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If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, attorney, accountant, fund manager or other appropriate independent financial adviser who is authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom, or, if you are not, from another appropriately authorised independent financial adviser.

This document has been drawn up as part of a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017/1129 as amended relating to Sirius Real Estate Limited, prepared and made available to the public in accordance with the Prospectus Regulation Rules of the FCA made under section 73A of the FSMA. This document has been approved by the FCA as competent authority under Regulation (EU) 2017/1129, as it forms part of assimilated EU law as defined in the EUWA 2018. The FCA only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval shall not be considered as an endorsement of the issuer that is the subject of this prospectus or of the quality of the securities that are the subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the New Ordinary Shares.

The distribution of this document and/or any related documents into jurisdictions other than the UK and the Republic of South Africa may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdictions. In particular, this document, the enclosures and any other such documents should not be distributed, forwarded to or transmitted in or into any other Restricted Jurisdiction.

The Directors (including the Proposed Director), whose names appear on page 49 of this document, and the Company accept responsibility for the information contained in this document. To the best of the knowledge of the Directors and the Company, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

This document does not constitute, advertise, invite or relate to an offer to the public (as defined in the South African Companies Act No. 71 of 2008, as amended (the “**South African Companies Act**”) for the sale of or subscription for, or the invitation or solicitation of an offer to buy or subscribe for, securities in South Africa. In South Africa, this document will not be distributed to any person in any manner which could be construed as an offer to the public in terms of the South African Companies Act and is only directed at: (i) financial institutions and other persons who are referred to in section 96(1)(a) of the South African Companies Act; (ii) single persons acting as principals who acquire securities for an aggregate price of at least R1 million in accordance with section 96(1)(b) of the South African Companies Act. The Prospectus does not, nor is it intended to, constitute a prospectus prepared and registered under the South African Companies Act. Accordingly, this document does not comply with the substance and form requirements for prospectuses set out in the South African Companies Act and the South African Companies Regulations of 2011, as amended (the “**SA Regulations**”) and has not been approved by, and/or registered with, the South African Companies and Intellectual Property Commission (“**CIPC**”).

The New Ordinary Shares have not been, and will not be, registered under the Securities Act. Prospective purchasers that are qualified institutional buyers are hereby notified that the sellers of the New Ordinary Shares may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A under the Securities Act. The New Ordinary Shares have been offered outside the United States in reliance on Regulation S under the Securities Act.

You should read the whole of this document. Part II (Risk Factors) of this document includes a description of certain important factors, risks and uncertainties that may affect the Group’s business and the New Ordinary Shares and which should be taken into account when considering the matters referred to in this document.



*(incorporated as a company limited by shares under The Companies (Guernsey) Law, 2008 as amended and registered with the Registrar of Companies in Guernsey with registered number 46442
ISIN code: GG00B1W3VF54 JSE and LSE share code: SRE)*

Admission of up to 162,234,042 New Ordinary Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange’s main market for listed securities and to the main board of the JSE Limited for listed securities

Berenberg

UK Sponsor, Joint Global
Coordinator and Joint
Bookrunner

Peel Hunt

Joint Global Coordinator and
Joint Bookrunner

PSG Capital

JSE Sponsor, SA Adviser,
Sole SA Bookrunner and
Placing Agent

Panmure Liberum

Joint Bookrunner

The Existing Ordinary Shares are admitted to the premium listing segment of the Official List, to trading on the London Stock Exchange's main market for listed securities and to listing and trading on the main board for listed securities of the JSE. Application will be made to the FCA for the New Ordinary Shares to be listed on the premium listing segment of the Official List, to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the Main Market and to the JSE for the New Ordinary Shares to be admitted to trading on the Main Board. It is expected that Admission of the New Ordinary Shares will become effective and that dealings in the New Ordinary Shares will commence at 8.00 a.m. (London time) and 9.00 a.m. (Johannesburg time) on 16 July 2024.

This document does not constitute an offer to sell to the public, or an invitation to the public to subscribe for, or solicitation to the public to offer to subscribe for or to buy, New Ordinary Shares, and is issued solely in connection with Admission.

No statement in this document is intended as a profit forecast or profit estimate for any period and no statement in this document should be interpreted to mean that earnings, earnings per share, revenue growth, net assets or cash flow will necessarily be greater or lesser than those for the relevant preceding financial periods for the Company.

Investors should only rely on the information contained in this document. No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representation must not be relied upon as having been so authorised by the Company, the Company's Board, Joh. Berenberg, Gossler & Co. KG, London Branch, Peel Hunt LLP and Panmure Liberum Limited or PSG Capital Proprietary Limited.

The release, publication or distribution of this document in jurisdictions other than the UK and South Africa may be restricted by law and, therefore, any persons who are subject to the laws of any jurisdiction other than the UK and South Africa should inform themselves about, and observe, any applicable requirements. Failure to comply with any such restrictions may constitute a violation of the securities laws of any jurisdiction.

Berenberg, which is authorised by the German Federal Financial Supervisory Authority (BaFin) and is authorised and subject to limited regulation by the FCA in the UK, is acting exclusively for Sirius and for no-one else in connection with the contents of this document and the Placing and will not regard any other person as its client in relation to the matters in this document. Apart from the responsibilities, if any, which may be imposed upon Berenberg by the FCA or under the FSMA, or the regulatory regime established thereunder, Berenberg will not be responsible to anyone other than Sirius for providing the protections afforded to clients of Berenberg nor for providing advice in connection with the contents of this document or any transaction, arrangement or other matter referred to in this document.

PSG Capital, which is authorised and regulated in South Africa by the JSE, is acting exclusively for Sirius and for no-one else in connection with the contents of this document and the SA Placing and will not regard any other person as its client in relation to the matters in this document and will not be responsible to anyone other than Sirius for providing the protections afforded to clients of PSG Capital nor for providing advice in connection with the contents of this document or any transaction, arrangement or other matter referred to in this document.

Peel Hunt and Panmure Liberum, each of which is authorised and regulated in the UK by the FCA, are acting exclusively for Sirius and no-one else in connection with the Placing and will not regard any other person (whether or not a recipient of this document) as their respective clients in relation to the Placing. Apart from the responsibilities, if any, which may be imposed upon Peel Hunt and Panmure Liberum by the FCA or under the FSMA, or the regulatory regime established thereunder, Peel Hunt and Panmure Liberum will not be responsible to anyone other than Sirius for providing the protections afforded to their respective clients nor for providing advice in connection with the Placing or any transaction, arrangement or other matter referred to in this document.

Save for the responsibilities and liabilities, if any, of the Banks under the FSMA or the regulatory regime established thereunder, or of PSG Capital under the JSE Listings Requirements, none of the Banks or PSG Capital shall assume any responsibility whatsoever or makes any representations or warranties, express or implied, in relation to the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by Sirius, or on Sirius' behalf, or by the Banks or on the Banks' behalf or by PSG Capital or on PSG Capital's behalf. Nothing contained in this document is, or shall be, relied on as a promise or representation in this respect, whether as to the past or the future, in connection with Sirius. Each of the Banks and PSG Capital accordingly disclaim to the fullest extent permitted by law all and any responsibility and liability whether arising in tort, contract or otherwise which it might otherwise be found to have in respect of this document or any such statement.

NOTICE TO INVESTORS IN SOUTH AFRICA

In South Africa, the SA Placing has been made by way of a private placement of New Ordinary Shares to selected persons (i) falling within one of the specified categories listed in section 96(1)(a) of the South African Companies Act; or (ii) acting as principal, acquiring SA Placing Shares for a total contemplated acquisition cost of ZAR1,000,000 or more, as contemplated in section 96(1)(b) of the South African Companies Act ("**South African Eligible Investors**"). This document is only being made available to and is capable of acceptance by such South African Eligible Investors. Accordingly (i) the SA Placing is not an "offer to the public" as contemplated in the South African Companies Act; (ii) this document does not, nor does it intend to, constitute a "registered prospectus" or an "advertisement relating to an offer to the public", as contemplated by the South African Companies Act; and (iii) no prospectus has been filed with the CIPC in respect of the SA Placing. As a result, this document does not comply with the substance and form requirements for a prospectus set out in the South African Companies Act and the SA Regulations, and has not been approved by, and/or registered with, the CIPC, or any other South African authority. Furthermore, this document is not issued pursuant to the requirements of the JSE Listings Requirements. Should any person who is not a South African Eligible Investor receive this document, they should not and will not be entitled to participate in the SA Placing or otherwise act thereon.

The information contained in this document constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act, No. 37 of 2002, as amended (the "**FAIS Act**") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the SA Placing Shares or in relation to the business or future investments of the Company, is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. The Company is not a financial services provider licensed as such under the FAIS Act.

Nothing in this document should be viewed, or construed, as “advice” as that term is used in the SA Financial Markets Act and/or the FAIS Act. To the extent that any of the Company’s representatives and/or advisors, including PSG Capital and/or the Banks are registered Financial Services Providers, none of them purport to provide, market or advertise financial services to any person in respect of the Company and this document does not constitute financial advice, or financial services, provided by the aforesaid to any person who is in possession of this document.

NOTICE TO INVESTORS IN THE UNITED STATES

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the New Ordinary Shares or determined if this document is truthful or complete. Any representation to the contrary is a criminal offence.

The New Ordinary Shares have not been and will not be registered under the Securities Act. The New Ordinary Shares are subject to restrictions on transferability and resale and may not be transferred or resold, except as permitted under the Securities Act pursuant to registration or an exemption therefrom.

NOTICE TO OVERSEAS INVESTORS

This document does not constitute an offer of, or a solicitation to subscribe for or purchase, any securities in any jurisdiction in which such offer or solicitation is unlawful or to any person to whom it is unlawful to make such offer or solicitation. The New Ordinary Shares have not been and will not be registered or qualified for distribution to the public under the relevant laws of any Restricted Jurisdiction and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, in or into any Restricted Jurisdiction or in any other jurisdictions where the extension and availability of the Capital Raising would breach any applicable law, except pursuant to an applicable exemption.

This document does not constitute a prospectus for the purposes of any offer of shares in any EEA member state and has not been approved by a competent authority in any EEA member state for the purposes of the EU Prospectus Regulation. Accordingly, the New Ordinary Shares may only be offered to persons in any EEA member state who are “qualified investors” within the meaning of the EU Prospectus Regulation or in other circumstances in which a prospectus is not required by the EU Prospectus Regulation.

The Company, the Banks and PSG Capital do not make any representation to any offeree, subscriber or acquirer of the New Ordinary Shares regarding the legality of an investment in the New Ordinary Shares by such offeree, subscriber or acquirer under the laws applicable to such offeree, subscriber or acquirer. Each investor should consult with his or its own advisers as to the legal, tax, business, financial and related aspects of an investment in the New Ordinary Shares.

NOTICE TO ALL INVESTORS

The New Ordinary Shares may not be acquired by investors using assets of: (A) an “employee benefit plan” as defined in Section 3(3) of U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”), that is subject to Title I of ERISA or (B) a “plan” as defined in Section 4975 of the U.S. Internal Revenue Code of 1986, as amended.

Any reproduction or distribution of this document, in whole or in part, and any disclosure of its contents or use of any information contained in this document for any purpose other than considering an investment in the New Ordinary Shares is prohibited.

No action has been taken by the Company, the Banks or PSG Capital that would permit an offer of the New Ordinary Shares or rights thereto or possession or distribution of this document or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than in the UK or South Africa.

The contents of this document are not to be construed as legal, business or tax advice. Each prospective investor should consult his or its own legal, financial or tax adviser for legal, financial or tax advice. In making an investment decision, each investor must carry out their own examination, analysis and enquiry of the Company including the merits and risks involved.

The contents of the Group’s website (other than the information as set out in Part XVII (*Documents Incorporated by Reference*)) and any contents accessible from the links contained in the Group’s website are not incorporated into this document and therefore do not form part of this document.

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that the New Ordinary Shares are: (a) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook; and (b) eligible for distribution through all permitted distribution channels (the “**UK Target Market Assessment**”). Notwithstanding the UK Target Market Assessment, “distributors” (for the purposes of the UK Product Governance Requirements) should note that: the price of the New Ordinary Shares may decline and investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The UK Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the offer of New Ordinary Shares. Furthermore, it is noted that, notwithstanding the UK Target Market Assessment, the Banks will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the UK Target Market Assessment does not constitute: (i) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A, respectively, of the FCA Handbook Conduct of Business Sourcebook; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to, the New Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the New Ordinary Shares and determining appropriate distribution channels.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures in the EEA and in the UK (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the New Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, "distributors" (for the purposes of the MiFID II Product Governance Requirements) should note that: the price of the New Ordinary Shares may decline and investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Capital Raising. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Banks will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of the MiFID II Product Governance Requirements; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the New Ordinary Shares and determining appropriate distribution channels.

The date of this document is 11 July 2024.

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PART I

SUMMARY

1. INTRODUCTION AND WARNINGS

Details of the issuer: The issuer is Sirius Real Estate Limited, a company limited by shares incorporated in Guernsey with registered number 46442, ISIN code: GG00B1W3VF54, and JSE and LSE share code: SRE. The Company's registered office is Plaza House, Fifth Floor, Admiral Park, St Peter Port, Guernsey, GY1 2HU. The telephone number of the head office of Sirius Facilities GmbH, the Company's subsidiary, which is at Eichhornstraße 3, 10785 Berlin, Germany, is +49 (0)30 2850 10 101. The legal entity identifier of the Company is 213800NURUF5W8QSK566.

Details of the securities: On Admission, the New Ordinary Shares will be registered with an ISIN of GG00B1W3VF54 and a SEDOL of B1W3VF5. The New Ordinary Shares will be traded on the Main Market of the London Stock Exchange and on the Main Board of the JSE under the ticker symbol "SRE".

Details of the FCA: The head office of the FCA is at 12 Endeavour Square, London, E20 1JN. The telephone number of the FCA is +44 (0)20 7066 1000. This document was approved by the FCA on 11 July 2024.

Warnings: This summary should be read as an introduction to this document. Any decision to invest in the Ordinary Shares should be based on a consideration of this document as a whole by the investor. The investor could lose all or part of their invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document, or where it does not provide, when read together with the other parts of this document, key information in order to aid in considering whether to invest in the Ordinary Shares.

2. KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?

The Company is a company limited by shares, incorporated in Guernsey on 20 February 2007 under the Companies Law with registered number 46442, ISIN code: GG00B1W3VF54, and JSE and LSE share code: SRE with the name Dawnay, Day Sirius Limited. The name was changed in October 2008 to Sirius Real Estate Limited. The legal entity identifier of the Company is 213800NURUF5W8QSK566. The Company is registered with the Registrar of Companies in Guernsey under the Companies Law.

Principal activity: Sirius is a leading owner and operator of branded business parks, industrial complexes and out of town offices in Germany and the UK. The principal activity of the Group is the investment in, and development of, commercial property to provide conventional and flexible workspace in Germany and the United Kingdom.

Major Shareholders: As at the Latest Practicable Date, the Company had been notified in accordance with Rule 5 of the Disclosure Guidance and Transparency Rules of the following interests in its existing Ordinary Shares:

	<i>Number of Ordinary Shares</i>	<i>Percentage of voting rights</i>
BlackRock	149,566,311	11.09
abrdn	120,713,555	8.95
Public Investment Corporation (PIC)	73,541,620	5.46
Vanguard Group	70,929,579	5.26
Truffle Asset Management	55,583,561	4.12

BlackRock hold the above Ordinary Shares through a number of underlying funds, each of which is interested in less than 10 per cent. of voting rights.

Key managing directors: The executive directors are Andrew Coombs (Chief Executive Officer) and Chris Bowman (Chief Financial Officer).

Statutory auditor: Ernst & Young LLP is the statutory auditor of the Company and is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales. Its business address is 1 More London Place, London SE1 2AF, UK and it has no material interest in the Company or the Group.

What is the key financial information regarding the issuer?

Selected historical key financial information for the Group: The tables below set out selected financial information for the Group as at and for each of the three financial years ended 31 March 2024, 2023 and 2022.

Summary Group Income Statement Data

	For the year ended 31 March		
	2024	2023	2022
	€ million	€ million	€ million
Revenue	288.8	270.1	210.2
Operating profit before (deficit)/surplus from property, revaluation movements and results of investment in associates	117.9	108.8	40.3
(Deficit)/surplus from investment property	12.2	(9.8)	140.9
Operating (loss)/profit	130.7	101.6	188.2
(Loss)/profit before tax	115.2	87.0	168.9
(Loss)/profit for the year	107.9	79.7	148.0
Basic (loss)/earnings per share	8.75c	6.82c	13.48c
Diluted (loss)/earnings per share	8.63c	6.73c	13.29c
Basic EPRA earnings per share	8.21c	7.55c	6.44c
Diluted EPRA earnings per share	8.10c	7.45c	6.36c

Summary Group Statement of Cash Flows Data

	For the year ended 31 March		
	2024	2023	2022
	€ million	€ million	€ million
Cash generated from operations	115.2	87.0	168.9
Cash flows (used in)/generated from operating activities	146.1	113.4	81.8
Cash flows (used in)/generated from investing activities	(66.3)	(41.8)	(429.5)
Cash flows generated from /(used in) financing activities	42.6	(98.6)	431.8
Net increase /(decrease) in cash and cash equivalents	122.4	(27.0)	84.0
Cash and cash equivalents at 31 March	244.2	124.3	151.0

Summary Group Balance Sheet Data

	For the year ended 31 March		
	2024	2023	2022
	€ million	€ million	€ million
Non-current assets	2,308.6	2,223.8	2,197.2
Current assets	286.6	156.1	175.9
Total assets	2,595.2	2,388.7	2,386.9
Current liabilities	(153.6)	(352.8)	(120.5)
Non-current liabilities	(1,033.7)	(838.3)	(1,075.3)
Total liabilities	(1,187.3)	(1,191.1)	(1,195.8)
Total equity	1,407.9	1,197.6	1,191.1

This financial information has been extracted without material adjustment from the 2024 Financial Statements, the 2023 Financial Statements and the 2022 Financial Statements which are incorporated by reference in Part X (*Historical Financial Information of Sirius Real Estate Limited*) as described in Part XVII (*Documents Incorporated by Reference*) of this Prospectus.

There has been no significant change in the financial position or financial performance of the Group since 31 March 2024, the date of the Group's latest published audited year-end financial information, to the date of publication of this document.

What are the key risks specific to the issuer?

- (a) Sirius may not be able to generate rental income from the letting of its investment properties to its tenants and may be unable to find tenants for vacated space or newly created space. The loss of rent, rent reductions, higher vacancy rates and the inability to charge economically reasonable rents could have a detrimental effect on the Group's revenues, earnings and portfolio valuation.
- (b) The Group may be subject to increases in operating, financing and other expenses without a corresponding increase in turnover or tenant reimbursement of these costs. Factors which could increase operating and other expenses include increases in interest rates, the rate of inflation, payroll expenses, energy costs, taxation and currency fluctuation.
- (c) Sirius is subject to the risk of its contracting counterparties failing to meet their obligations.
- (d) A default by a major tenant or a significant number of tenants in the portfolio could result in a significant loss of rental income, void costs, a reduction in asset value and increased bad debts.
- (e) Sirius is exposed to risks in connection with the condition of its properties and the costs of maintenance and refurbishments and may face cost overruns, higher capital expenditures or delays in relation to renovation and modernisation activities.
- (f) When acquiring properties or an ownership interest in real estate companies, there is a risk that Sirius or appraisers acting on behalf of Sirius may inaccurately assess the value of the properties or the acquired interest, and that Sirius' due diligence may not identify all potential risks and liabilities in respect of an acquisition.
- (g) Risks may arise in connection with actual or potential acquisitions and investments, such as a higher level of indebtedness, higher interest expenses, issues arising from the integration of the business and the generation of planned synergies. Actual income and synergies from acquisitions may be lower than expected.
- (h) The Company may be subject to currency exchange risks.
- (i) The Group is reliant on the performance and retention of key personnel.
- (j) The Group is dependent on the condition of the real estate market in Germany and the UK which may deteriorate due to macroeconomic developments and deteriorations as well as other factors.
- (k) The Group is exposed to interest rate volatility and inflation.
- (l) The growth of Sirius' business is dependent on its ability to refinance its existing debt and to secure additional debt financing on acceptable terms.

3. KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

Type, class and ISIN of the securities: The New Ordinary Shares will be fully paid Ordinary Shares traded on the Main Market of the London Stock Exchange and the Main Board of the JSE under the ticker symbol "SRE". On Admission, the New Ordinary Shares will be registered with an ISIN of GG00B1W3VF54 and a SEDOL of B1W3VF5.

Currency, denomination and par value of the securities: The New Ordinary Shares have no par value, and are issued at a price expressed in pounds sterling.

Number of issued and fully paid securities: In total, the Company will issue up to 162,234,042 New Ordinary Shares in the Capital Raising. As at the Latest Practicable Date, there were 1,349,623,348 Existing Ordinary Shares in issue.

Rights attaching to the securities: All New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including, without limitation, the right to receive all dividends and other distributions made, paid or declared after the date of issue of the New Ordinary Shares. On a show of hands at general meetings of the Company, every Shareholder who is present in person and every person holding a valid proxy shall have one vote and on a poll every Shareholder present in person or by proxy shall have one vote per New Ordinary Share.

Rank of securities in the Company's capital structure: The New Ordinary Shares do not carry any rights to participate in a distribution of capital (including on a winding-up) other than those that exist as a matter of law. The New Ordinary Shares and the Existing Ordinary Shares will rank *pari passu* in all respects.

Restrictions on free transferability of securities: The New Ordinary Shares are freely transferable and there are no restrictions on transfer of the New Ordinary Shares in the UK or South Africa, subject to compliance with applicable securities laws and the Articles.

Dividend or payout policy: It is the Company's current policy to pay out at least 65 per cent. of Funds From Operations ("**FFO**") as dividends. FFO is calculated as recurring profit before tax as reported in the Company's statutory accounts, adjusted for depreciation, amortisation of financing fees and current tax receivable/incurred. The board of directors of the Company (the "**Board**") seeks to balance its dividend policy with its cash flow requirements, in particular its capex investment programme and regular debt amortisation. The Company retains the flexibility to adjust this pay out ratio, as it has done in the past, to take into account, for instance, cash drag from equity fundraisings and acquisitions.

The Company converted into a UK REIT in respect of its UK business with effect from 1 April 2022. In order to comply with UK REIT status, the Company is required to meet a minimum distribution test in respect of its UK business for each year that it is a UK REIT. This minimum distribution test requires the Company to distribute 90 per cent. of the income profits of the UK Property Rental Business for each accounting period, as adjusted for tax purposes.

Currently the Company pays dividends on a half yearly basis with dividends declared in or around June and November of each year and paid as soon as practicable thereafter.

The Company has previously offered Shareholders the opportunity to receive some or all of their dividend entitlement in Ordinary Shares rather than cash (the "**Scrip Dividend Plan**"). At the 2023 annual general meeting, the Company obtained authority to offer to Shareholders the right to elect to receive Ordinary Shares instead of some or all of their entitlement to any dividend declared in respect of the year ended 31 March 2024.

The Group declared a 2023 interim dividend of €0.030 per ordinary share, which was announced on 20 November 2023 and paid on 25 January 2024 to shareholders on the UK share register at the close of business on 15 December 2023 and to shareholders on the South African share register at close of business on 14 December 2023. For shareholders who wished to receive their dividend in the form of shares, a dividend reinvestment plan was available.

On 3 June 2024, the Board declared a dividend of €0.0305 per share in respect of the six months ended 31 March 2024, which would give a total dividend for the year ended 31 March 2024 of €0.0605 per share, an increase of 6.5 per cent. on the €0.0568 dividend for the year ended 31 March 2023. Payment of this dividend was approved by a non-binding advisory vote of Shareholders at the 2024 Annual General Meeting.

The level of future dividends will be determined by the Board having regard to, among other things, the financial position and performance of the Group at the relevant time, UK REIT requirements and the interests of Shareholders, as a whole.

Where will the securities be traded?

Application will be made to the FCA for the New Ordinary Shares to be listed on the premium listing segment of the Official List of the FCA, to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the Main Market and to the JSE for the New Ordinary Shares to be admitted to trading on the Main Board of the JSE. No application has been made or is currently intended to be made for New Ordinary Shares to be admitted to listing or trading on any other exchange.

What are the key risks that are specific to the securities?

- The public trading price of the Ordinary Shares might decline below the Offer Price or be subject to volatility.
- Following the issue of the New Ordinary Shares allotted pursuant to the Capital Raising, Shareholders not participating in the Capital Raising will experience dilution in their ownership of the Company.
- The Company is not able to guarantee that dividends will always be paid to Shareholders and any decision to declare and pay dividends in the future will depend on, amongst other things, the financial condition of the Group.

4. KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET

Under which conditions and timetable can I invest in this security?

A. General terms, conditions and expected timetable of the offer

In aggregate, the Company has conditionally raised £150 million and may seek to raise up to a further £2.5 million via the Retail Offer, as part of the Capital Raising, through the issue of up to 162,234,042 New Ordinary Shares at the Offer Price (comprising 136,035,152 Placing Shares, 23,404,255 SA Placing Shares, 135,061 Subscription Shares and up to a further 2,659,574 Retail Offer Shares), representing approximately 12.0 per cent. of the Company's issued ordinary share capital.

The Placing comprised an institutional placing conducted through an accelerated bookbuilding process launched on 10 July 2024 and was made available to new and existing eligible investors. The SA Placing was made available to selected qualified investors in South Africa which, in each instance, fall within the categories of persons contemplated in either section 96(1)(a) or 96(1)(b) of the South African Companies Act. The Placing has been fully underwritten by the Banks, subject to the conditions set out in the Sponsor and Placing Agreement. The SA Placing has been committed pursuant to the terms of the SA Placing Undertakings.

Certain directors and PDMRs of the Company have also participated in the Capital Raising and subscribed for the Subscription Shares.

The Company also intends to make the Retail Offer after the date of the publication of this document but prior to Admission. The Retail Offer is expected to be made on behalf of the Company by PrimaryBid Limited on its online platform which would provide eligible existing and new retail investors in the UK with an opportunity to participate in the Capital Raising.

The Capital Raising is conditional on, *inter alia* (i) the Sponsor and Placing Agreement having become unconditional in all respects, save for the condition relating to Admission, and not having been terminated in accordance with its terms before Admission occurs; and (ii) UK Admission and JSE Admission occurring.

In relation to the Placing, each Bank has severally (and not jointly nor jointly and severally) agreed with the Company, in the event of any default by a Placing in paying the Offer Price in respect of any Placing Shares allotted to it, to take up such Placing Shares itself at the Offer Price in the agreed proportions as set out in the Sponsor and Placing Agreement. The SA Placing is on a 'delivery versus payment' basis in accordance with the terms of the SA Placing Undertakings.

The Capital Raising has been conducted on a non-pre-emptive basis pursuant to the Company's existing shareholder authorities. The Company has consulted, where possible, with the Company's

major institutional shareholders prior to the Capital Raising. The Capital Raising structure was chosen as it minimises cost, time to completion and use of management time. The consultation has confirmed the Board's view that the Capital Raising is in the best interest of shareholders, as well as wider stakeholders of Sirius. The Company has respected the principles of pre-emption through the allocation process, while also allowing the participation of new investors, with allocations being in the Company's discretion. The shareholding of any Shareholder not participating in the Capital Raising will be diluted by 10.7 per cent. as a result of the Capital Raising (assuming full take-up under the Retail Offer).

The total costs and expenses payable by the Company in connection with the Capital Raising (including the listing fees of the FCA, the London Stock Exchange, the JSE, professional fees and expenses and the costs of printing and distribution of documents) are estimated to amount to approximately £5.7 million (including VAT).

Why is this prospectus being produced?

This document has been prepared solely in connection with the Company's application for UK Admission.

Reasons for the Capital Raising

The Directors believe the Capital Raising will provide the balance sheet flexibility and financial resources to execute on its on-going acquisition strategy. In Germany, this strategy focuses on multi-let industrial and business parks in areas with critical mass with a site value of €10 million to €50 million, typically with vacancy parks and under-rented. In the UK, the strategy focuses on multi-let industrial, studios and workspaces with a site value of £5 million to £30 million, typically on assets with high gross yields that require work. The Group will also consider larger opportunities where appropriate to drive shareholder value. The Company intends to apply the net proceeds of the Capital Raising towards executing on its indicative acquisition pipeline and replenishing funds to use opportunistically following acquisitions completed over recent months. The allocation of net proceeds between Germany and the UK is dependent upon a number of factors, including the Company's ability to complete satisfactory due diligence, obtain any debt finance which it considers appropriate for any particular transaction and conclude agreements for such acquisitions in order to deliver the best returns for the Company. Accordingly, the exact allocation of net proceeds may vary between particular identified opportunities and between the UK and Germany. The Company will retain the net proceeds of the Capital Raising on its balance sheet until such times as they are required to be deployed in acquisitions.

Material interests: There are no interests, including any conflicting interests, known to the Company that are material to the Company or Admission.

PART II

RISK FACTORS

Any investment in the Ordinary Shares is subject to a number of risks and uncertainties. Accordingly, prior to any such investment in the Ordinary Shares, prospective investors should carefully consider the risks and uncertainties associated with any such investment and the business of the Group and the industry in which the Group currently operates, together with all other information contained in this document, including, in particular, the risk factors described below.

Prospective investors should note that the risks and uncertainties summarised in Part I (Summary) are the risks that the Board believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks and uncertainties which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks and uncertainties summarised in Part I (Summary) of this document but also, among other things, the risks and uncertainties described below.

In accordance with the Prospectus Regulation Rules, the most material risk factors have been presented first in each category, but the order in which the remaining risk factors are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential harm to the business, reputation, results of operations, financial condition or prospects of the Group.

The following is not an exhaustive list or explanation of all risks which prospective investors may face when making an investment in the Ordinary Shares and should be used as guidance only. Additional risks and uncertainties relating to the Group that are not currently known to the Group, or that the Board currently deems immaterial, may individually or cumulatively also have a material adverse effect on the business, financial condition, results of operations and prospects of the Group and, if any such risk should materialise, the price of the Ordinary Shares may decline and investors could lose all or part of their investment. If prospective investors are in any doubt about any action they should take, they should consult a competent independent professional adviser who specialises in advising on the acquisition of listed securities.

1. RISKS RELATING TO THE GROUP'S BUSINESS AND OPERATIONS

Sirius may not be able to generate rental income from the letting of its investment properties to its tenants and may be unable to find tenants for vacated space or newly created space. The loss of rent, rent reductions, higher vacancy rates and the inability to charge economically reasonable rents could have a detrimental effect on the Group's revenues, earnings and portfolio valuation.

Sirius' business success significantly depends on its ability to maintain and increase rental income and to reduce vacancy rates in rental properties in the course of its real estate management activities. As at 31 March 2024, the total vacancy rate was 14.5 per cent. (31 March 2023: 16.1 per cent.). In turn, occupancy rates (i.e. the percentage of total lettable space occupied as at reporting date) slightly increased over the most recent periods from 83.9 per cent. as at 31 March 2023 to 85.5 per cent. as at 31 March 2024.

A future decrease of such vacancy rates would contribute to growth in rental income. However, there can be no assurance that such reduction in vacancy rates will actually occur. This is particularly the case with property holdings located on the edges of conurbations outside of the largest seven German cities by population (Berlin, Hamburg, Munich, Cologne, Frankfurt, Stuttgart and Düsseldorf), which are often characterised by higher vacancy rates. Low demand for business parks in Germany and the UK, as a result of economic, social or other conditions, may lead to higher vacancy rates and subsequently lower current gross rental income. Vacancies also occur when space is in need of refurbishment. Low demand could also necessitate that properties are leased on less favourable terms (including but not limited to lower rents, shorter term leases or tenant break clauses), or to tenants who pose greater risks of defaulting. If tenants were to be unable to fulfil their rent payment obligations in whole or in part, for example, due to the worsening of their financial situation as a result of deterioration in economic activity globally, increased interest rates, inflationary pressures, energy prices, geo-political conditions (including the Ukraine-Russia conflict and the conflict in Gaza and the wider Middle East), market volatility, or if a large number of tenants terminate their

leases, or a significant number of leases expire at the same time or within a short period of each other (either with respect to any particular property or across a large number of properties) and Sirius is not able to secure replacement leases for the affected properties, this would result in a loss of rental income for Sirius and could materially adversely affect its earnings and results of operations. Approximately 68 per cent. of Sirius' rent roll from its UK properties is derived from tenants with whom Sirius has agreed rolling annual licences with a three-month break period or 3 month rolling licence agreements. Should a significant number of these leases terminate within a short period of each other, this could materially adversely affect its results of operations. Rent roll can also be subject to some seasonal fluctuations, as move-outs tend to occur earlier in the year.

Sirius may also be limited in its ability to increase or maintain rents at existing levels. A lack of demand or an increased supply of properties on the commercial real estate market in general or in specific locations or alternative properties in better condition could result in a reduction in rental income or the inability to increase rents. If Sirius is forced to reduce the rent for a property to attract suitable tenants or a property is vacant in whole or in part over a long period or if it is necessary to provide considerable incentives (e.g., rent-free periods), this would adversely affect Sirius' rental income. If any of the above risks were to materialise, this could have material adverse effects on Sirius' business, net assets, financial condition and results of operations and impact on Sirius' ability to make distributions to Shareholders and to service and repay its indebtedness.

The Group may be subject to increases in operating, financing and other expenses.

The Group's operating, financing and other expenses could increase without a corresponding increase in turnover or tenant reimbursement of these costs. Factors which could increase operating and other expenses include, among other things:

- increases in interest rates;
- increases in the rate of inflation and currency fluctuation;
- increases in payroll expenses and other operating costs;
- unforeseen increases in the costs of maintaining properties;
- changes in laws, regulations or government policies (including those relating to health and safety and environmental compliance) which increase the costs of compliance with such laws, regulations or policies;
- increases in energy costs;
- increases in property taxes and other local government charges; and
- increases in insurance premiums.

Such increases could have a material adverse effect on the Group's business, net assets, financial condition and results of operations and its ability to make distributions to Shareholders.

Sirius is subject to the risk of its contracting counterparties failing to meet their obligations.

Sirius engages in contractual relationships with third parties in the ordinary course of business. For the Group, this relates to both operating the portfolio and acquiring and selling properties. For operating the portfolio, the risk is primarily with tenant lease contracts and contracts with suppliers for services provided to the Group's properties. In relation to acquiring and selling properties, this relates to agreements with sellers and purchasers as well as the financing institutions that provide debt to acquire the assets. Examples of such failures include a lender defaulting on its commitment to provide financing to a purchaser or a purchaser defaulting in respect of the purchase of a property from the portfolio, but also include construction companies not completing or unlawfully renovating space, or third-party facility management and security service providers failing to fulfill their obligations. If Sirius' contracting counterparties fail to adhere to their contractual obligations, Sirius may have to bear the costs associated with such failures. The failure of third parties to fulfill their contractual responsibilities could place the Group and its business at risk and could have material adverse effects on Sirius' business, net assets, financial condition and results of operations.

A default by a major tenant or a significant number of tenants in the portfolio could result in a significant loss of rental income, void costs, a reduction in asset value and increased bad debts.

In Germany, as at 31 March 2024, 38 per cent. of the Group's total German annualised rent roll came from its top 50 anchor tenants, with the largest single tenant in Germany contributing 2.1 per cent. of total German annualised rent roll. In terms of sector concentration, government tenants comprised 7.9 per cent. of the Group's total German annualised rent roll, and Smartspace and other SME tenants comprised 62 per cent. of the Group's total German annualised rent roll.

In the UK, as at 31 March 2024, the Group's top 100 tenants, which are typically large corporates, account for 21.2 per cent. of the total UK annualised rent roll with the next 900 tenants accounting for 44.8 per cent. of the total UK annualised rent roll. The remaining 34 per cent. of the total UK annualised rent roll relates to nearly 3,000 SME and micro-SME tenants which occupy 39.6 per cent. of the overall estate in the UK.

A downturn in business, bankruptcy or insolvency procedures could also force the tenants to default on their rental obligations and/or vacate the premises. If a significant proportion of the Group's tenants fail to pay their rent in full when due, request rent abatements or deferrals or undertake tenant restructurings, or governments continue to enforce restrictions on the ability of landlords to enforce rent collection, then the Group's business, results of operations, financial condition and prospects could be materially adversely impacted. Such a default, in particular by a series of the Group's tenants in any one property or by several of the Group's tenants, could result in a significant loss of rental income, void costs, an increase in Sabre's bad debt provision (due to such tenants' inability to service debts) and a decrease in the value of the Group's property portfolio. Such a default may also prevent the Group from increasing rents or result in lease terminations by, or reductions in rent for, other tenants. The overall effect of one or more of these risks is likely to have a material adverse effect on the Group's business, net assets, financial condition and results of operations.

Sirius is exposed to risks in connection with the condition of its properties and the costs of maintenance and refurbishments and may face cost overruns, higher capital expenditures or delays in relation to renovation and modernisation activities.

For Sirius to support the demand for rental properties in the future and to generate adequate rental revenues over the longer term, the condition of the properties must be maintained or raised to the market standard. In particular, if repairs or modernisations are necessary to meet new regulations or market requirements (e.g., with regard to energy savings, ESG targets or health, safety and environmental ("HSE") regulations), Sirius as the property owner may have to bear considerable costs for such repairs or modernisations including for example in order to retrofit its assets or implement changes to its policies and procedures in order to achieve its net zero, energy efficiency and/or other ESG targets or to effectively respond to new, or changes in, legal or regulatory requirements or stakeholder expectations concerning environmental or other ESG matters.

Sirius is limited in its ability to pass on its maintenance and repair costs to tenants and may not be able to increase rents as much as may be economically necessary in highly competitive regions due to prevailing market conditions or tenants' inability to pay higher rents, although maintenance and repair costs are generally passed to tenants by way of a service charge. The Group's capex investment programmes focus on the redevelopment, refurbishment, enhancement or expansion of sub-optimal vacant space. Increases in capital expenditure associated with the transformation of sub-optimal rental space resulting in a lower income return, could have an adverse effect on the Group's business and results of operations.

Although most of Sirius' investment properties were built post-1990 (modern business parks and office buildings), the majority of its traditional business parks were originally constructed by owner occupiers, with many having construction dates going back to the early to mid-1900s. Although Sirius regularly reviews the technical status of its properties and budgets for, and monitors, the necessary maintenance measures on an on-going basis, numerous factors may result in significant unplanned refurbishment or modernisation costs, such as the materials and substances used at the time of the respective property's construction, unknown breaches of building or environmental regulations, and/or the age of the buildings concerned. Sirius may incur unexpected costs if the necessary costs for the maintenance or modernisation of its properties exceed Sirius' estimates (including if costs increase due to increased market competition), if Sirius is unable to increase rents or recover such costs via the service charge in connection with maintenance or modernisation due to contractual or legal restrictions, or if hidden defects that are not covered by any

insurance or contractual warranty are discovered during the undertaking of the maintenance or modernisation measures. The value and operating results from Sirius' properties may be significantly lower if similar properties owned by a competitor in the vicinity of Sirius' properties become available or if these properties are of comparable price but of a higher quality. If actual maintenance costs exceed Sirius' estimates or if Sirius is unable to increase rents to cover such additional costs or recover them through the service charge, this may adversely affect the profitability of the affected property, which may have an adverse effect on Sirius' results of operations. Furthermore, if Sirius fails to carry out necessary maintenance work, this could trigger a claim by tenants for a suspension or reduction of rent or even a right to terminate existing leases, which could adversely affect the rental income and the value of the affected properties. All of the above factors could have a material adverse effect on the Group's business, net assets, financial condition and results of operations.

