rate caps with a notional value of €125m expired, and a further €25m of interest rate caps commenced which had been purchased in the previous financial year.

The table below details the interest rate caps at the current period end.

Nominal	CAP rate	Start date	End date
€25m	2.50%	19/10/2023	19/10/2025
€15m	3.00%	18/10/2023	18/10/2025
€20m	2.75%	18/10/2023	18/04/2024
€20m	2.75%	18/10/2023	18/07/2024

The weighted average capped rate, excluding any margin payable, for the Group as at the period end was 2.72%. There was a premium payable of €0.59m towards securing the interest rate caps in both periods.

	<b>31 March 2024 (unaudited) €m</b>	30 September 2023 (audited) €m
Interest rate derivatives valuation brought forward	<b>1.05</b>	4.43
Interest cap premium paid	<b>0.59</b>	0.53
Realised loss on derivative	-	(0.49)
Disposal of interest rate cap/Cap break receipt	-	(1.32)
Amortisation of derivative financial instruments	<b>(0.43)</b>	(0.40)
Fair value movement	<b>(0.55)</b>	(1.70)
<b>Non-current assets: interest rate derivatives carried forward</b>	<b>0.66</b>	1.05

The interest rate derivatives are marked to market by the relevant counterparty banks on a quarterly basis in accordance with IFRS 9. Any movement in the mark-to-market values of the derivatives are taken to the Group profit or loss.

As at the period end date the total proportion of debt hedged via interest rate derivatives equated to 100% (30 September 2023: 100%).

### **Fair value hierarchy**

The fair value of the Group's interest rate derivatives is recorded in the Group Statement of Financial Position and is determined by forming an expectation that interest rates will exceed strike rates and discounting these future cash flows at the prevailing market rates as at the period end. This valuation technique falls within Level 2 of the fair value hierarchy, as defined by IFRS 13. The valuation was provided by the counterparty to the derivatives. There have been no transfers between Level 1 and Level 2 during any of the periods, nor have there been any transfers between Level 2 and Level 3 during any of the periods.

## **15. Financial risk management**

### **Financial instruments**

The Group's principal financial assets and liabilities are those that arise directly from its operations: trade and other receivables, trade and other payables and cash held at bank. The Group's other principal financial assets and liabilities are loan notes, bank borrowings and interest rate derivatives, the main purpose of which is to finance the acquisition and development of the Group's investment property portfolio and hedge against the risk of interest rates rising. The book value of the Group's financial instruments approximates their fair value at the end of the period.

### **Risk management**

The Group is exposed to market risk (including interest rate risk) and credit risk. The Board of Directors oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks that are summarised below.

### **Market risk**

Market risk is the risk that the fair values of financial instruments will fluctuate because of changes in market prices. The financial instruments held by the Group that are affected by market risk are principally the Group's cash balances and bank borrowings along with interest rate derivatives entered into to mitigate interest rate risk.

The Group monitors its interest rate exposure on a regular basis. A sensitivity analysis was performed to ascertain the impact on the Group Cash Flow Statement and net assets based on nominal borrowings at the period end. The RCF facility was undrawn by at the period end, with a €250 million facility available. The RCF benefits from interest rate caps, capping the level of Euribor 3 months to a maximum of 2.72%. With the hedging in place, any further movements in interest rates would have limited impact on net assets if a further drawdown on the RCF is made.

The Group currently operates in eight countries. The current distribution of total assets is as follows:

<b>Total assets</b>	<b>Belgium</b>	<b>Germany</b>	<b>Spain</b>	<b>Italy</b>	<b>Poland</b>	<b>UK</b>	<b>The Netherlands</b>	<b>Sweden</b>	<b>Total</b>
<b>31 March 2024 (unaudited)</b>	<b>152.89</b>	<b>667.75</b>	<b>203.08</b>	<b>177.72</b>	<b>77.03</b>	<b>8.16</b>	<b>155.60</b>	<b>88.84</b>	<b>1,531.07</b>
30 September 2023 (audited)	149.24	755.26	214.43	182.97	78.97	4.34	148.28	118.34	1,651.83

## Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risks from both its leasing activities and financing activities, including deposits with banks and financial institutions.

Credit risk is mitigated by tenants being required to pay rentals in advance under their lease obligations. The credit quality of the tenant is assessed based on an extensive credit rating scorecard at the time of entering into a lease agreement or acquiring a let property. The Group holds collateral by way of bank deposits totalling €1.76 million (see note 11) and in certain cases holds bank guarantee letters.

Outstanding trade receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset less the collateral held.

## Credit risk related to cash deposits

One of the credit risks of the Group arises with the banks and financial institutions. The Board of Directors believes that the credit risk on short term deposits and current account cash balances is limited because the counterparties are banks, which are committed lenders to the Group, with high credit ratings assigned by international credit rating agencies.

## Liquidity risk

Liquidity risk arises from the Group's management of working capital and, going forward, the finance charges, principal repayments on its borrowings and its commitments under forward funded development arrangements (see note 9). It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due, as the majority of the Group's assets are property investments and are therefore not readily realisable. The Group's objective is to ensure it has sufficient available funds for its operations and to fund its capital expenditure. This is achieved by continuous monitoring of forecast and actual cash flows by management ensuring it has appropriate levels of cash and available drawings to meet liabilities as they fall due. Liquidity risk is further managed using an RCF facility of €250m. The RCF is drawn in short to medium-term tranches of debt which are repayable within 6

months from draw-down. These tranches of debt can be rolled over provided certain conditions are met, including covenant compliance. The Group considers that it is highly unlikely it would be unable to exercise its right to roll-over the debt. This is due to mitigating actions it could take to maintain compliance with these conditions. The Directors therefore believe that the Group has the ability to roll-over the drawn RCF amounts when due and consequently has presented the RCF as a non-current liability. At period end, in the Loans and Borrowings, there were no amounts of drawn debt relevant to the RCF (30 September 2023: €76.25 million).