In addition, maintenance or modernisation activities may require planning permission or permits, which authorities may grant under specific conditions or constraints or they may refuse to grant these in a timely manner, or at all. The process for obtaining planning consents can be time-consuming and costly. Planning legislation and practice are also subject to change, which could make the planning process more time-consuming or costly. This could lead to delays and constraints on the Company's financial performance. Construction work related to such activities may involve higher costs or further investments than originally planned, and unforeseen expenses may be incurred, due to, among other things, construction delays as a result of property defects not identified prior to the acquisition or otherwise. Any inability to engage in and complete renovation and modernisation in a timely manner could have an adverse effect on the Group's business, net assets, financial condition and results of operations.

When acquiring properties or an ownership interest in real estate companies, there is a risk that Sirius or appraisers acting on behalf of Sirius may inaccurately assess the value of the properties or the acquired interest, and that Sirius' due diligence may not identify all potential risks and liabilities in respect of an acquisition.

Sirius may opportunistically acquire properties, whether individually or as part of a business. When acquiring properties, Sirius relies on valuations conducted by independent appraisers, which could overestimate a property's earning potential or underestimate its investment needs and, as a result, Sirius could pay an inflated purchase price. Prior to entering into an agreement to acquire any property, the Group will also perform due diligence on the proposed investment. In doing so, it would typically rely, in part, on third parties to conduct a significant portion of this due diligence (including legal reports on title and property valuations). If the Group or other third parties underestimate or fail to identify risks and liabilities associated with the investment in question (including, for example, defects in title or environmental, structural or operational defects requiring investigation, removal or remediation, as well as any inability by the Group to obtain the necessary permits or planning permission), there may be a risk that properties are purchased for a price which exceeds their realistic value or that properties are acquired that fail to perform in accordance with projections. In such cases, the market value of individual properties or entire property portfolios could be lower than the purchase price paid by Sirius. This could result in a reduction of income and the need for impairment losses.

There can be no assurance that the title to the properties in any acquisition will not be subject to challenge, the success of which may have adverse consequences for its title and the Group may not be able to obtain compensation from the seller in this circumstance.

The Group may not have full recourse against a seller in respect of all potential liabilities in relation to acquisitions, whether identified or unidentified. As part of any acquisition, whether asset or corporate, the Group will normally receive certain indemnities, representations and/or warranties from the seller(s). However, these indemnities, representations and/or warranties may not cover all potential liabilities associated with the relevant property holding entity or the property itself, whether identified or unidentified, and in certain circumstances are limited in their scope, duration and/or amount. On an asset purchase, the Group will also carry out its own due diligence but is reliant upon information provided by the seller as part of the sales pack. The Group may also obtain warranty and indemnity insurance in respect of certain corporate acquisitions. However, such insurance is subject to exclusions and limitations and may not cover all of the risks or losses that may manifest in connection with a particular acquisition. Accordingly, the Group may not have full recourse against, or otherwise recover in full from, any relevant seller (or insurer) in respect of all losses suffered as a result of a breach of those representations and/or warranties, in respect of the subject matter of any of the indemnities, or in respect of the acquisition. Moreover, even if Sirius is able to eventually

recover any losses resulting from a breach of these representations and warranties, it may temporarily be required to bear these losses pending a successful claim against the seller(s) and/or under the relevant insurance policy(ies). In addition, the Group will be dependent on the ongoing solvency of the seller(s) to the extent that it seeks to recover amounts in respect of claims brought under such indemnities, representations and/or warranties.

Any inaccurate evaluation in the appraisal of properties or property portfolios, or investments in real estate companies, the existence of latent defects and additional remediation costs, or a considerable number of terminated transactions and a substantial amount of unsuccessful acquisition-related expenses could have material adverse effects on Sirius' business, net assets, financial condition and results of operations.

Risks may arise in connection with actual or potential acquisitions and investments, such as a higher level of indebtedness, higher interest expenses, issues arising from the integration of the business and the generation of planned synergies. Actual income and synergies from acquisitions may be lower than expected.

Acquisitions of portfolios and businesses that have already been carried out or will be carried out in the future or the acquisition of investments may involve considerable risks. In addition to risks pertaining to the real estate itself, there is the risk that acquisitions tie up management time and resources, which cannot be used for other purposes. Moreover, the acquisition of portfolios, businesses and investments may result in a higher level of indebtedness and higher interest expenses.

If Sirius' growth is realised by the acquisition of, or investments in, other businesses, the successful integration of business units or investments acquired or disposal of assets outside the investment focus is also necessary to achieve the synergies pursued by the acquisition or investment. Where Sirius does not hold 100 per cent. of the shares in an acquired company and, for example, a profit and loss transfer agreement has not been concluded or where Sirius indirectly holds shares, the integration process, which often entails the restructuring of acquired companies or portfolios or the sale of "non-core" properties following an acquisition, may take longer than expected, require more resources than planned or fail completely. For this reason, anticipated synergies, economies of scale and cost savings may not be realised at all or in full or may be delayed.

When assessing acquisitions, Sirius makes various assumptions, amongst other things with respect to revenues and income, the possibility to reduce vacancies, required capital investments, integration costs, synergies and economies of scale as well as transaction expenses. It cannot be excluded, however, that these and other assumptions do not materialise or materialise only in part or only subsequently which, for example, in case of an unidentified investment backlog, may subject Sirius to considerable costs. Moreover, acquired real estate or property portfolios may entail greater administrative and marketing issues than expected or may be situated at less attractive locations or may not fit into Sirius' business strategy. These and other factors may result in lower than anticipated rental income, sale proceeds, profits, or valuations.

For the above reasons, the success of acquisitions and investments that have already been carried out or will be carried out in future cannot be guaranteed. If acquisitions or investments do not have the expected results, this could have material adverse effects on Sirius' business, net assets, financial condition and results of operations.

The Company may be subject to currency exchange risks.

The Company's current functional and presentational currency is Euros. As a result, the Company's consolidated financial statements present the Company's balance sheet and operational results in Euros. The Company is subject to a number of currency exchange risks, including the impact of currency exchange fluctuations on the Group's financial results reported in Euro, as well as its ability to pay dividends. The Company does not currently have any hedging or derivative instruments in place.

The Group's exposure to currency risk relates primarily to the Group's exposure to the Pounds Sterling. This exposure is driven primarily by the UK operating segments, where changes in exchange rates between Euro and Pounds Sterling could lead to significant changes in the value of the UK portfolio of properties and the Group's revenues derived from UK assets that are denominated in Pounds Sterling, each of which could in turn affect the Group's reported financial results from period to period. In addition, a fall in the value of Pound Sterling would lead to a fall in the value of the UK assets, which in turn could affect the compliance with the

loan-to-value covenants included in the Company's corporate bond terms, which are measured in Euros at the Group level. Furthermore, currently all of the Company's debt is denominated in Euros, with interest payable in Euros, so that currently no "natural hedge" is in place in relation to currency fluctuations in relation to the Company's debt and interest payment exposure.

In addition, any dividends to be paid in respect of the Ordinary Shares will be paid in Euros or Pounds Sterling (at the Shareholder's election) for Shareholders on the UK register and in Rand for Shareholders on the South African register. Following the Company's expansion into the UK in November 2021 certain of the Company's revenues derived from its UK assets are denominated in Pounds Sterling. The foreign currency risk in relation to Pounds Sterling is mitigated as a result of the UK portfolio of properties generating Pounds Sterling denominated income in order to fund its obligations when they come due and, in addition, the Group's Pounds Sterling dividend obligations. The Group holds small deposits in South African Rand for the purposes of working capital and dividend obligations.

Such currency exchange risks could have a material adverse effect on the Company's business, net assets, financial condition, results of operations and prospects.

The Group is reliant on the performance and retention of key personnel.

The Group is internally managed and relies on its employees and their experience, skill and judgment in identifying, selecting and negotiating the acquisition and disposal of suitable properties, as well as the development and property management of the portfolio when owned. The Group also relies on its executive directors (the "**Executive Directors**", and each an "**Executive Director**") and other members of the executive team to manage the day-to-day affairs of the Group. There can be no assurance as to the continued service of these individuals as Executive Directors and employees of the Group. The departure of any of these individuals from the Group without adequate replacement may have a material adverse effect on the Group's business, net assets, financial condition and results of operations.

The Group may fail to complete acquisitions successfully and may incur costs associated with potential property acquisitions (whether by asset or by business) that do not proceed to completion.

In the context of planned acquisitions, unforeseen problems such as significant economic or legal obstacles to the acquisition may arise. This could also cause Sirius to withdraw from a planned transaction despite a meaningful investment of time by management and financial resources, which may sometimes be significant. For example, the use of internal human resources (for example, the Board and any senior management) may take significant time and the hiring of consultants and other advisers may be costly.

The Group expects to incur certain third-party costs, including in connection with financing, valuations and professional services associated with the sourcing and analysis of suitable properties for potential acquisition. The Group usually limits these on a transaction-by-transaction basis but as there can be no guarantee that the Group will be successful in its negotiations to acquire any given property, it may incur costs when transactions fail. The Group may enter into certain purchase agreements, which include non-reimbursable deposits, break fees or other related damages payable by the Group to the seller if it fails to meet the agreed terms of the purchase agreement. The greater the number of transactions that do not reach completion, the greater the likely impact on the Group's results of operations.

The Group's current portfolio composition might change due to acquisitions and/or disposals, which could have an impact on its tenant structure.

Sirius has a dedicated geographical focus for acquisition activity.

In Germany, Sirius primarily targets properties in Germany's seven largest cities by population: Berlin, Hamburg, Munich, Cologne, Frankfurt, Stuttgart and Düsseldorf. Sirius' German portfolio is dominated by traditional mixed-use industrial business parks which are often let to international blue-chip corporations and which accounted for 54 per cent. of the Group's total German annualised rent roll as at 31 March 2024, while modern mixed-use business parks (which represented 28 per cent. of the Group's total German annualised rent roll as at 31 March 2024) and other office buildings (representing 18 per cent. of the Group's total German annualised rent roll as at 31 March 2024) are often let to small and medium-sized enterprise tenants (German term: *Mittelstand* or "**SMEs**").

In the UK, Sirius' assets comprise 74 properties located throughout the UK which are predominantly industrial sites (which represent 30 per cent. of total UK annualised rent roll as at 31 March 2024), mixed-use sites (which represent 26 per cent. of total UK annualised rent roll as at 31 March 2024) and offices (which represent 44 per cent. of total UK annualised rent roll as at 31 March 2024).

The Group's relatively diversified portfolio may change following acquisitions and/or disposals which may – at least in the mid-term – have a negative impact on the Group's tenant structure since the more traditional business parks are often located in or even close to the largest seven German cities. This risk could also materialise as a result of an increased geographic focus on the UK commercial real estate market and a material shift in Sirius' portfolio composition. A change in the overall portfolio and other factors may result in less rental income which could have material adverse effects on Sirius' business, net assets, financial condition and results of operations.

The Group is exposed to risks in connection with joint ventures.

Sirius conducts its business in part via joint ventures. Under the terms of the relevant joint venture agreement(s), joint venture partners may have the ability to block (e.g., in the case of a deadlock scenario) or delay any shareholder resolution or business, financial or other management decisions, which may be crucial to the success of a particular project or Sirius' investment in the joint venture or otherwise try to implement initiatives which may be contrary to Sirius' interests. Moreover, Sirius' venture partners may be unable, or unwilling, to provide additional capital contributions upon request or fulfil their other obligations under the joint venture arrangements or may experience financial or other difficulties that may adversely impact the ongoing viability or performance of the joint venture.

For example, in July 2019, the Company (via the Titanium Venture Shareholders) entered into a contractual venture with AXA Investment Managers Alt (via the AXA Shareholder), an active, long-term, global, multi-asset investor and global leader in alternative investments. The contractual venture was formed immediately following the sale by the Titanium Venture Shareholders of a 65 per cent. stake in five business parks, with Sirius (via the Titanium Venture Shareholders) retaining the remaining 35 per cent. (the "**Titanium Venture**" or "**Titanium**"). Titanium was initially set up with five assets and as at 31 March 2024 held seven properties located in key locations throughout Germany such as Berlin, Nuremberg, Bayreuth and Mainz (the "**Titanium Assets**"). As at 31 March 2024, the Titanium Assets had a gross asset value of €360.7 million, and Sirius had a net loan-to-value ("**Net LTV**") ratio of 33.9 per cent. (31 March 2023: 41.6 per cent.; 31 March 2022: 41.6 per cent.). For a calculation of Net LTV, a non-IFRS measure, based on our audited financial statements, see Part XI (*Operating and Financial Review – Non-IFRS Measures – Reconciliation*). If a venture partner wished to exit from the Titanium Venture, the sale proceeds for such exit would be based on the fair market value of the Titanium Assets, which is to be determined by an independent appraiser if the venture partners do not agree on a valuation within a certain period. Pursuant to the terms of the shareholder agreement, the consideration receivable by the Group in certain circumstances involving a deadlock, a "drag along" or an event of default is capped at €60 million. However, since the outcome of such valuation depends on, among other things, the general development of the real estate market as well as the general economic situation and certain factors relating to specific properties held, the determined valuation may be significantly higher as compared to the date of the establishment of the Titanium Venture.

In addition, if the Company were found to be in an event of default on its contractual obligations under the contractual venture agreement, the Company could be required to restructure or terminate the Titanium Venture in which case its reputation could suffer. These factors could have a material adverse effect on Sirius' business, net assets, financial condition and results of operations.

The Group could be subject to claims in connection with the disposal of its assets.

In the course of its asset recycling programme, the Group has sold several properties and expects to sell further properties in the future. In connection with property sales, the seller often provides the buyer with various representations, warranties and covenants and indemnities with respect to certain aspects of the sold property, for which a seller may remain liable for a period of time following the sale. The Group could be subject to claims for damages from buyers, who may assert that Sirius has failed to satisfy its obligations pursuant to such covenants, or that its representations and warranties were incorrect. For example, if Sirius, as seller, provided warranties and indemnities to a buyer of properties in connection with maintenance, renovation and modernisation measures conducted by third parties engaged by Sirius, and claims are

asserted against Sirius as a result of defects, Sirius may not have recourse against the companies that performed the work.

As a seller of properties, Sirius may also be liable to tenants for breaches of lease agreements by the purchaser, even where Sirius no longer has control over the respective property. When selling properties, Sirius must typically inform all tenants in writing of the change of the landlord, either alone or in conjunction with the purchaser, to be released from its ongoing obligations. In Germany the seller will only be released from its liability if the tenant does not terminate the lease agreement at the next possible termination date (and as of such next possible termination date) or if the subsequent liability of the landlord has been validly excluded in an individual agreement with the respective tenant. In Germany, for example, a release from liability does not apply to security deposits (*Mietsicherheiten*) provided by the tenants. If a tenant in Germany is unable to receive its security deposit from the purchaser of a property, the liability to repay such security deposit remains with Sirius as the seller. If Sirius is required to meet any such liabilities from its own resources and the amount of those liabilities (singly or in the aggregate) is substantial this, in turn, could have a material adverse effect on the business, net assets, financial position and results of operations of the Group. In the UK, as well as in Germany, the transfer of and liability for any security deposits would be dealt with as part of the sale process to ensure that there is no ongoing liability for Sirius post-completion.

Sirius' flexible, short term let offering may expose the Group to risks of not being able to re-let certain properties within a short period of time if they become vacant due to the expiry of short-term leases.

The usage split within the Group's portfolio is a mixture of production spaces, warehouses, workshops, offices and storage whilst the tenant profile includes a combination of large international corporations, SMEs, as well as smaller companies and private clients.

In Germany, to maximise the utilisation of space, Sirius has developed serviced offices, self-storage and workbox products, which are particularly popular with tenants seeking flexible solutions to their accommodation needs. These products are usually created from space that other owners may regard as structural vacancy by investing into these spaces and using the capability of the in-house sales and marketing teams to let these at premium rental rates. Most sites have a combination of anchor tenants which provide secure long-term income, SME tenants on a combination of conventional and flexible lease terms and Smartspace tenants using self-storage, serviced office and workbox products.

In the UK, all sites operate under the BizSpace brand. BizSpace offers light industrial, mixed-use space and offices to a wide range of businesses, offering a blend of flexible agreements and longer-term leases. In particular, Sirius' mixed-use sites give customers the flexibility to choose between a lease or a licence.

As a result of these flexible, short-term letting arrangements, going forward, Sirius may become exposed to risks of not being able to re-let some of its properties (in particular, its Smartspace offices) when they become due and on favourable terms and thus may not be able to secure long-term income. In turn, this could have a material adverse effect on the business, net assets, financial position and results of operations of the Group.

The Group's ability to continue to grow will depend on its ability to identify and acquire suitable properties at satisfactory prices and to overcome competition in doing so.

Sirius aims to grow and manage a profitable and cash flow generating commercial real estate portfolio throughout Germany and the UK. The Group's ability to implement its growth through acquisition and asset management strategies and achieve its desired future returns may be limited by its ability to identify and acquire suitable properties. This strategy requires that attractive properties are available for purchase at reasonable prices. Given the high demand for attractive properties in Germany and the UK, such properties may be unavailable or available only on unfavourable terms, or fewer such properties may come to market at times which are aligned with the Group's acquisition strategy.

In addition, the Group may face significant competition in acquiring suitable properties from other investors, including competitors, who may have greater liquid resources or who may be prepared to pay a higher price. Competition in the German and UK commercial real estate markets may lead to prices for properties identified by the Group as suitable being driven up through competing bids. Accordingly, the existence and extent of such competition may have a material adverse effect on the Group's ability to acquire properties

at satisfactory prices and otherwise on satisfactory terms. Any development decreasing supply or increasing competition for suitable acquisitions may result in a decline in Sirius' acquisition pipeline or an increase its capital expenditure, which may have a material adverse effect on the business, net assets, financial position and results of operations of the Group.

Furthermore, it cannot be guaranteed that the Group will be able to generate sufficient funds to finance such envisaged acquisitions in the future. Additionally, the supply of real estate assets, portfolios or companies might be limited, for example, due to fewer sales of real estate assets, portfolios or companies by public and private long-term owners. As a consequence of these factors, the Group could be forced to pay higher prices or to acquire fewer (if any) properties. If the Group is no longer able to acquire suitable real estate assets, portfolios or companies on favourable terms in the future, this could limit its future growth and prevent it from achieving additional economies of scale. In turn, this could have a material adverse effect on the business, net assets, financial position and results of operations of the Group.

Real estate valuations and/or currently available and/or subsequently available financial information based on such valuations could incorrectly estimate the value of Sirius' properties and Sirius may be required to adjust the current fair value of its investment properties, which could result in the recognition of losses.

Sirius carries real estate held as investment properties (i.e. properties held for the purpose of generating income from their rental and/or for the purpose of capital appreciation) at fair value. Upon acquisition, such investment properties are measured at cost including ancillary purchase costs. In subsequent reporting periods, investment properties are measured at fair value. In Germany, the fair value of the Group's owned investment properties is determined by an independent appraiser based on a discounted cash flow model using a range of 10–14 years ("**DCF Method**"). While inflows generally relate to net rents, the (gross) outgoing payments particularly involve the operating costs borne by the owner. The net cash flows for each period are then discounted to the balance sheet date as at the respective period by application of a market-based, property-specific discount rate.

The Board is responsible for determining the measurement methods and processes used at the Group and for coordinating the relevant processes. In the UK, properties are measured by external surveyors commissioned by Sirius and governed by the requirements of the Royal Institution of Chartered Surveyors ("**RICS**") based on the data as at the measurement date. The real estate valuation which relates to the Group's property portfolio as at 31 March 2024 that is included in the Property Valuation Report was conducted by C & W (UK) LLP German Branch, as well as the valuations that are carried out on an annual basis in connection with the preparation of the Company's consolidated financial statements, are based on standardised valuation methods and reflect the view of the independent appraiser who prepared the respective appraisal. Real estate valuations are based on a number of factors, which also include subjective assessments by the respective appraiser. These factors include the general market environment, interest rate levels, the rental situation, developments in a property's location and tax rules.

Real estate valuations of this type are based on assumptions that could subsequently prove to be false. The assumptions underlying the Property Valuation Report are only verified by random sampling, as is the standard for such valuations. The value of real estate usually depends on, e.g., the general development of the real estate market as well as the general economic situation and certain factors relating to specific properties. The valuation of properties that comprise the Property Valuation Report are therefore subject to numerous uncertainties. Adverse changes in the assumptions underlying the real estate appraisals or in the aspects to be taken into account in this respect may significantly reduce the value assessed for the property. Additionally, currently accepted valuation methods used in preparing the Property Valuation Report could subsequently prove to be unsuitable. If Sirius' cash flows from investment properties decrease or discount rates used in the DCF Method valuation rise (e.g., due to increased interest rates), Sirius would have to adjust the value of its portfolio in the consolidated financial statements downwards. If the real estate market or general economic situation were to suffer a downturn, there is a risk that the carrying amounts recognised for real estate in Sirius' portfolio would have to be corrected accordingly. In addition, there is a risk that negative economic developments in individual locations in which Sirius' properties are situated could necessitate correction of the carrying amounts of one or more properties, resulting in impairments to the balance sheet and/or one-off exceptional items in the income statement. The assessment of the mandated independent appraiser may also differ from the opinion of another appraiser. The values assigned to the appraised properties comprising the Property Valuation Report and/or in the financial information of Sirius already published or to be published in the future could exceed the proceeds that Sirius is able to generate

from selling the appraised properties. This can also apply to sales on or shortly after the relevant valuation date. For this reason, the Property Valuation Report may reflect neither the future nor the actual current attainable selling price for Sirius' individual properties or entire property portfolio.

Any change in this fair value must be recognised as a gain or loss from changes in fair value in profit or loss in the income statement, and will impact the value of assets reported on the balance sheet. Material fair value adjustments that must be made by Sirius could therefore have material adverse effects on Sirius' financial condition and results of operations. Moreover, any deterioration of the fair value of Sirius' investment property could negatively affect other key operating metrics such as NAV or the LTV ratio, which in turn could result in the violation of financial covenants in loan agreements or bond terms (see *"Although not expected within 12 months following the date of this document, non-compliance with contractual obligations under its financing arrangements, in particular financial covenants, could lead to premature termination of Sirius' financing agreements and the enforcement of security"*).

The Group is exposed to certain risks in connection with construction defects, availability of contractors, cost-overruns as well as health, safety and environmental risks.

The Group is exposed to various risks relating to defective construction work or the use or installation of defective construction materials by third-party suppliers or contractors. The warranty, guarantee or indemnity protections in its contracts with such third-party suppliers and contractors, and the arrangements with insurance providers to insure against certain risks, may prove to be insufficient or may not adequately protect Sirius against relevant risks. Furthermore, Sirius may not be able to enforce claims in the respective amount, or at all, due to the third-party contractor's or supplier's insolvency or for other reasons. Significant liabilities may not be identified until after the expiry of warranty, guarantee or indemnity periods. Any claims relating to defects arising from or related to investment properties may give rise to contractual or other liabilities, which can extend, depending on the relevant contractual or statutory provisions, for twelve years in the UK following completion of the development project and may not be covered by claims against Sirius' contractors or suppliers. In Germany, the statutory limitation period for building defects is five years and four years if the parties agreed on the application of the VOB/B (German Construction Contract Procedures – Part B), but can be extended (or shortened) by contract. In some cases (e.g. fraudulent concealment of defects) the limitation period in Germany can be 10 to 30 years. In the UK, the liability for latent or inherent defects in a developed building may be unlimited in time.

The reconfiguration and upgrade of existing and vacant space to appeal to the local real estate market entails certain HSE related risks. A significant HSE incident at one of Sirius' properties and/or a general deterioration in Sirius' HSE standards could put its employees, contractors or the general public at risk of injury or death and could lead to litigation, significant penalties or damage to Sirius' reputation. Any failure in HSE performance, including any delay in promptly or effectively responding to changes in HSE regulations, may result in penalties for non-compliance with relevant regulatory requirements. Monitoring and ensuring HSE best practices may become increasingly expensive for the Group in the future if additional HSE requirements were to come into effect.

Sirius may be liable for the costs of removal, investigation or remediation of hazardous or toxic substances (including asbestos) located on, under or in a property currently or formerly owned by the Group, whether or not caused or known by Sirius. Furthermore, Sirius may also be deemed to be responsible for latent or historic risks from unknown contamination or may incur greater liability or costs than originally anticipated (see for environmental risks *"The Group may incur environmental liabilities."*). The costs of remediation, investigation or defending against claims can be substantial, and they may not be covered by warranties and indemnities from the seller of the affected land plot or property or by Sirius' insurance policies, or may prove unenforceable.

Moreover, the reformed EU Energy Performance of Buildings Directive (EPBD) obliges the Member States to ensure that the 16 per cent. of non-residential buildings with the worst energy performance are renovated by 2030 and the worst 26 per cent. by 2033. EU directives do not directly apply in the Member States, but Germany is required to implement this obligation into national law by 29 May 2026. It is also possible for Germany to exceed the minimum harmonisation standards of the EPBD. Consequently, regulatory change is to be expected which could result in increased capex investment costs for Sirius. In the UK, following a consultation in 2019, the Government confirmed it was planning to require all rented commercial properties to achieve a minimum EPC rating of "B" by 2030. If this change becomes law, all leased commercial buildings which have not achieved a Band B EPC rating must make these improvements by 1 April 2030 or register

a valid exemption. The Group has policies and procedures in place for the timely identification, assessment and management of climate-related risks, and any failure to identify, monitor and mitigate risks may have a material adverse effect on the Group's business, results of operations and reputation.

The Group is exposed to risks relating to holding assets in Special Purpose Vehicles ("SPVs").

Many of the Group's assets are held by various SPVs registered in the Netherlands, Germany and the UK, which are subsidiaries of the Company and subject to ring-fenced financing on a local level. Each SPV could be adversely affected if access to debt finance was to be constrained by lenders or any new loans were only available on more onerous (including as to interest rates) terms, and, as a result, the SPV could not refinance its existing ring-fenced debt or raise new debt to fund acquisitions. Any increase in interest rates could have significant adverse effects on the relevant Group company's business, financial condition and results of operations. An overall rise in interest rates would increase the relevant Group company's financing costs, which could make the sale of properties less profitable or more difficult.

Certain of the SPVs' financing agreements additionally stipulate compliance with specified financial covenants, whereby non-compliance could have serious consequences for the relevant Group company. Breaching a financial covenant would, for example, limit such Group company's right to freely dispose of the rental income from its properties, which serves to secure the relevant loan agreement.

Breaching financial covenants could also result in the relevant Group companies being required to pay certain amounts based on rental income to specified blocked accounts pledged in favour of the respective lender. Moreover, breaching such financial covenants and other obligations arising from loan agreements could entitle lenders to accelerate repayment of such facilities and/or terminate the respective financing agreement without further notice. If one or more loans were to become due because of early termination, the relevant Group company may not be able to refinance the loans becoming due in a timely manner or at all or may only be able to do so on considerably less favourable terms. In such event, if the relevant Group company(ies) were unable to refinance the terminated financing, possibly on short notice, in the worst-case scenario this could lead to the insolvency of the relevant Group company.

Real estate investments are relatively illiquid.

Properties such as those in which the Group invests are relatively illiquid. In particular, the Group's properties may be especially illiquid due to their location, age, quality and specification. Such illiquidity may affect the Group's ability to vary its portfolio or dispose of or liquidate part of its portfolio in a timely fashion and at satisfactory prices in response to changes in economic, real estate market or other conditions or the exercise by tenants of their contractual rights such as those which enable them to vacate properties occupied by them prior to, or at, the expiry of the originally agreed term. This could have an adverse effect on the Group's business, net assets, financial condition and results of operations.

Sirius is exposed to risks of hereditary building rights in Germany.

The Group's German portfolio includes properties which are encumbered with a hereditary building right (Erbbaurecht) where the Group is the registered owner of the property (e.g., Offenbach with a contractual term until 2050 and Buxtehude with a contractual term until 2071). The Group's German portfolio also includes properties where the Group is not the registered owner but is the beneficiary of a hereditary building right. Under a hereditary building right, the grantor, as owner of a property, grants the beneficiary the right to build and keep a structure on or under the surface of the respective property (usually) for a certain term. In return, the beneficiary (usually) owes a ground rent. The content of the hereditary building right is further determined by the grantor and beneficiary in a hereditary building right agreement.

The specific conditions agreed in the hereditary building right agreement are key parameters that may have material adverse effects on profitability, usability as security for bank financing, marketability and value of the hereditary building right and/or the encumbered property.

The hereditary building right agreement may subject the transfer of the hereditary building right and/or encumbrances (with a land charge etc.) to the consent of the property owner. Further, the hereditary building rights agreement may stipulate the property owner's right to demand from the beneficiary the (premature) transfer of the hereditary building right (*Heimfall*) if certain predetermined pre-requisites are fulfilled, e.g. if the beneficiary is found to be in material breach of the hereditary building rights agreement. In case of such a

transfer, the property owner owes a reasonable compensation to the beneficiary, unless otherwise agreed in the hereditary building right agreement (determination of the compensation may be specified in the hereditary building right agreement, or the agreement may even provide for a transfer without compensation).

Furthermore, the beneficiary may have a pre-emptive right pertaining to the encumbered property or the owner of the property may have a pre-emptive right pertaining to the hereditary building right (as it is the case, *inter alia*, for the parts of the property located in Alzenau which are encumbered with a hereditary building right). The ground rent may or may not be subject to adjustment and if the circumstances changed, either of the parties may under certain conditions and in specific cases request an adjustment of the ground rent despite the absence of a respective agreement in the hereditary building right agreement. In particular in hereditary building right created before 1994, the registered right to secure the ground rent may terminate following the first foreclosure and hence, do not secure payment of the ground rent becoming due after the first foreclosure.

After expiration of the hereditary building right, the ownership of the building transfers to the property owner by operation of law and the beneficiary may be entitled to a compensation. The compensation equals the fair value of the building at that time, unless the parties agreed on a different compensation in the hereditary building right agreement.

The occurrence of any of the above-mentioned risks associated with hereditary building rights could have a material adverse effect on Sirius' business, net assets, financial condition and results of operations.

Tenant easements (Mieterdienstbarkeiten) may limit use of German properties as security for bank financing.

Parts of the Group's German properties are encumbered with tenant easements (*Mieterdienstbarkeiten*) securing the right of the tenant to use the leased areas. The Verband deutscher Pfandbriefbanken (association of German mortgage banks) has issued common standards for tenant easements. Those standards are considered to be acceptable to banks in case a property encumbered with a tenant easement is supposed to serve as security for bank financing. If a tenant easement does not comply with the common standard of the Verband deutscher Pfandbriefbanken (e.g. the tenant easement encumbering the property located in Mannheim is not fully compliant), the lack of compliance may constitute an impediment to obtaining bank financing and, hence, might affect the marketability and value of the property. Were the Group to be limited in its use of German properties as security as a result of any such issues or potential issues, the Group may be hindered in its ability to access bank financing, whether for acquisitions or for refinancings or general working capital purposes. Any such inability may have an adverse impact on the Group's growth prospects, financial performance and results of operations.

Sirius' risk management systems could be insufficient or may not be updated in line with the planned growth of the Group.

The Group has an established risk management approach to identify, monitor and mitigate risks. If any of the Group's companies were to fail to comply with the Group's risk policies or to suitably develop its internal organisational, information, risk monitoring, and risk management structures, align these with the planned further growth of the Group and adapt them to a possibly changing environment for business operations in order to identify, assess, monitor, and manage potential risks as early as possible, unfavourable business or administrative developments could occur and incorrect decisions could be made that could have material adverse effects on the Group. Should any of the above risks materialise, this could have material adverse effects on the Group's business, net assets, financial condition and results of operations.

Damage to Sirius' reputation or inadequate tenant satisfaction may result in decreased demand for its properties.

Sirius' business and growth strategy is dependent in part on the maintenance of its integrity and reputation for high quality tenant service and tenant satisfaction. Sirius' reputation can be damaged by a number of factors and events, some of which may be outside its control. Such factors and events may include unethical or illegal practices of employees or business partners, employment conditions, incidents at portfolio properties, widespread or significant defects at its portfolio properties and related claims for damages, inability to meet tenant's preferences, negative media coverage (including social media) or actual or threatened litigation. In addition, Sirius may face disagreements with local authorities and/or regulatory

bodies in the course of its operations, which may be subject to administrative proceedings and unfavourable orders, directives or decrees that result in financial losses. There can be no assurance that the Group will be able to adequately and timely detect or respond to such threats to its reputation.

Unfavourable media reporting related to Sirius or its Shareholders, industry, business, management and personnel, third-party contractors, operations, business performance, or prospects could also have a material adverse effect on the Group's business and financial condition, regardless of its accuracy or inaccuracy.

Sirius' reputation may also suffer from actions taken by one or more of its competitors resulting in an industry-wide contagion stemming from misconduct at one of its peers. Real estate companies are often subject to significant public interest. The range and likelihood of reputational risks deriving from negative publicity therefore tends to be higher than that of other businesses. In such a situation, the reputation of the entire sector may be tarnished, and all market participants may suffer the consequences of significant adverse publicity. Any loss of reputation could result in a decreased demand for Sirius' properties, Sirius being unable to raise capital or refinance its outstanding indebtedness on favourable terms or at all, it being exposed to stricter regulation and/or opposition from public authorities or strained key relationships with its third-party suppliers, contractors and other service providers any of which may adversely affect its business, net assets, financial condition and results of operations.

2. RISKS RELATING TO THE GROUP'S INDUSTRY AND MARKETS

The Group is dependent on the condition of the real estate market in Germany and the UK which may deteriorate due to macroeconomic developments and deteriorations as well as other factors.

The Group's property portfolio consists entirely of commercial real estate assets located in Germany and the UK. Accordingly, the Group's performance may be significantly affected by events impacting the German and UK market for commercial real estate which are beyond the Group's control, such as geopolitical conditions (including the Ukraine-Russia conflict and the conflict in Gaza and the wider Middle East), a general downturn in the German or UK economy, deterioration in economic activity globally, and changes in German or UK regulatory requirements and applicable laws (including in relation to taxation and planning). Such events could reduce the level of achievable rents, the expenses necessary to generate the rental income, as well as the achievable purchase and sale prices and market values of properties, which could, in turn, have an adverse impact on the financial condition and results of operations of the Group.

The commercial real estate market in Germany and the UK is affected by macroeconomic developments in these countries. Key factors affecting macroeconomic developments in Germany and the UK include the state of the European and global economy, the development of commodity prices and inflation rates, trade restrictions, the extent of national indebtedness, inflationary pressures, interest rates, exchange rate fluctuations, energy prices, geo-political conditions (including the Ukraine-Russia conflict and the conflict in Gaza and the wider Middle East) and market volatility. A worldwide economic downturn, further rises in the inflation rate, deflationary tendencies, an increase in barriers to international trade or further rises in interest rates could adversely affect macroeconomic performance. Further, fluctuations in exchange rates, especially the euro-to-dollar and euro-to-pound rate, could have a material effect on German and UK exports and therefore also on the performance of their economies as a whole.

The conflict in Ukraine has resulted in a significant expansion in sanctions imposed by the United States, the UK and the European Union, in particular, against Russia, the Russian financial sector and certain Russian individuals, and further sanctions (the scope and extent of which are currently unclear) may be imposed in the event of a further escalation of or prolonged hostilities in Ukraine. Such policies, developments and conditions have accelerated the pre-existing inflationary environment in both Germany and the UK and may result in further increases in inflation, higher interest rates, negative interest rates, declining access to credit, lower or stagnating wages, increasing unemployment, weakness in real estate markets, changes in government regulatory, fiscal or tax policies, including changes in applicable tax rates and the modification of existing or adoption of new tax legislation with or without retrospective effect, sanctions regimes, removal of subsidies, reduced public spending, initiatives to address climate change or credit crises affecting disposable incomes, increases in energy and other commodity prices, weaknesses in energy markets, loss of consumer confidence or reduction in consumer spending.

Profits and cash flows may be reduced from lower demand for the Group's space offerings due to a contraction of the German SME market, manufacturing operations moving out of Germany and significant reductions in demand for office space in secondary and tertiary locations around Germany's major cities. The value of the Group's property assets may decline from the lower demand for space highlighted above as well as changes in the sentiment for industrial and warehouse assets and secondary office assets in Germany. Any similar contraction in the UK may adversely impact the Group's business and results of operations, as 34 per cent. of Sirius' annualised rent roll in the UK is derived from SME and micro-SME tenants.

Besides fundamental supply and demand factors depending on overall economic cycles, in recent years, the real estate industry has become increasingly affected by certain mega trends and shifts in investment paradigms. Post-pandemic, workers are demanding flexibility tailored towards their specific needs, with greater consideration given to where work can be done.

Such political and macroeconomic instability, the resulting market volatility and a deterioration of the economic situation in Germany and/or in the UK as well as market trends may result in a deterioration of the real estate market in Germany or the UK which could cause a significant decline in rental income, an increase in service charge costs, a reduction in occupancy and a reduction in investment property values in affected areas and, further, which could affect the Group's ability to access debt and equity capital on attractive terms, or at all. Such a deterioration could negatively affect Sirius' business performance and could have material adverse effects on Sirius' business, net assets, financial condition and results of operations.

The Group is exposed to interest rate volatility and inflation.

In the last two years, interest rates set by central banks in the UK and Europe have risen to counter the risk of rising inflation. Interest rates set by the Bank of England in the UK have stabilised in recent months and the governing council of the ECB in Europe recently cut its main interest rate for the first time since 2019 from 4 per cent. to 3.75 per cent. on 6 June 2024. However, rates remain at a significantly higher level than before July 2022 (in case of the Euro, and December 2021 in case of Pound Sterling), and if interest rates stay at the current higher level or increase further, the Group may be required to pay a higher rate of interest on the refinancing of any fixed rate debt that was incurred at lower rates or on any debt that is not subject to a fixed rate.

The Group's exposure to interest rate risk relates first, to the Group's long-term floating rate debt obligations, albeit only a small proportion of the Group's existing debt is subject to floating rates. The Group has previously also used derivative financial instruments to hedge interest rate exposure in respect of its floating rate debt (although none are currently in place). The financial instruments of the Group that have fixed interest rates are also subject to interest rate risk at such times as they need to be refinanced and at such point the interest rates available in the market are higher than those charged under the existing debt instruments.

Paying a higher rate of interest on the refinancing of fixed rate debt or on any floating rate debt would result in an increase in the Group's cost of operations and may have a material adverse effect on its business, financial condition, results of operations or prospects.

Inflation can also adversely affect the Group's business, for example by increasing the cost of labour, which it may not be able to subsequently pass on to its customers. Any increase in inflation in the future in the markets in the UK or Germany could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The growth of Sirius' business is dependent on its ability to refinance its existing debt and to secure additional debt financing on acceptable terms.