### Foreign currency risk

The Group's functional currency is the Euro as the Group operates in continental Europe. The Group keeps some cash in foreign currency to finance its working capital. The Group holds investment properties in Sweden, which transact business denominated in SEK. As such, there is currency exposure resulting from translating their performance and net assets into the functional currency, Euros, for each financial period and at each balance sheet date.

### Development risk

Development risk is the exposure that the Group takes in projects where building is not yet completed. Construction risk is mitigated by the Group by entering into fixed price contracts with the developers. Letting risk is usually alleviated by entering into pre-let agreements with customers or rental guarantees with the developers or vendors.

### Taxation risk

Tax laws in these countries may change in the future, representing an increase in tax risk to the Company.

## 16. Share capital

The share capital relates to amounts subscribed for share capital at its nominal value:

Ordinary Shares	31 March 2024 Number	31 March 2024 €m	30 September 2023 Number	30 September 2023 €m
<b>Issued and fully paid at 1 cent each</b>				
Balance at beginning of period – €0.01				
Ordinary Shares	<b>806,803,984</b>	<b>8.07</b>	806,803,984	8.07
Shares issued in the period	-	-	-	-
<b>Balance at end of period</b>	<b>806,803,984</b>	<b>8.07</b>	806,803,984	8.07

The Group has one class of Ordinary Shares which carry no right to fixed income.

## 17. Net asset value (NAV) per share

IFRS basic NAV per share is calculated by dividing net assets in the Group Statement of Financial Position attributable to ordinary equity holders of the Parent by the number of Ordinary Shares outstanding at the end of the period. As there are no dilutive instruments outstanding IFRS basic NAV per share is shown below:

	31 March 2024 (unaudited) €m	30 September 2023 (audited) €m
Net assets per Group Statement of Financial Position	<b>757.51</b>	795.62
Ordinary Shares:		

Issued share capital (number)	<b>806,803,984</b>	806,803,984
NAV per share (expressed in Euro per share)		
<b>IFRS basic NAV per share</b>	<b>0.94</b>	<b>0.99</b>

	31 March 2024			30 September 2023		
	EPRA NRV €m	EPRA NTA €m	EPRA NDV €m	EPRA NRV €m	EPRA NTA €m	EPRA NDV €m
NAV attributable to shareholders	<b>757.51</b>	<b>757.51</b>	<b>757.51</b>	795.62	795.62	795.62
Mark-to-market adjustments of derivatives	<b>(0.66)</b>	<b>(0.66)</b>	-	(1.05)	(1.05)	-
Deferred tax adjustment	<b>19.30</b>	<b>19.30</b>	-	25.99	25.99	-
Transaction costs <sup>1</sup>	<b>77.77</b>	-	-	82.39	-	-
<b>NAV</b>	<b>853.92</b>	<b>776.15</b>	<b>757.51</b>	<b>902.95</b>	<b>820.56</b>	<b>795.62</b>
NAV per share	<b>1.06</b>	<b>0.96</b>	<b>0.94</b>	1.12	1.02	0.99

<sup>1</sup> EPRA NTA and EPRA NDV reflect IFRS values which are net of RETT (real estate transfer tax). RETT are added back when calculating EPRA NRV.

## 18. Transactions with related parties

For the period ended 31 March 2024, all Directors and some of the Partners of the Manager are considered key management personnel. The fee payable to the Manager for the period to 31 March 2024 was €2.28 million (31 March 2023: €3.41 million). In the current period €nil of the investment management fee was capitalised during the period (30 September 2023: €0.24 million).

The total amount outstanding at the period end relating to the Investment Management Agreement was €1.17 million (30 September 2023: €1.12 million).

The total amounts paid to Directors for their services for the period to 31 March 2024 was €0.2 million (31 March 2023: €0.2 million).

The Members of the Manager that are considered as key management personnel are Phil Redding, James Dunlop, Henry Franklin, Colin Godfrey and Petrina Austin.

During the period the Directors received the following dividends: Robert Orr: €5,059 (31 March 2023: €4,836), Keith Mansfield: €7,250 (31 March 2023: €7,250), Taco De Groot: €1,050 (31 March 2023: €1,050), Eva-Lotta Sjöstedt: €173 (31 March 2023: €173) and Sarah Whitney: €1,631 (31 March 2023: €1,218).

During the period the Members of the Manager received the following dividends: Phil Redding €4,295 (31 March 2023: €3,300), James Dunlop: €10,196 (31 March 2023: €9,554), Henry Franklin: €6,844 (31 March 2023: €6,416), Colin Godfrey €10,196 (31 March 2023: €4,309) and Petrina Austin €1,127 (31 March 2023: €1,007).

## 19. Subsequent events

On 8 April 2024, the Group agreed a short-term lease with Arvato at its asset in Strykow, Poland, meaning the building is now fully let.

On 30 April 2024, the Group agreed a new lease and re-gear with an existing customer, Alcon, at its asset in Bornem, Belgium.

On 13 May 2024 the Group successfully exchanged on the sale of the warehouse in Gothenburg via a share deal. The disposal was to a leading pan-European real estate investment manager for consideration of SEK 385 million.

There were no other significant events occurring after the reporting period, but before the condensed interim financial statements were authorised for issue.