As of 31 March 2024, Sirius had incurred considerable debt inclusive of unamortised borrowing costs amounting to €955.4 million (31 March 2023: €975.1 million). A considerable portion of Sirius' financing is composed of secured debt (as at 31 March 2024: €240.4 million). Sirius' total debt portfolio has a weighted average debt expiry (meaning the weighted average time to repayment of loan facilities expressed in years) of 4.0 years (as at 31 March 2023: 3.3 years). In addition, as at 31 March 2024, Sirius had two outstanding unsecured corporate bonds in an aggregate principal amount of €700 million with a further €59.9 million issued under one of the bonds on 17 May 2024. 75 per cent. of Sirius' debt is unsecured. In order to finance

its further growth, Sirius is dependent on its ability to roll-over or refinance its existing debt and to secure additional debt financing on acceptable terms. However, no assurance can be given that some or all of Sirius' lenders will not pursue a more restrictive lending policy in general or particularly with respect to Sirius. Moreover, Sirius cannot guarantee that it will receive additional funds from financing sources or that it can refinance existing debt and other financing instruments, particularly if cash flow from operations is insufficient to fulfil certain financing conditions or if the debt ratio is substantial, or if banks generally apply stricter lending conditions to borrowers.

The majority of Sirius' current financial liabilities have a maturity profile of two to seven years, which means the refinancing risk is concentrated at certain points in time, in particular in June 2026 and November 2028 in respect of its outstanding bonds and in October and December 2030 in respect of two of its fixed rate loan facilities. If market or economic conditions were to be unfavourable for Sirius at these times, Sirius could be forced to refinance on significantly less attractive terms or may not be able to contractually agree new financing in time.

The access to, and general terms applying to, real estate financing, including the ability to refinance existing debt when it matures on similar terms to those currently enjoyed, depend on a large number of variable factors many of which are beyond Sirius' control, such as interest rates, the required financing volume for acquisitions, funding availability, general political and economic conditions, assessment of the value and profitability of the properties to be used as security for the loans by financial institutions, the appetite of financial institutions to lend to the commercial real estate sector and market conditions and investor sentiment in the international debt capital markets. In addition, Sirius' high level of debt could adversely affect its ability to refinance its existing financial obligations by taking on new or extending existing financial liabilities as banks could refuse to grant any new loans to Sirius or may grant such loans on unfavourable terms.

An inability to refinance existing facilities or debt instruments when they mature may mean that the Group will not have funds available to pay existing debt or invest in or develop properties, which could result in the Group being forced to sell assets. Sales in such circumstances may not deliver the level of proceeds that the Group may otherwise expect. Should Sirius not be able to refinance its existing debt or secure additional debt financing on acceptable terms, this could inhibit Sirius' planned growth and could have a material adverse effect on Sirius' business, net assets, financial condition and results of operations.

Significant outbreaks of infectious diseases can have a long-lasting and far-reaching impact on the global economy, and could have a material impact on the Group.

Pandemics, epidemics, outbreaks of infectious diseases or any other serious public health concerns, together with any measures aimed at mitigating a further expansion thereof, such as restrictions on travel, imposition of quarantines, prolonged closures of workplaces, or curfews or other social distancing measures, may have a material adverse effect on the global economy and international financial markets in general and more specifically on the German and UK markets in which the Group operates.

The implications of such outbreaks depend on a number of factors, such as the duration and spread of the respective outbreak as well as the timing, suitability and effectiveness of measures imposed by authorities, the availability of resources, including human, material, infrastructure and financial (e.g., governmental stimulus packages and/or measures introduced by central banks) required to implement effective responses to the respective situation at the international, national and regional level as well as the level of civil compliance with such measures. There is no guarantee that such measures, or a combination thereof, are or will be effective means to combat such an outbreak and the implications resulting therefrom, which may result in an increase of credit risk, liquidity risk and operational risk for the Group. In addition, many tenants in the UK are also seeking to include "pandemic clauses" in new leases whereby the obligation to pay rent is suspended in the event of a pandemic.

Future pandemics or outbreaks of infectious diseases could have a number of effects on the Group's business, for example, some of the Group's tenants, if impacted, may request rent deferrals or default in payment obligations. Any such defaults, as well as other business disruptions resulting either directly from future pandemics or outbreaks of infectious disease or from the measures imposed to mitigate the further spread thereof, could result in challenges to the Group's continuity. Weakening financial performance of tenants may result in a decline in the Group's real estate valuations, suboptimal occupancy, weaker tenancy

terms (including lower market rents), or increased turnover costs. This could result in an overall reduction in revenue and could affect the Company's ability to pay dividends.

The risks outlined above could each have a material adverse effect on Sirius' business, net assets, financial condition and results of operations. Moreover, such impact would be even greater if the various risks were to take effect simultaneously.

As a result of deteriorating capital markets or an increased interest rate environment, Sirius' level of debt and the terms and conditions of its existing and future financing arrangements could increase its borrowing costs and the associated expenses.

As of 31 March 2024, Sirius had incurred debt (inclusive of unamortised borrowing costs) attributable to various debt funding sources and financing activities consisting of bonds, loans, lease liabilities and promissory notes (*Schuldscheine*) amounting to €955.4 million (31 March 2023: €975.1 million). In the financial year ended 31 March 2024, Sirius' finance expenses amounted to €20.8 million (31 March 2023: €18.3 million).

As a result of deteriorating capital markets or, as referred to above, an increased interest rate environment Sirius' level of debt and the terms and conditions of its existing and future financing arrangements may deteriorate. This could increase its borrowing costs and the associated expenses. In addition, the raising of new equity capital may not be available or feasible in such an environment. Any of the foregoing could have a material adverse effect on Sirius' business, net assets, financial condition and results of operations.

Although not expected within 12 months following the date of this document, non-compliance with contractual obligations under its financing arrangements, in particular financial covenants, could lead to premature termination of Sirius' financing agreements and the enforcement of security.

Certain of Sirius' financing agreements require compliance with specified financial ratios (so called financial covenants) and other covenants by Sirius. Non-compliance with a financial covenant could have serious consequences for Sirius. If Sirius were to breach any of these financial or other covenants, the relevant lenders or noteholders could under certain circumstances prematurely terminate or accelerate the respective financing. In addition, many of the financing arrangements contain cross-default and cross-acceleration clauses, such that an event of default under one instrument could result in events of default or acceleration under the other financing agreements or instruments. Looking beyond the 12 months following the date of this document, and while not expected in the foreseeable future, if one or more of Sirius' outstanding loans or tranches of notes were to become due because of premature termination, Sirius might not be able to refinance them in a timely manner or at all or may only be able to do so on considerably less favourable terms. Also, in the event of a breach of a financial covenant under certain agreements, Sirius' right to freely dispose of the rental income from its properties that serves to secure the relevant loan agreements could be limited, and debt instruments under which an event of default occurs could become due and payable immediately. In addition, Sirius could be prevented from using cash in its bank accounts for making certain payments, particularly for paying other financial liabilities, without the prior permission of lenders. This could result in the non-fulfilment of Sirius' payment obligations under such other loan agreements.

Furthermore, extensive security has been pledged to various lenders, comprising, among other things, share pledges in various Group companies and claims arising from rental and leasing contracts, purchase contracts, and contracts for the sale of properties, and properties have been encumbered with real estate liens by Group companies in order to secure the financial liabilities of the Company or its subsidiaries. As at 31 March 2024, the Group had pledged 15 (31 March 2023: 15) investment properties to secure several separate interest-bearing debt facilities granted to the Group. The combined value of these 15 investment properties was €528.3 million as at 31 March 2024 and €510.7 million as at 31 March 2023.

Looking beyond the 12 months following the date of this document, and while not expected in the foreseeable future, if the Company or affected subsidiaries were unable to fulfil the obligations stipulated by financing agreements, creditors could enforce the relevant security, including real property security and pledged shares in Group companies, and force sales of assets, even without Sirius' participation and possibly at major price discounts. For Sirius, any breach of obligations under its existing financing agreements could result in the loss of portions of its real estate holdings or individual Group companies under unfavourable financial terms and conditions.

As a consequence, the materialisation of any of the above-mentioned risks could have a material adverse effect on Sirius' business, net assets, financial condition and results of operations.

A downgrading or withdrawal of the credit ratings of the Company could adversely affect the Company's options of (re)financing and entering into interest rate hedging transactions.

On 12 May 2021, the international external rating agency Fitch Ratings Ltd issued Sirius with a first-time long-term issuer default rating of "BBB" with a stable outlook. Fitch re-affirmed Sirius' long-term issuer credit rating and senior unsecured rating at "BBB" with a stable outlook, most recently, on 24 October 2023. The expected timing of Fitch's next credit rating for Sirius is October 2024.

The Company's credit rating is essential both for its financing and refinancing costs and for the option to enter into interest hedging transactions concluded or to be concluded to hedge against interest risks at all or on appropriate terms. Downgrades by rating agencies may increase the Company's cost of capital. A downgrade or withdrawal of the Company's rating may adversely affect its ability to obtain new funding on the capital and loan markets at favourable financing. Also, the Company may no longer be able to enter into interest rate hedging contracts on economically acceptable terms. In addition, in case of a downgrading of the Company's rating, there is the risk that Sirius has to provide additional cash and securities as security or provide additional loan guarantees for existing and future financing transactions, making it more difficult for Sirius to obtain refinancing in the capital markets on commercially acceptable terms.

The occurrence of any of the above-mentioned risks may have material adverse effects on the Company's business, net assets, financial condition and results of operations.

3. RISKS RELATING TO STRUCTURE, REGULATION AND TAXATION OF THE GROUP

Sirius may be adversely affected by changes to the general tax environment in, inter alia, Germany and the UK, as such changes might result in an increase in Sirius' tax burden

The Group's financial condition and results of operations are dependent on the general tax environment, *inter alia*, in Germany where, among others, Sirius Facilities GmbH and Curris Facilities & Utilities Management GmbH have their registered offices and the UK, where Sirius is tax resident and where the Group owns and manages 142¹ commercial properties. Sirius' tax burden depends on various tax laws, among others, in Germany, the UK, Guernsey, Cyprus and the Netherlands, as well as their application and interpretation. Amendments to tax laws may have a retroactive effect and their application or interpretation by tax authorities or courts may change unexpectedly. This may increase Sirius' tax burden and could result in reduced proceeds from the sale of properties or parts of the property portfolio or reduced levels of distributable profits. Despite the general principle of non-retroactivity, any changes in applicable laws, regulations and directives may have a retroactive effect. Also, for example, depreciation allowances for real property may be restricted. This may have a material adverse effect on the attractiveness of its investment properties. For instance, further increases in the German real estate transfer tax (*Grunderwerbsteuer*) ("RETT") rate, as experienced in the majority of the German federal states in the past years, could make the acquisition of land plots or properties more expensive and adversely affect Sirius' business. In addition, in the UK, increases in the rate of corporation tax (currently at 25 per cent.) or stamp duty land tax (currently at a maximum rate of 5 per cent. for commercial property in the UK) could affect the net financial return to Sirius on the operation of its business going forward.

In Germany, the RETT regime changed with regard to curb tax structuring by means of so called "share deals," effective from 1 July 2021. Under the revised RETT regime, (i) the decisive aggregate share amount acquired was lowered from 95 per cent. to 90 per cent., (ii) relevant holding periods were extended from five to ten years (in certain cases involving partnerships, the holding period is extended to 15 years) and (iii) the rules for partnerships were extended to corporations (i.e. if directly or indirectly 90 per cent. of shares of a corporation owning property are transferred to new shareholders within ten years, RETT will be triggered). Under certain circumstances, RETT in the case of a share purchase transaction or transfer of partnership interests is to be borne by the property-owning company or partnership itself and not by the parties to the transfer. Consequently, this may render individual transactions more complex and result (in share deal scenarios) in stronger minority rights for the partners. As a consequence, transaction costs

¹ The asset of the Company located in Nabern, Germany and referred as "Nabern II" by the Company comprises two separate sites, The Company refers to Nabern II as one property in marketing materials and for reporting purposes.

and administrative burdens may increase. The act includes an application provision according to which transfers of shares that have taken place or will take place before the effective date of 1 July 2021, are not taken into account when applying the new supplementary provisions. The ten-year period for the consideration of the 90 per cent. limit in connection with shares in a corporation began on 1 July 2021 at the earliest. Transfers of shares in corporations that are admitted to trading on the domestic or foreign stock exchanges named in the act (which does not include the London Stock Exchange or the JSE) are not taken into account when determining the ratio of the change of shareholders, insofar as the transfer of shares takes place on the basis of a transaction on these stock exchanges. The changes implemented effective from 1 July 2021 require a close monitoring of changes in the direct and indirect shareholding structure. Further, according to changes to the RETT regime effective from 1 January 2024 certain privileges for partnerships will expire on 31 December 2026. As a consequence, the costs of the transaction and future administrative efforts arising in connection with the newly acquired unit will also regularly increase.

In addition, changes to the RETT regime are currently being discussed which may lead to relevant changes to the current rules in the medium term. In particular, with respect to the attribution of real estate in multi-level chains of ownership, changes are to be expected, as the German fiscal authorities recently established further new criteria for such attribution, which are now under further discussion and review by the German legislator. As a consequence, any respective developments must be reviewed carefully. Further, in a decree dated 5 March 2024, the German fiscal authorities confirmed their opinion that two taxable events are realised if the signing and closing of a transaction take place at different times. Thus, in the first place, both events would trigger German RETT. The fiscal authorities resolve this double taxation procedurally by cancelling the first tax assessment upon application if certain conditions (especially full notification in time) are met. This can be a significant hurdle to avoid double taxation with RETT.

Stamp duty land tax in England and Northern Ireland, land and buildings transaction tax in Scotland, and land transaction tax in Wales are currently only levied on the acquisition of an interest in UK land directly (i.e. not including the acquisition of a company which owns UK land). If that were to change, the acquisition of properties in the UK via the acquisition of corporate property-holding entities could become more expensive and less attractive, and the ability of Sirius to dispose of properties may be reduced, which may adversely affect Sirius' business.

Moreover, in April 2018, the German Constitutional Court (*Bundesverfassungsgericht*) decided that the regulations regarding the valuation base for the assessment of land tax (*Einheitsbewertung*) are unconstitutional. As a result, a new valuation will become effective as of 1 January 2025. However, it can be expected that the property values in agglomerations and better locations will increase, in parts decisively, which would result in increased land tax expenses for the Company to the extent such expenses cannot be passed on to the tenants. Until 1 January 2025, the previous law will continue to apply.

Furthermore, the Company's ability to distribute dividends depends to a large extent on dividend payments by its subsidiaries which also include certain foreign subsidiaries based in the Netherlands. These intra-group distributions are subject to, among other things, withholding tax on multiple intra-group levels. No assurance can be given that the taxation of intra-group distributions will not negatively affect the Company's ability to pay dividends in the future.

The materialisation of any of these risks could adversely affect Sirius' business, net assets, financial condition and results of operations.

Profits from properties located in Germany may be subject to trade tax in Germany

Profits from properties located in Germany may be subject to trade tax in Germany if the property owning entity is a corporation or commercial or deemed commercial partnership which is a German tax resident or is not a German tax resident but maintains or is considered to maintain a permanent establishment in Germany, and in each case does not qualify for the extended trade tax reduction (*erweiterte Gewerbesteuerkürzung*). This may have an adverse effect on the distributable profits.

If there are changes to the UK REIT regime, or if the Group's UK REIT status were to be terminated, it could have a material adverse effect on the Group's UK business and the Group's Shareholders.

The Group converted into a UK REIT in respect of its UK business with effect from 1 April 2022. As a consequence of the Group's UK REIT status, members of the Group benefit from an exemption from UK corporation tax on income and on gains arising in connection with their UK Property Rental Business. To continue to qualify as a UK REIT, the Group will have to continue to meet a number of conditions, including, but not limited to, distributing at least 90 per cent. of the Group's UK tax exempt profit as property income distributions ("**PIDs**"), complying with group ownership and residence requirements, and satisfying the UK Property Rental Business conditions.

Although it is intended that the Group will continue to be organised and operate in a manner that will qualify as a UK REIT, there can be no assurance that the Group will continue to maintain its UK REIT status. The Group could lose its UK REIT status not only as a result of some act or omission of the Group but also as a result of the actions of third parties (for example, in the event of a successful takeover by a company that is not a UK REIT). If the Group exits the REIT regime the taxation benefits would be lost. This could adversely affect the Group's financial condition, results of operations and the amount of cash available for payment of dividends.

If the Group fails to meet or breaches one or more of the UK REIT conditions, whether as a result of its own actions, the actions of a third party, or changes to the UK REIT regime, the Group may (depending on the nature of the breach) have its UK REIT status terminated or incur additional tax liabilities. In particular, it is noted that the current UK REIT rules may subject the Group to tax charges where there is a failure to satisfy the requirement that at least 90 per cent. of the Group's profits from its qualifying UK Property Rental Business be distributed (a "**PID Shortfall**"). This could adversely affect the Group's financial condition, results of operations and the amount of cash available for payment of dividends, which may subsequently have an impact upon the Group's ability to raise equity finance in the future.

A breach consisting of a PID Shortfall will not automatically result in the Group's UK REIT status being terminated but may, depending on the nature and magnitude of the breach, result in HMRC exercising its discretion to terminate the Group's UK REIT status. The loss of UK REIT status could have a negative impact on the tax treatment of the Group's UK profits and any distributions payable to Shareholders.

There is also a risk that the legislation relating to the UK REIT regime and the tax benefits that it confers could be amended, changed or withdrawn. This could have a negative impact on the UK tax treatment of the Group's UK profits and adversely affect the Group's financial condition, results of operations and the amount of cash available for payment of dividends, which may subsequently have an impact upon the Group's ability to raise equity finance in the future.

Sirius may also become subject to a UK tax charge in certain circumstances as a result of its UK REIT status, for example if the Group fails to maintain the required UK REIT interest cover ratio where income profits in respect of the Group's UK tax-exempt business (before capital allowances and interest) must be at least 1.25 times finance costs incurred in respect of its UK Property Rental Business (excluding certain intra-group financing costs). There is a risk that the deterioration in the real estate market and general economic conditions, and the impact of interest rate rises on the Company's debt obligations, could result in such a UK tax charge for the Group, although HMRC may waive a tax charge where the profit: financing cost ratio is breached in respect of an accounting period in which, during the accounting period, the Group was in severe financial difficulties due to unexpected circumstances and as a result the Group could not reasonably have taken action to avoid the breach.

Similarly Sirius could become subject to UK tax charges where amounts are distributed to certain corporate Shareholders who hold a significant interest in the Company. This could have a negative impact on the UK tax treatment of the Group's financial condition, results of operations and the amount of cash available for payment of dividends, which may subsequently have an impact upon the Group's ability to raise equity finance in the future.

As Sirius' continued status as a UK REIT is conditional on its continuing to meet certain conditions relating to its business and financial position this may have an impact on commercial decisions to be taken in relation to the Company and its business. It is possible that the Company could consequently act or omit to act in a particular way so as to preserve its UK tax status.

Any changes under Guernsey law could affect the Company's ability to qualify as a UK REIT

Sirius is incorporated in Guernsey but is managed and controlled in the UK. In order to qualify as a UK REIT, Sirius must be tax resident in the UK and in no other jurisdiction. Failure to satisfy this condition would result in immediate expulsion from the UK REIT regime. An exemption has been obtained, with the effect that the Company is not tax resident in Guernsey. Any changes under Guernsey law or failure to obtain or renew its status as an exempt company for Guernsey tax purposes (including the payment of the annual fee for exempt company status) such that the Company is also considered tax resident in Guernsey could impact Sirius' ability to satisfy the UK REIT conditions and consequently to remain within the UK REIT regime. This could have a negative impact on the tax treatment of the Group's UK profits and adversely affect the Group's financial condition, results of operations and the amount of cash available for payment of dividends, which may subsequently impact upon the Group's ability to raise equity finance in the future.

Regulatory conditions in the real estate industry could change and adversely affect Sirius' business.

Sirius' business is influenced by regulatory conditions in Germany and the UK applicable to the sale of assets, management and letting of commercial real estate. In Germany, the applicable legal framework is also directly and indirectly influenced by EU law. Consequently, any adverse changes in the relevant EU legal framework may directly or indirectly impact the German regulatory conditions. Adverse changes in the applicable laws or administrative provisions or changes in their interpretation or application may, therefore, have negative effects on Sirius.

Sirius' business activities are dependent to a large degree on the applicable legal framework for real estate companies with a focus on investments in commercial real estate in Germany and the UK. In addition to tax and tenancy law, this includes, but is not limited to, construction regulations, including fire safety regulations, social legislation, and environmental, energy, and land law. Some properties also fall under regulations governing the preservation of buildings of historical importance, which can lead to limitations on their use or development, and to additional preservation measures. The need to comply with the respective historic preservation requirements could further lead to significant delays in the refurbishment or modernization process of individual buildings, in the inability to carry out particular refurbishments or modernization measures, and also in significantly higher costs for such measures.

An increase in the stringency of the legal framework, for example in terms of tenant protection, fire safety, environmental protection (e.g., requirements related to the energy performance of buildings in the German Building Energy Act (*Gebäudeenergiegesetz*) or costs for carbon emissions in the real estate sector under the German national emissions trading system), laws pertaining to pollution and resulting remediation obligations, and with regard to the above-mentioned additional conditions for real estate investments, could have a material adverse effect on the profitability of investments and the results of operations of Sirius. In the UK, there have been recent material changes to fire safety regulations of tall buildings which include a residential element but this could change in the future to include all buildings. Changes to the legal framework could trigger a considerable need for action on the part of Sirius, and, as a result, cause it to incur considerable additional expenses, which for legal or factual reasons could only be passed on to tenants to a limited extent, or not at all.

In addition, Sirius is subject to the EU General Data Protection Regulation (*EU-Datenschutzgrundverordnung*) which came into effect in Germany on 25 May 2018 ("GDPR"), the GDPR as it forms part of the law of the UK by virtue of the European Union (Withdrawal) Act 2018 and relevant statutory instruments, the German Federal Data Protection Act (*Bundesdatenschutzgesetz*) and the UK's Data Protection Act 2018, which applies to the fully or partly automated processing of personal data of natural persons as well as the non-automated processing of personal data which is stored in a data storage system and also affects landlords with respect to data about their tenants which they process or store. The GDPR imposes stricter rules on the processing or storage of personal data. Processing of personal data which is unlawful under the GDPR may be fined with up to €20 million or 4 per cent. of the total group revenues of a company in the financial year preceding the violation, whichever is higher.

Further, new environmental legislation, including amended legislation following Brexit or local climate-related initiatives, may require properties to meet certain environmental criteria (such as a minimum level of energy efficiency) before they are permitted to sell a property. This may result in certain properties becoming obsolete, requiring a significant financial commitment to ensure compliance or divestment of such properties. If any such

legislation comes into force, the cost and time implications of compliance could have a negative impact on the Group's ability to divest of certain properties and could result in some properties becoming obsolete.

Sirius is only in the position to adapt its business model accordingly to a certain degree, and it therefore sees risks in adverse changes or increased stringency in the legal framework. Any deterioration of the general legal environment could have a material adverse effect on the business activities and the net assets, financial condition and results of operations of Sirius. Accordingly, actual or potential changes to applicable local laws, regulations, policies and administrative requirements in the commercial real estate sector as well as the risk of conditions being imposed by the relevant authorities may result in significant uncertainty and additional costs, which could have an adverse effect on Sirius' business, net assets, financial condition and results of operations.

Sirius' ability to increase rents in Germany may be limited by German law.

The ability of landlords to increase rent in Germany under existing tenancy agreements is limited under German law. If the parties to a tenancy agreement have not agreed on a stepped rent (*Staffelmiete*) or an indexation of rents (*Indexmiete*) – which is permissible only in specific cases – and the tenant refuses to amend the tenancy agreement, a rent increase is generally not possible. As at 31 March 2024, 47 per cent. of Sirius' rent roll, which amounts to €61.5 million, is subject to inflation-based indexation of rents. Possible future changes in the German legal framework may further negatively affect the Group's ability to increase rents.

Tightened rent restrictions could impair the Group's ability to increase rents, which, in turn, could lead to a reduction in the revenues and affect the results all of which could have material adverse effects on the Group's business, financial condition and results of operations.

Tax authorities might not accept all tax deductions for interest payments.

Several tax rules in Germany restrict the tax deductibility of interest expenses for corporate income and trade tax purposes, in particular (i) the German earning stripping rules (interest barrier rules/*Zinsschrankenregelung*) and (ii) the interest add-back for German trade tax purposes. These regulations have been repeatedly and substantially amended. Currently, as a general rule, a business is permitted to deduct interest expense without any limitations to the extent of its interest income in the same financial year. Exemptions may apply, especially where the company is part of a group and its equity ratio at the end of the previous reporting date equals or exceeds that of the group (equity-escape clause). Interest expense in excess of interest income in the same financial year (and in excess of a de minimis threshold of €3 million) is deductible only up to 30 per cent. of the so-called 'tax EBITDA'. In addition, any tax-deductible interest expenses (i.e. the amount not limited due to the German earnings stripping rules) are subject to a 25 per cent. add-back pursuant to Section 8 no. 1 Trade Tax Act (*Gewerbsteuergesetz*). Accordingly, only 75 per cent. of such interest expenses are considered tax-deductible for German trade tax purposes.

Thus, under certain circumstances, it may not be possible for Sirius' German entities to fully deduct the interest expenses owed on current and future liabilities, thereby increasing its tax burden. Interest expenses that are not tax-deductible in accordance with the above provisions can be carried-forward to subsequent years and given certain conditions, interest carry-forwards and tax loss carry-forwards can be used to reduce future taxable income. However, changes in ownership could impact the available tax losses, thus leading to higher tax burden. If interest carry-forwards or tax loss carry-forwards were forfeited, the deferred tax assets would be impaired, thereby increasing the Group's tax burden. If one of the above risks occurs, this could have a material adverse effect on the Group's business, net assets, financial condition and results of operations. Further, subject to certain conditions, the deductibility of operating expenses in general may be limited due to anti-tax-avoidance measures implemented in German tax law. In addition, a German tax authority may challenge interest rates agreed for loans between related companies and accordingly restrict and correct interest deductions by applying an "arm's length" rate which will increase the taxable profit in Germany.

Similarly, there are numerous tax rules in the UK which restrict the tax deductibility of interest expenses for corporation tax purposes. One of these is the "corporate interest restriction" rule, which applies one of a number of formulae to determine the amount of a group's UK net interest expense which is deductible. The results can fluctuate based on the Group's tax EBITDA, in some cases even outside the UK. Other rules, such as transfer pricing rules, can restrict interest deductions between related companies to an "arm's length" rate. A change in the tax EBITDA of the Group or the balance of the Group's interest expense

between the UK and rest of the world, or the tax authorities taking a different view of an appropriate arm's length rate could all affect the amount of interest expense which is deductible for UK corporation tax purposes which could have an adverse effect on the Group's business and net assets.

Taxable capital gains arising from the sale of real estate in Germany may not be completely offset by the tax transfer of built-in gains. In the UK, chargeable gains arising on the disposal of real estate assets in the Group's portfolio outside its ringfenced assets under the UK REIT regime may be subject to corporation tax on chargeable gains without, in most circumstances, any ability to "roll over" or offset other gains.

The Group may dispose of real estate assets in its portfolio in the future. These transactions are generally taxable for income tax purposes. However, under the German Income Tax Act (*Einkommensteuergesetz*, "ESTG"), the possibility of a tax-neutral transfer of built-in gains (*stille Reserven*) to newly acquired or constructed real estate is available within a certain period of time, subject to certain conditions for a disposal of real estate, for newly acquired or established real estate within a certain period (Section 6b of the EStG in connection with section 8 paragraph 1 sentence 1 of the German Corporate Income Tax Act (*Körperschaftsteuergesetz*)).

Accordingly, if the Group is unable to transfer built-in gains to offset capital gains that arise from property disposals, this could have material adverse effects on the Group's business, net assets, financial condition and results of operations.

In the UK, capital gains generated by the disposal of the Company's ringfenced assets for the UK qualifying property rental business under the UK REIT regime should be exempt from tax. However any loss arising on such a disposal will not be an allowable loss. Chargeable gains arising on the disposal of real estate assets in the Group's portfolio outside of its ringfenced assets under the UK REIT regime may be subject to corporation tax in the UK on chargeable gains without, in most circumstances, any ability to "roll over" or offset other gains. In general, the Group will only be able to offset any capital losses it has made on the disposal of other non-ringfenced assets against its chargeable gains, subject to a restrictions on the use of carried-forward capital losses. Other losses, such as those of the property business (outside of the UK REIT regime), may be available to reduce any chargeable gains. However, it is not possible to offset profits and losses of the Company's UK REIT tax-exempt business against profits and losses of its non tax-exempt activities.

If one or more of the above-mentioned risks were to materialise, this could have material adverse effects on Sirius' business, net assets, financial condition and results of operations.

A future tax or social insurance audit could result in the obligation to make additional payments.

The Company and its subsidiaries have been the subject of social insurance and tax audits. The recent ongoing audits for VAT, corporate income tax (*Körperschaftsteuer*) and trade tax (*Gewerbesteuer*) cover the years until 2021. None of these audits gave rise to material payments or to the imposition of any material follow-up tax liabilities. Further tax audits are expected by the Company in the next 12 months in the ordinary course of business.

In the event of a future tax audit by the tax authorities, differences in the tax authority's interpretation of matters could result in follow-up tax liabilities that will lower results of operations. In addition, changes in the legal and tax environment may affect the outcome of any audit. For example, the German Real Estate Transfer Tax Act was only recently amended to prevent transaction structures that avoided German real estate transfer tax becoming due and new guidelines on the RETT law in place were issued by the Federal Ministry of Finance (see "*Sirius may be adversely affected by changes to the general tax environment in, inter alia, Germany and the UK, as such changes might result in an increase of Sirius' tax burden.*"). Although such transaction structures were common practice, it cannot be ruled out that issues could be raised by the tax administrations in connection with certain acquisitions the Company made in the past.

If one or more of the above-mentioned risks were to materialise, this could have material adverse effects on Sirius' business, net assets, financial condition and results of operations.

Sirius may be adversely affected by mandatory energy renovations.

As part of the EU's Green Deal, the EU Energy Performance of Buildings Directive (EPBD) was reformed. The reformed EPBD entered into force on 28 May 2024 and, *inter alia*, obliges the Member States to ensure that the 16 per cent. of non-residential buildings with the worst energy performance are renovated by 2030 and the worst 26 per cent. by 2033. EU directives do not directly apply in the Member States, but Germany is required to implement this obligation into national law by 29 May 2026. It is also possible for Germany to exceed the minimum harmonisation standards of the EPBD. The Group is not currently in a position to estimate the proportion of its German property portfolio that could be impacted by these regulatory changes. Consequently, regulatory change is to be expected which could result in increased capex investment costs for Sirius.

The Group may incur environmental liabilities.

Sirius is generally subject to the risk that properties acquired or properties in its holdings could be contaminated with soil pollution, harmful substances, other legacy pollution and/or warfare agents (including any unexploded projectiles). Moreover, the building structures may contain hazardous substances (such as polychlorinated biphenyls (PCB) or asbestos) or real estate may be exposed to other environmental risks. Against this background, action could be taken against Sirius by public authorities or private (contractual) parties for the removal and disposal of such warfare agents, hazardous substances, legacy pollution or soil contamination. This is particularly the case in view of the fact that land purchase agreements regularly include a hold-harmless clause in favour of the former owner with regard to liability under the German Federal Soil Protection Act (*Bundesbodenschutzgesetz*, "**BBodSchG**") or the UK Environmental Protection Act 1990 and exclude recourse against the former owner under these acts.

Such actions, for example, could demand the performance of expert studies, the establishment of safeguards, the removal and disposal of harmfully altered soil, building parts or other items, the remediation of groundwater polluted as a consequence, or reimbursement of the costs and damage incurred for installing safeguards against or remediating the legacy pollutants or harmful changes to the soil. An exclusion of liability for legacy pollutants is legally possible only within very narrow limits. Furthermore, legacy pollutants or harmful alterations of the soil, or even the mere suspicion of a harmful alteration of the soil, has a material adverse effect on the value and the possibility of exploiting the properties, and especially the possibility of selling them. Even if Sirius did not cause the harmful alterations itself, in many cases it will have only a very limited possibility of taking recourse or asserting claims for indemnification against the polluter or polluters, or against other responsible parties, such as the seller of the property involved.

There is also a risk that action could be brought in respect of properties that Sirius has already sold. According to the BBodSchG, under some circumstances the competent authority could also require the former owner of a property to remediate it at that owner's own expense. Even if land sale agreements provide that the buyer must hold Sirius harmless from claims under the BBodSchG, and waives the statutory claim to compensation, the risk that action may be brought cannot be ruled out. For example, a contractual claim for indemnification would be worthless if the buyer involved became insolvent.

Moreover, Sirius is also exposed to a liability risk arising in connection with non-compliance with or introduction of new building codes or environmental regulations. Even though Sirius conducts thorough inspections during the acquisition of individual properties, there is a risk that building codes or environmental regulations were not complied with. It is also possible that landlord responsibilities could be further expanded with respect to fire protection and environmental protections, which could require additional refurbishment, maintenance and modernisation measures. The related cost of such measures assumes that the required permits are issued promptly and in accordance with Sirius' plans.

Sirius is exposed to similar liability risks for environmental issues such as air, noise, water and atmospheric pollution as well as waste on land with respect to the UK units acquired in accordance with, *inter alia*, the Control of Pollution Act and the UK Environmental Protection Act which came into force in 1990 and pursuant to which contaminated land is land in such a condition that it causes or is deemed likely to cause significant harm or to cause pollution of controlled waters. In addition to clean-up liability, it is a criminal offence to deposit, knowingly cause, dispose of, recover, treat or keep controlled waste without a licence or in a way that is likely to cause pollution or harm to health. In the worst-case scenario, a company could be found guilty of corporate manslaughter if it is deemed to have caused pollution that resulted in fatal harm to health. It is possible for a current owner to inherit liability for clean-up costs even if the land in question

was contaminated historically. If the original polluter or a person who knowingly permitted the land to become contaminated (usually by having knowledge of the pollution and failing to act) cannot be found, liability will default to the current owner of the land regardless of whether or not they caused or were even aware of the pollution. Moreover, Sirius would need to comply with various climate change environmental laws such as the Climate Change Act which was enacted to reduce carbon dioxide emissions in the UK whereas binding targets have been set that will reduce these emissions from levels recorded in 1990 by at least 80 per cent. by 2050. Further, new environmental legislation may require properties to meet certain environmental criteria (such as a minimum level of energy efficiency) before they are permitted to sell a property.

Any action taken against Sirius for legacy pollution or harmful soil changes, or even the mere suspicion of harmful soil changes as well as any non-compliance with existing or newly implemented building codes or environmental regulations could have material adverse effects on Sirius' business, net assets, financial condition and results of operations. Under various state and local laws, ordinances and regulations, an owner of real estate may be liable for the costs of removal or remediation of certain hazardous or toxic substances on or in such property. These laws often impose such liability without regard to whether the owner knew of, or was responsible for, the existence of these substances. The owner's liability as to any property is generally not limited under such laws and could exceed the value of the property and/or the aggregate assets of the owner. The presence of such substances, or the failure properly to remediate contamination from such substances, may adversely affect the owner's ability to sell the real estate or to borrow funds using such property as collateral, which could have an adverse effect on the Group's return from such investment.

The Group may suffer reputational damage as a consequence of actual or perceived failures in its approach towards environmental, social, and corporate governance ("ESG") matters, including in relation to diversity and inclusion.

Investors and consumers alike are increasingly aware of and focused on environmental and other ESG issues. Relevant environmental issues include those related to a transition to net-zero emissions, and there may be reduced market demand for assets without a carbon reduction plan. Changes in environmental regulations and policy could also affect the Company, such as increased operating costs due to the introduction or increase of a carbon price for heating or higher capital expenditures due to mandatory energy renovations. It also may become more difficult to obtain or maintain adequate insurance for buildings without green certifications. In addition, as climate risk disclosure requirements become increasingly more prevalent and prescriptive, the Company may face increased scrutiny and/or litigation or regulatory risk in relation to its climate risk disclosures.

The Group has an established risk management approach to identify, monitor and mitigate ESG risks and has recently announced a target to reduce Group scope 3 carbon emissions intensity per square meter by 45 per cent. to 2030 using 2021/22 as the base year. However, any actual or perceived deficiency in the Group's or their suppliers' efforts to reduce greenhouse gas emissions in line with any announced targets, satisfy existing ESG-related accreditations or emission reduction targets or increase the use of sustainable materials, or any other ESG-related initiatives could result in negative feedback from stakeholders on this matter, which could lead to a loss in confidence in the Company's management and may result in challenges in attracting or retaining tenants and talent, or could restrict the Group's ability to access equity and debt capital if they are not able to meet, or are perceived not to meet, ESG-related criteria or metrics applied by investors and finance providers. ESG requirements are likely to increase over time, including in relation to a transition to a low-carbon economy, and therefore the impact of a failure to comply has the potential to be even greater in the future.

In addition, a failure to manage diversity and inclusion measures could result in reputational damage to the Company, which may reduce the attractiveness of the Company as an employer, which could reduce the Company's ability to hire and retain appropriately qualified and experienced individuals and implement its business strategy and could adversely impact the Group's business and reputation. The cost impact of such efforts (and implementing environmental protocols or mitigation programmes) could also lead to increasingly expensive processes. Any of these factors could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Involvement in legal disputes could cause Sirius to incur expenses that are not covered or not covered completely by provisions.

Sirius is involved in litigation from time to time, mostly against its tenants in the ordinary course of business with respect to unpaid rent or actions for eviction. The results of pending legal disputes and possible future legal disputes cannot be foreseen with certainty. For this reason, expenses may arise due to decisions by courts or governmental agencies or the agreement of settlements that are not covered or are not completely covered by provisions in its balance sheet. Save as disclosed in paragraph 16 of Part XVI (*Additional Information*), Sirius has not been party to any material legal proceedings (including any such proceedings that are pending or anticipated of which it is aware) during the past twelve months that have had, or that it expects will have, a material adverse effect on its financial position, profitability, business or results of operations.

Clauses in lease agreements or other contracts may be invalid and lease agreements may not fulfil the strict written form requirements under German law.

Lease agreements and other contracts (e.g. contracts for construction works) will consist largely of standardised contracts with a large number of parties, in particular with tenants. Any invalid provisions or ambiguities in standardised contracts can therefore affect a multitude of contractual relationships. Standardised terms under German law are required to comply with the statutory law on general terms and conditions (*Allgemeine Geschäftsbedingungen*), which means that they are subject to fairness control by the courts regarding their content and the way they are presented to the other contractual party. Generally, standardised terms are invalid if they are not transparent, unclearly worded, unbalanced or discriminatory. Any standardised clauses in the Group's contracts being invalid could lead to a loss of rights of the Group and to a substantial number of claims being brought against the Group or the Group being forced to bear costs which it had previously considered to be allocable to its contractual counterparties.

The Group expects the real estate assets it acquires to be leased predominantly long term. Pursuant to German law, fixed-term lease agreements with a term exceeding one year can be terminated prior to their contractually agreed expiration date if certain formal requirements are not complied with. These include the requirement of a document that contains all the material terms of the lease agreement, including all attachments and amendments and the signatures of all parties thereto. While the details of the applicable formal requirements are assessed differently by various German courts, most courts agree that such requirements are, in principle, strict.

Some lease agreements regarding real estate owned by the Group may not satisfy the strictest interpretations of these requirements. In this case, the respective lease agreement would be deemed to have been concluded for an indefinite term and could therefore be terminated one year after handover of the respective property to the tenant at the earliest, which may result in a significantly shorter term of the lease, provided that the statutory notice period is complied with (e.g., a notice period of six calendar months to the end of the calendar quarter with regard to lease agreements for business premises). Consequently, tenants might attempt to invoke alleged non-compliance with these formal requirements in order to procure an early termination of their lease agreements or a renegotiation of the terms of these lease agreements to the Group's disadvantage.

The occurrence of any one or more of the above risks could have a material adverse effect on Sirius' business, net assets, financial condition and results of operations.

The Group is exposed to certain risks in relation to information technology and systems.

The nature of the Group's business involves the receipt and storage of personal information about its tenants, customers and employees. If the Group experiences a significant data security breach or fails to detect, and appropriately respond to, a significant data security breach, it could be exposed to government enforcement actions (including substantial fines) and private litigation. The loss of confidence from a significant data security breach could damage the Group's reputation, cause recruitment and retention challenges, increase employment costs and affect how the Group operates its business. In particular, the Group's tenants and customers could lose confidence in its ability to protect their personal information and the Group could see a subsequent reduction in demand, which would have a material adverse effect on the Group's results of operations, financial condition and reputation.

Any material and/or sustained interruption, breakdown, disruption or slowdown of the Group's IT systems, including as a result of cyber-attacks and other similar activity, could also impede access to core systems for internal and external customers, which could result in operations being disrupted or delayed and business opportunities missed. Such activity could also result in the loss of business-critical data. Any of these factors could have an adverse effect on the Group's business, net assets, financial condition and results of operations.

If Sirius is treated as a passive foreign investment company for U.S. federal income tax purposes, U.S. investors could be subject to potentially significant adverse tax consequences.

Sirius does not believe that it is currently a passive foreign investment company ("**PFIC**") or that it will be a PFIC following the date of this Offering; however, this conclusion is a factual determination that is made annually and thus may be subject to change. If the Company is classified as a PFIC for U.S. federal income tax purposes in any taxable year, U.S. investors holding the Company's New Ordinary Shares generally will be subject, in that taxable year and all subsequent taxable years (whether or not the Company continued to be a PFIC), to certain adverse U.S. federal income tax consequences, which could be significant, including increased tax liability on gains from dispositions of the New Ordinary Shares and certain distributions and a requirement to file annual reports with the U.S. Internal Revenue Service. In general, the Company will be a PFIC in any taxable year in which, after taking into account its income and gross assets, including the income and assets of certain 25 percent or more owned subsidiaries, either (i) at least 75 percent of its gross income is passive income or (ii) at least 50 percent of the quarterly average market value of its assets is attributable to assets that produce or are held to produce passive income.

Prospective U.S. Shareholders should consult their own U.S. tax advisors regarding the potential application of the PFIC rules. For more information on the U.S. federal income tax consequences of the New Ordinary Shares being treated as stock of a PFIC, see Part XIII (*The UK REIT Regime, Taxation and Exchange Control*).

4. RISKS RELATING TO THE ORDINARY SHARES

The price of the Ordinary Shares may fluctuate.

The market price of the Ordinary Shares may not reflect the value of the underlying investments of the Company and could be subject to significant fluctuations due to a change in sentiment in the market regarding the Ordinary Shares. The fluctuations could result from national and global political, economic and financial conditions (including the Ukraine-Russia conflict and the conflict in Gaza and the wider Middle East), the market's response to the Capital Raising, market perceptions of Sirius and various other factors and events, including but not limited to variations in the Group's operating results, business developments of the Group and/or its competitors and the liquidity of the financial markets. The fluctuations could be in response to many factors, including, among other things, variations in the Company's operating results, additional issuances or future sales of the Ordinary Shares or other securities exchangeable for, or convertible into, its Ordinary Shares in the future, the addition or departure of board members, expected dividend yield, divergence in financial results from stock market expectations, changes in stock market analyst recommendations regarding the German or UK commercial property market as a whole, the Company or any of its assets, a perception that other markets may have higher growth prospects, general economic conditions, prevailing interest rates, legislative changes in the Company's market and other events and factors within or outside the Company's control. Stock markets experience extreme price and volume volatility from time to time, and this, in addition to general economic, political and other conditions, may materially adversely affect the market price for the Ordinary Shares. There can be no assurance, express or implied, that Shareholders will be able to sell the Ordinary Shares at a time or price that they deem appropriate or that Shareholders will receive back the amount of their investment in the Ordinary Shares. Furthermore, the Group's operating results and prospects from time to time may be below the expectations of market analysts and investors. Any of these events could result in a decline in the market price of the Ordinary Shares.

The Company also has a number of major Shareholders with material holdings in Sirius, and the holdings of some of these Shareholders may further increase as a result of the Capital Raising. If any of these Shareholders were to choose to sell their Ordinary Shares, this could cause material fluctuations in the value of the Ordinary Shares.

The market price for Ordinary Shares may decline below the Offer Price at which investors may subscribe for New Ordinary Shares.

There is no assurance that the public trading market price of the Ordinary Shares will not decline below the Offer Price. Should that occur, relevant Shareholders will suffer an immediate unrealised loss as a result, which may be significant. Moreover, there can be no assurance that, following Shareholders' acquisition of New Ordinary Shares, Shareholders will be able to sell their New Ordinary Shares at a price equal to or greater than the acquisition price for those shares. Furthermore, sales of Ordinary Shares by significant investors could depress the market price of the Ordinary Shares. A substantial number of Ordinary Shares being sold, or the perception that sales of this type could occur, could also depress the market price of the Ordinary Shares. Both scenarios may make it more difficult for Shareholders to sell the Ordinary Shares at a time and price that they deem appropriate.

Shareholders will experience dilution in their ownership of the Company as a result of the Capital Raising.

Shareholders did not generally have a right to participate in the Capital Raising. No New Ordinary Shares have been offered to Shareholders generally in connection with the Capital Raising. The shareholding of any Shareholder not participating in the Capital Raising will be diluted by 10.7 per cent. as a result of the Capital Raising (assuming full take-up under the Retail Offer).

In addition, Shareholders may experience immediate and substantial dilution by further share issues. Other than pursuant to the Capital Raising, the Company has no current plans for an offering or issuance of shares apart from possible issuance pursuant to its employee share plans and/or its scrip dividend scheme. However, it is possible that the Board may decide to offer additional shares in the future. If Shareholders did not take up such offer of shares or were not eligible to participate in such offering, their proportionate ownership and voting interests in the Company would be reduced and the percentage that their Ordinary Shares would represent of the total share capital of the Company would be reduced accordingly.

Shareholders who acquire 10 per cent. or more of Sirius' share capital without fragmenting their holdings may not be able to receive dividends and may be required to dispose of shares.

An investor that is a company or another body corporate that, through one single corporate entity, becomes beneficially entitled (directly or indirectly) to 10 per cent. or more of the shares or dividends of Sirius or controls (directly or indirectly) 10 per cent. or more of the voting rights of Sirius will be a "Substantial Shareholder". Under the UK REIT regime, a tax charge may be levied on Sirius if it makes a distribution to a "Substantial Shareholder", unless Sirius has taken reasonable steps to avoid such a distribution being paid.

In order to prevent this tax charge from arising, Sirius (in common with other UK REITs) has included certain provisions in its Articles. The Articles provide that Shareholders and other investors must: (i) notify Sirius if they become Substantial Shareholders; and (ii) provide such information as is requested by Sirius to establish whether or not such Shareholders are Substantial Shareholders. Sirius may refuse to pay dividends to any person the Directors believe to be a Substantial Shareholder, unless and until the Board is satisfied that such a person is not or is no longer a Substantial Shareholder, or is not beneficially entitled to the dividends. If a dividend is paid on a Substantial Shareholding and a tax charge is levied on Sirius, Sirius may recover the amount of such charge and all related costs and expenses from the relevant Substantial Shareholder. Furthermore, a Substantial Shareholder may be required to dispose of its beneficial entitlement to dividends or of its Shares. Accordingly, Shareholders and other investors should be careful to avoid a situation where they may have a holding of over 10 per cent. of the issued share capital of Sirius which is held by any single corporate entity, as this would adversely affect their ability to receive dividends and may result in a tax charge or a requirement for all or some of the Ordinary Shares held by them to be sold. Sirius monitors its register of members and particularly before a PID is paid and based on the information on that register, will seek further information from any Shareholder it considers necessary in order to confirm that they are not a Substantial Shareholder.

The Company's dividend policy will depend on the financial condition of the Group.

As the principal company of a UK REIT group, Sirius is required, amongst other things, to distribute annually to Shareholders (by way of a PID) at least 90 per cent. of the Group's tax-exempt income profits from its UK qualifying rental businesses. As a matter of Guernsey law, any distribution of dividends will need to be in

accordance with the provisions of the Companies Law, including the passing of the statutory “solvency test”. The Board will therefore need to carry out a liquidity or cash flow test and a balance sheet solvency test before any dividend or distribution payment can be made. The test requires the Board to make a future assessment by making reference to the solvency test being satisfied immediately after a distribution or dividend payment is made. If at the time a dividend or distribution payment is to be made, the Board believes that the solvency test cannot be passed, no payment may be made to the holders of Ordinary Shares. There is no assurance that the Group will be able to make dividend payments in the future, or to sustain dividend payments at any particular level.

Any decision to declare and pay dividends in the future will be made at the discretion of the Board and will depend on, among other things, applicable law, regulation, the Group’s financial position, working capital requirements, finance costs, restrictions imposed under the terms of any borrowings, general economic conditions and other factors the Board deems significant from time to time. Sirius’ ability to pay dividends will also depend on the level of dividends and other distributions, if any, received from its subsidiaries. To the extent that Sirius or its subsidiaries experience an adverse effect on their results of operations, cash flows or financial condition, or such other relevant factor, the Board may decide at their discretion to decrease the amount of dividends, change or revoke the dividend policy or discontinue paying dividends entirely, which may adversely affect the market price of the Ordinary Shares.

There is no guarantee of sufficient liquidity in the market for the Ordinary Shares and the Ordinary Shares are subject to potential share price volatility.

Admission should not be taken as implying that there will be a liquid market for the New Ordinary Shares. There is no guarantee that there will be sufficient liquidity in the Ordinary Shares to sell or buy any number of Ordinary Shares at a certain price level. The Company cannot predict the extent to which an active market for the Ordinary Shares will develop or be sustained, or how the development of such market might affect the market price for Ordinary Shares. An illiquid market for the Ordinary Shares may result in lower trading prices and increased volatility, which could adversely affect the value of any investment.

In addition, any change to the laws and regulations of South Africa relating to investment in foreign businesses may have an adverse effect on the trading liquidity of the Ordinary Shares on the JSE and current or future investments by South African investors in the Company.

The admission of the New Ordinary Shares to listing on the Official List, to trading on the London Stock Exchange and to trading on the Main Board of the JSE may not occur when expected.

Until the New Ordinary Shares are admitted to listing on the Official List, to trading on the London Stock Exchange or to trading on the Main Board of the JSE, they will not be fungible with Existing Ordinary Shares currently traded on the London Stock Exchange and/or the JSE. There is no assurance that the admission to listing on the Official List, to trading on the London Stock Exchange or to trading on the Main Board of the JSE will take place when anticipated.

The ability of Overseas Shareholders to bring actions, or to enforce judgments, against the Company, the Board or the officers of the Company may be limited.

The Company is a non-cellular company, limited by shares incorporated in Guernsey. As a result, the rights of Shareholders are governed by the laws of Guernsey and the Articles, which rights may differ from the rights of shareholders in typical UK companies and/or US corporations. In addition, the ability of an Overseas Shareholder to bring an action against it may be limited under the laws of Guernsey, and it may not be possible for investors outside of Guernsey to effect service of process outside Guernsey against the Company or the Company’s directors, or to enforce the judgment of a court outside Guernsey against the Company or the Board. Likewise, Overseas Shareholders may not be able to enforce any judgments under the securities laws of countries other than Guernsey against the Board who are residents of Guernsey or countries or territories other than those in which judgment is made, and Guernsey or other courts may not impose civil liability on the Board in any original action based solely on foreign securities laws brought against the Company or the Company’s directors in a court of competent jurisdiction.

The rights of Shareholders and the fiduciary duties owed by the Board will be governed by Guernsey law and the Articles.

The rights of Shareholders and the fiduciary duties that the Board owes to Sirius and Shareholders are governed by Guernsey law and the Articles. As a result, the rights of Shareholders and the fiduciary duties owed to them and Sirius may differ in material respects from the rights and duties that would be applicable if Sirius were organised under the laws of a different jurisdiction (for example those of England) or if the Company was not permitted to vary such rights and duties in its Articles.

Overseas Shareholders may not be able to exercise pre-emptive rights in the future.

As part of the Capital Raising, the share capital of Sirius will be increased and New Ordinary Shares will be issued. In addition, further share capital increases and share issues may be proposed in the future. Shareholders are entitled to pre-emptive rights in respect of new issues of shares for cash unless those rights are waived by a Shareholders' resolution.

Overseas Shareholders may not be able to exercise their pre-emptive rights as part of a future issue of shares for cash (even if pre-emption rights were not waived) unless the Company decides to comply with applicable local laws and regulations. This is because securities laws of certain jurisdictions may restrict the Company's ability to allow participation by certain Shareholders in any future issue of shares. In particular, Overseas Shareholders who are located in the United States may not be able to exercise their rights on a future issue of shares, unless a registration statement under the US Securities Act is effective with respect to such rights or an exemption from the registration requirements is available thereunder. The New Ordinary Shares will not be registered under the US Securities Act and the Company is unlikely to file registration statements for future share issues.

Overseas Shareholders may be subject to exchange rate risk.

Sirius' earnings are reported in Euros and include revenues and expenses in both Euros and Pounds Sterling. However, the Ordinary Shares are traded in Pounds Sterling on the LSE and Rand on the JSE, and any dividends to be paid in respect of the Ordinary Shares will be paid in Euros or Pounds Sterling (at the Shareholder's election) for Shareholders on the UK register and in Rand for Shareholders on the South African register. Accordingly, an investment in Ordinary Shares exposes the investor to foreign currency exchange rate risk. Any depreciation of Euros or Pounds Sterling in relation to a foreign currency will reduce the value of the investment in the Ordinary Shares or any dividends in foreign currency terms.

The Board may decline to recognise the transfer of Ordinary Shares if the transfer would make the Company subject to certain US rules and regulations.

The Board may, under the Articles, decline to recognise the transfer of Ordinary Shares to any person whose holding or beneficial ownership of shares may result in: (i) the Company, or any member of the Group being in violation of, or required to register its shares under, the US Exchange Act; (ii) the Company not being a "foreign private issuer" as such term is defined in Rule 3b-4(c) of the US Exchange Act; (iii) the assets of the Company being deemed to be "plan assets" within the meaning of ERISA and US Department of Labor Regulations and guidance issued thereunder, including, but not limited to 29 C.F.R. 2510.3-101, or of a "plan" within the meaning of section 4975 of the US Tax Code, or of a plan or other arrangement subject to section 503 of the US Tax Code or provisions under applicable federal, state, local, non-US or other laws or regulations that are substantially similar to section 406 of ERISA or section 4975 of the US Tax Code; (iv) the Company, or any member of the Group not being in compliance with FATCA, the Investment Company Act, the US Exchange Act, section 4975 of the US Tax Code, section 503 of the US Tax Code, ERISA or any applicable federal, state, local, non-US or other laws or regulations that are substantially similar to section 406 of ERISA, section 503 of the US Tax Code or section 4975 of the US Tax Code; or (v) the Company being a "controlled foreign corporation" for the purposes of the US Tax Code.

These restrictions may materially affect certain Shareholders' ability to transfer their Ordinary Shares.

PART III

IMPORTANT INFORMATION

1. GENERAL

The contents of this document are not to be construed as legal, business or tax advice. Each prospective investor should consult his or its own legal, financial or tax adviser for legal, financial or tax advice. In making an investment decision, each investor must carry out their own examination, analysis and enquiry of the Company and the terms of the Capital Raising, including the merits and risks involved.

Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to Article 23 of the Prospectus Regulation and PR 3.4.1 of the Prospectus Regulation Rules, neither the publication of this document nor any distribution of New Ordinary Shares shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Group taken as a whole since the date of this document or that the information contained herein is correct as of any time subsequent to its date.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representation must not be relied upon as having been so authorised by the Company, the Directors, the Group, the Banks, PSG Capital or any other person involved in the preparation of this document. Any decision to invest in Ordinary Shares should be based on a consideration of this document as a whole by the investor. No representation or warranty, express or implied, is made by the Company, the Directors, the Group, the Banks, PSG Capital or any other person involved in the preparation of this document as to the accuracy or completeness of such information or representation. Nothing contained in this document is, or shall be relied upon as, a promise or representation by the Company, the Directors, the Group, the Banks, PSG Capital or any other person involved in the preparation of this document as to the past, present or future.

2. NO INCORPORATION OF WEBSITES

The contents of the Company's website (<https://www.sirius-real-estate.com/>) (other than the information as set out in Part XVII (*Documents Incorporated by Reference*)) and the contents of any website accessible from hyperlinks on such website do not form part of this document and no one should rely on them.

3. FORWARD-LOOKING STATEMENTS

Certain statements in this document relate to the future, including forward-looking statements relating to the financial position and strategy of the Group. These statements relate to future events or the future performance of the Group, but do not seek in any way to qualify the working capital statement given by the Company. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'could', 'likely', 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'may', 'should', 'will', 'continue' or, in each case, their negative and other variations or other similar or comparable words and expressions. These statements discuss future expectations concerning the Group's results of operations or financial condition, or provide other forward-looking statements.

The forward-looking statements speak only as at the date of this document and have not been reviewed or reported on by the Company's auditors. These forward-looking statements are not guarantees or predictions of future performance, and are subject to known and unknown risks, uncertainties and other factors, including the risk factors set out in the section entitled 'Risk Factors', many of which are beyond the Group's control, and which may cause the Group's actual results of operations, financial condition and the development of the business sectors in which they operate to differ materially from those suggested by the forward-looking statements contained in this document. In addition, even if the Group's actual results of operations, financial condition and the development of the business sectors in which they operate are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods.

Prospective investors are advised to read this document in its entirety for a further discussion of the factors that could affect the Group's future performance. In light of these risks, recipients of this document are cautioned not to put undue reliance on forward-looking statements.

Other than as required by English law, none of the Company, its officers, advisers or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur, in part or in whole.

Additionally, statements of the intentions of the Board and/or Directors reflect the present intentions of the Board and/or Directors, respectively, as at the date of this document and may be subject to change as the composition of the Board alters, or as circumstances require.

To the extent required by applicable law or regulation (including as may be required by the Companies Law, Prospectus Regulation Rules, Listing Rules, MAR, Disclosure Guidance and Transparency Rules, the FSMA and the JSE Listings Requirements), the Company will update or revise the information in this document. Otherwise, the Company as well as the Banks and PSG Capital expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

4. NO PROFIT FORECASTS OR ESTIMATES

Nothing in this document is intended as a profit forecast or estimate for any period and no statement in this document should be interpreted to mean that earnings, earnings per share, dividend per share, revenue growth, net assets or cash flow for the Company for the current or future financial years would necessarily match or exceed the historical published earnings, earnings per share, dividend per share, revenue growth, net assets or cash flow for the Company.

5. SOURCES AND PRESENTATION OF FINANCIAL INFORMATION

Sources and presentation of financial information relating to the Group

Unless otherwise indicated, the historical and other financial information presented in this document has been extracted, without material adjustment, from:

- the audited consolidated financial statements of the Group as at and for the financial year ended 31 March 2024;
- the audited consolidated financial statements of the Group as at and for the financial year ended 31 March 2023; and
- the audited consolidated financial statements of the Group as at and for the financial year ended 31 March 2022,

which are incorporated by reference in Part X (*Historical Financial Information of Sirius Real Estate Limited*) of this document as described in Part XVII (*Documents Incorporated by Reference*) (together, the "**Sirius Financial Information**"). The Sirius Financial Information has been prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB). The accounting policies applied to the Financial Information are applied consistently in the financial information in this Prospectus. The Sirius Financial Information has been prepared in accordance with the requirements of the Prospectus Regulation and should be read in conjunction with the accompanying notes thereto and Ernst & Young LLP's report thereon.

The Sirius Financial Information incorporated by reference in Part X (*Historical Financial Information of Sirius Real Estate Limited*) of this document has been audited by Ernst & Young LLP, an independent registered public audit firm located at 1 More London Place, London SE1 2AF. The Group's financial year ends on 31 March.

Non-IFRS Information and Operating Data

Non-IFRS Information

This document contains certain Key Performance Indicators that are not defined or recognised under IFRS, including (i) Adjusted Profit Before Tax; (ii) Adjusted Net Asset Value (“**Adjusted NAV**”); (iii) EPRA earnings per share; (iv) Dividend per share; (v) EPRA Net Tangible Value Assets (“**EPRA NTA**”); (vi) FFO; (vii) gross loan-to-value; (viii) Net LTV; (ix) EPRA loan to value (“**EPRA LTV**”); (x) EPRA net disposal value (“**EPRA NDV**”); (xi) EPRA net reinstatement value (“**EPRA NRV**”) (collectively, “**Non-IFRS Financial Measures**”).

The Group has presented these Non-IFRS Financial Measures because it considers them an important supplemental measure of its underlying performance. For a description of these measures, see Part XI (*Operating and Financial Review of the Group*). For a reconciliation of these Non-IFRS Financial Measures to the IFRS measures included in the Historical Financial Information, see Part XI (*Operating and Financial Review of the Group*) and Annex 1 to the 2024 Annual Report. The Non-IFRS Financial Measures are presented in accordance with the JSE Listings Requirements and The Guide on Pro forma Financial Information, issued by SAICA. The Non-IFRS Financial Measures are the responsibility of the Directors. The Non-IFRS Financial Measures have been presented for illustrative purposes and, due to their nature, may not fairly present the Group’s financial position or result of operations.

The Non-IFRS Financial Measures contained in this document have been extracted, without material adjustment, from the audited Group’s consolidated financial statements for the year ended 31 March 2024.

The non-IFRS key performance indicators alone do not provide a sufficient basis to compare the Group’s performance with that of other companies and should not be considered in isolation or as a substitute for net assets, results before taxes, net earnings, cash flow from operating activities or other income statement, cash flow or balance sheet information, as determined in accordance with IFRS, or as indicators of profitability or liquidity. In addition, these measures should not be used instead of, or considered as an alternative to, the Group’s historical financial results. These measures are not intended to be indicative of future results. Because not all companies calculate these performance measures in the same way, the presentation of the performance measures of the Company is not necessarily comparable with similarly titled measures by other companies.

The European Public Real Estate Association (“**EPRA**”) has introduced three new features (EPRA, NRV, NTA and NDV) of the net asset valuation metrics, which replaced EPRA NAV for accounting periods commencing in January 2020.

Operating Data

This document contains certain operating data that is not defined or recognised under IFRS. There are no generally accepted principles governing the calculation of these measures and the criteria upon which these measures are based require a level of judgement and can vary from company to company. This operating data has been included because the Directors believe that it is used widely by certain investors, securities analysts and other interested parties as supplemental measures of operating performance. These are not measures of operating performance derived in accordance with IFRS and should not be considered in isolation or as a substitute for analysis of the Group historical financial results based on IFRS. These key performance indicators include the following:

- **Annualised rent roll** – the contracted rental income of a property at a specific reporting date expressed in annual terms. Unless stated otherwise the reporting date is 31 March 2024. Annualised rent roll should not be interpreted nor used as a forecast or estimate. Annualised rent roll differs from rental income and is reported within revenue in the consolidated income statement for reasons including:
 - (a) annualised rent roll represents contracted rental income at a specific point in time expressed in annual terms;
 - (b) rental income as reported within revenue represents rental income recognised in the period under review; and
 - (c) rental income as reported within revenue includes accounting adjustments including those relating to lease incentives.
- **WALE (weighted average lease expiry per sqm)** – the weighted average time to lease expiry expressed in sqm.

- **Occupancy** – the percentage of total lettable space occupied as at the relevant reporting date.
- **Rate** – the rental income per sqm expressed on a monthly basis as at a specific reporting date.

6. USE OF PROPERTY VALUATION FIGURES

This document includes valuations by C&W of the Group's properties as at 31 March 2024, as set out in Part XIV (*Property Valuation Report prepared by C&W in relation to certain assets in the Portfolio*) of this document, which have been prepared in accordance with the appropriate sections of the Royal Institution of Chartered Surveyors ("**RICS**") Professional Standards and RICS Global Valuation Practice Standards (the "**Red Book**"). The valuations have been prepared adopting methodologies which are common within the UK and Germany. The German asset valuations are based upon assumptions including future rental income, anticipated maintenance costs and an appropriate discount rate. The properties are valued on the basis of a ten-year discounted cash flow model supported by comparable evidence. The discounted cash flow calculation is a valuation of rental income considering non-recoverable costs and applying a discount rate for the current income risk over a ten-year period. After ten years a determining residual value (exit scenario) is calculated. A capitalisation rate is applied to the more uncertain future income, discounted to a present value. Adjustments are made to account for lease incentive accounting and Directors' write-downs on non-core assets. Directors' write-downs represent the discretionary impairment of specific assets resulting from the existence of exceptional leases, geographical distinctions and particular encumbrances that management believes materially impact the amounts which may ultimately be realised in respect of the concerned properties. In the UK, where the properties are let on standard, traditional, market terms, the assets have been valued on a traditional approach, capitalising the net income generated. The valuations are based upon assumptions including appropriate income voids at lease/licence expiries, future rental income, running costs and appropriate capital deductions. The income is then capitalised applying split yields to reflect the different income, security, age and location of the individual assets. Properties which are not subject to any leases, licences or agreements have been valued on the basis of vacant possession and have include current void periods, appropriate running costs and deductions before reverting to market rent. The income stream has then been capitalised to reflect the lack of income security, age of the building and its location.

As a result of the level of judgement used in arriving at the market valuations, the amounts which may ultimately be realised in respect of any given property may differ from the valuations shown in the statement of financial position. Directors' estimates of value should not be construed as valuations by C&W, nor should they be construed as profit forecasts or interpreted to mean that the Group's asset values or earnings in any future period would necessarily match, be greater than or be less than those for any other period.

The International Valuation Standards Council ("**IVSC**") publishes and periodically reviews the International Valuation Standards ("**IVS**"), which set out internationally accepted, high level valuation principles and definitions. These have been adopted and supplemented by the RICS, and are reflected in the Red Book. Thus, the RICS considers that a valuation that is undertaken in accordance with the Red Book will also be compliant with IVS.

7. CURRENCY PRESENTATION

Unless otherwise indicated, all references in this document to "£", "pounds", "pounds sterling", "Pounds Sterling" or "sterling" are to the lawful currency of the UK and references to "pence" or "p" represent pence in the lawful currency of the UK.

Unless otherwise indicated, all references in this document to "R", or "Rand" are to the lawful currency of South Africa.

Unless otherwise indicated, all references in this document to "EUR", "€" or "Euro" are to the lawful currency in the Member States of the European Union that have adopted the single currency introduced in application of the European Economic Community Treaty and references to "cents" represent cents in the lawful currency of such Members States of the European Union.

The Group prepares its consolidated financial statements, which are incorporated by reference in Part X (*Historical Financial Information of Sirius Real Estate Limited*) of this document as described in Part XVII (*Documents Incorporated by Reference*) in Euros. Unless otherwise indicated, the financial information contained in this document has been expressed in Euros.

8. ROUNDING

Certain numerical figures contained in this document, including financial information, market data and certain operating data, have been subject to rounding adjustments for ease of presentation. Accordingly, in certain instances, the sum of the numbers in a column or a row in tables may not conform exactly to the total figure given for that column or row or the sum of certain numbers presented as a percentage may not conform exactly to the total percentage given.

9. MARKET AND INDUSTRY INFORMATION

Unless the source is otherwise stated, the market, economic and industry data in this document constitute the Directors' estimates, using underlying data from independent third-parties. Market data and certain industry data and forecasts included in this document have been obtained from internal company surveys, market research, consultant surveys, publicly available information, reports of governmental agencies and industry publications and surveys.

In some cases there is no readily available external information to validate market related analyses and estimates, requiring the Group to rely on internally developed estimates. The Group does not intend, and does not assume any obligation, to update industry or market data set forth in this document. Because market behaviour, preferences and trends are subject to change, prospective investors should be aware that market and industry information in this document and estimates based on any data therein may not be reliable indicators of future market performance or the Group's future results of operations.

The Company confirms that all third-party data contained in this document has been accurately reproduced and, so far as the Company is aware and able to ascertain from information published by that third-party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where third-party information has been used in this document, the source of such information has been identified. While industry surveys, publications, consultant surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, the accuracy and completeness of such information is not guaranteed. The Company has not independently verified any of the data from third-party sources, nor has the Company ascertained the underlying economic assumptions relied upon therein. Similarly, internal surveys, industry forecasts and market research, which the Directors believe to be reliable based upon the Directors' knowledge of the industry, have not been independently verified. Statements as to the Group's market position are based on recently available data.

10. NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The New Ordinary Shares have not been and will not be registered under the Securities Act. In the United States, the New Ordinary Shares will only be offered and sold to qualified institutional buyers, or QIBs, as defined in Rule 144A under the Securities Act. Outside the United States, the offering is being made in reliance on Regulation S under the Securities Act.

Available information

For so long as any of the New Ordinary Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Company will, during any period in which it is not subject to Section 13 or 15(d) under the U.S. Securities Exchange Act of 1934, as amended, nor exempt from reporting under the Exchange Act pursuant to Rule 12g3-2(b) thereunder, make available to any holder or beneficial owner of such restricted securities, or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, upon request the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Enforceability of civil liabilities

The Company is organised as a public limited company incorporated under the laws of Guernsey. None of its Directors or Senior Managers are citizens or residents of the United States. In addition, all the Company's assets and all the assets of its Directors and Senior Managers are located outside the United States. As a result, it may not be possible for U.S. investors to effect service of process within the United States upon the Company or its directors and officers located outside the United States or to enforce in the U.S. courts or outside the United States judgments obtained against them in U.S. courts or in courts outside the United

States, including judgments predicated upon the civil liability provisions of the U.S. federal securities laws or the securities laws of any state or territory within the United States. There is doubt as to the enforceability in Guernsey, whether by original actions or by seeking to enforce judgments of U.S. courts, of claims based on the federal securities laws of the United States. In addition, punitive damages in actions brought in the United States or elsewhere may be unenforceable in Guernsey.

Transfer restrictions

Each purchaser of New Ordinary Shares in the United States will be subject to the following transfer restrictions. The New Ordinary Shares may not be offered, sold, pledged or otherwise transferred, except (a) to a person that the seller and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of another QIB or (b) outside the United States in accordance with Regulation S under the Securities Act or (c) pursuant to an exemption from registration under the Securities Act or (d) pursuant to an effective registration statement under the Securities Act.

11. ENFORCEABILITY OF JUDGMENTS

The Company is a non-cellular company, with liability limited by shares registered in Guernsey, Channel Islands. All of the Directors of the Company are citizens or residents of countries other than the United States. All of the assets of such persons and the assets of the Company are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or the Company, or to enforce against them judgments of US courts, including judgments predicated upon civil liabilities under the securities laws of the United States or any state or territory within the United States. There is substantial doubt as to the enforceability in the UK in original actions or in actions for enforcement of judgments of US courts, based on the civil liability provisions of US federal securities laws.

Under the Judgments (Reciprocal Enforcement) (Guernsey) Law, 1957 as amended (the “**Judgments Law**”) a judgment of a superior court can be reciprocally enforced in Guernsey by way of registration subject to certain qualifications to registration outlined in the Judgments Law. The scope of the Judgments Law is limited to a small number of jurisdictions including the UK, Israel, Netherlands and Italy. The Royal Court may (in its discretion) recognise as a valid judgment any final and conclusive judgment obtained in a Court of a country other than those listed under the Judgments Law provided certain conditions are met. Legal advice needs to be taken before attempting to enforce a foreign judgment in the Guernsey courts.

12. NOTICE TO OVERSEAS INVESTORS

None of the Existing Ordinary Shares or the New Ordinary Shares may be offered in or into any Restricted Jurisdiction or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. Any persons (including, without limitation, custodians, nominees and trustees) who have a contractual or other legal obligation to forward this document or any accompanying document into a Restricted Jurisdiction should seek appropriate advice before taking any such action. Accordingly, neither this document nor any advertisement nor any other offering material may be distributed or published in any Restricted Jurisdiction (including the United States) except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Capital Raising and Admission disclaim any responsibility or liability for the violation of such requirements by any person.

13. NOTICE TO ALL INVESTORS

The New Ordinary Shares may not be acquired by investors using assets of: (A) an “employee benefit plan” as defined in Section 3(3) of U.S. Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), that is subject to Title I of ERISA or (B) a “plan” as defined in Section 4975 of the U.S. Internal Revenue Code of 1986, as amended.

PART IV

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	11 July 2024
Announcement of the results of the Retail Offer	12 July 2024
Admission and dealings in New Ordinary Shares commence on the London Stock Exchange and the JSE	by 8.00 a.m. (London time) and 9.00 a.m. (Johannesburg time) on 16 July 2024
New Ordinary Shares credited to CREST stock accounts, CSDPs and broker accounts (uncertificated Shareholders only)	as soon as practicable after 8.00 a.m. (London time) and 9.00 a.m. (Johannesburg time) on 16 July 2024
Where applicable, despatch of definitive share certificates for the New Ordinary Shares in certificated form	on or around 30 July 2024

Notes:

1. The ability to participate in the Capital Raising was subject to certain restrictions relating to Shareholders with registered addresses outside of the UK and South Africa, details of which are set out in Part IX (*Description of Capital Raising*).
2. These times and dates and those mentioned throughout this document are indicative only and may be adjusted by the Company in consultation with the Banks and PSG Capital, in which event details of the new times and dates will be notified to the FCA, the London Stock Exchange and the JSE.

PART V

CAPITAL RAISING STATISTICS

Number of Existing Ordinary Shares in issue as at the Latest Practicable Date	1,349,623,348
Number of New Ordinary Shares to be issued pursuant to the Capital Raising (assuming full take up under the Retail Offer)	162,234,042
Offer Price (per New Ordinary Share to be issued pursuant to the Capital Raising)	94 pence
Discount of the Offer Price to the Closing Price of 97.45 pence per Existing Ordinary Share on 10 July 2024	3.5 per cent.
Estimated gross proceeds of the Capital Raising	£152.5 million
Estimated net proceeds of the Capital Raising receivable by the Company, after deduction of commissions, fees and expenses	£146.8 million
Ordinary Shares in issue following the issue of the New Ordinary Shares ¹	1,511,857,390
New Ordinary Shares issued pursuant to the Capital Raising as a percentage of the Company's Enlarged Share Capital immediately following Admission of the New Ordinary Shares ¹	12.0 per cent.

Notes:

1. On the assumption that no further Ordinary Shares are issued as a result of any options under any Share Plan, or otherwise, between the date of this document and Admission and the Retail Offer is taken up in full.

PART VI

DIRECTORS, COMPANY SECRETARY AND ADVISERS

Directors	Daniel Kitchen (<i>Independent Non-Executive Chair</i>) Andrew Coombs (<i>Chief Executive Officer</i>) Chris Bowman (<i>Chief Financial Officer</i>) Mark Cherry (<i>Independent Non-Executive Director</i>) Caroline Britton (<i>Senior Independent Director</i>) Kelly Cleveland (<i>Independent Non-Executive Director</i>) Joanne Kenrick (<i>Independent Non-Executive Director</i>) Deborah Davis (<i>Independent Non-Executive Director</i>) ² (“Proposed Director”)
Company Secretary	Anthony Gallagher
Registered office	Plaza House, Fifth Floor, Admiral Park, St Peter Port, Guernsey, GY1 2HU, Channel Islands
UK Sponsor, Joint Global Coordinator and Joint Bookrunner	Joh. Berenberg, Gossler & Co. KG, London Branch 60 Threadneedle Street London EC2R 8HP
Joint Global Coordinator and Joint Bookrunner	Peel Hunt LLP 7 th Floor 100 Liverpool Street London EC2M 2AT
Joint Bookrunner	Panmure Liberum Limited Ropemaker Place Level 12 25 Ropemaker Street London EC2Y 9LY
SA Adviser, Sole SA Bookrunner and Placing Agent, JSE Sponsor	PSG Capital Proprietary Limited 1 st Floor Ou Kollege Building 35 Kerk Street Stellenbosch 7600
Legal advisers to the Company as to English law	Penningtons Manches Cooper LLP 125 Wood Street London EC2V 7AW
Legal advisers to the Company as to US law	Proskauer Rose LLP 110 Bishopsgate London EC2N 4AY
Legal advisers to the Company as to Guernsey law	Carey Olsen (Guernsey) LLP Les Banques St Peter Port Guernsey GY1 4BZ

² An announcement confirming the appointment of Deborah Davis as a director of the Company was released on 28 May 2024, with such appointment to take effect from 1 December 2024. Deborah Davis is included within the definition of “Directors” used throughout the document, save where the context requires otherwise.

**Legal advisers to the Company
as to South African law**

Edwards Nathan Sonnenbergs Inc.

The MARC, Tower 1
129 Rivonia Road
Sandton
Johannesburg
2196

**Legal advisers to the UK
Sponsor, Joint Global
Coordinators and Bookrunners
as to English and US law**

Greenberg Traurig, LLP

Level 8, The Shard
32 London Bridge Street
London SE1 9SG

**Reporting Accountant
and Auditor**

Ernst & Young LLP

1 More London Place
London SE1 2AF

Registrar

Link Market Services (Guernsey) Limited
Mont Crevelt House
Bulwer Avenue
St Sampson
Guernsey GY2 4LH

**South African Transfer
Secretaries**

Computershare Investor Services Proprietary Limited

Rosebank Towers
15 Biermann Ave
Rosebank 2196

Property Valuer

C & W (U.K.) LLP German Branch

Bleidenstraße 6, 60311 Frankfurt am Main
Germany

(“C&W” or “Cushman & Wakefield”)

PART VII

INFORMATION ON SIRIUS REAL ESTATE LIMITED

1. INTRODUCTION

The Company is a Guernsey-incorporated property company and a leading owner and operator of branded business park, industrial complex and out of town office real estate assets. Operating at 68³ sites across Germany and 74 sites across the UK, the Company provides conventional space and flexible workspace to its tenants. All rental and other income is derived from the Group's operations performed in Germany via a number of wholly owned subsidiaries including Curris Facilities & Utilities Management GmbH and DDS Conferencing & Catering GmbH, and in the UK via its wholly owned subsidiary, Helix Investments Limited. In the UK, the Company converted into a UK Real Estate Investment Trust ("**REIT**") in respect of its UK business with effect from 1 April 2022.

The Company is listed on the London Stock Exchange's Main Market and the JSE's Main Board and it has grown to circa £1.30 billion in market capitalisation since its incorporation in 2007. Sirius applies a high-return, value-add business model to investments in mixed-use industrial, warehouse and office properties in Germany and the UK. In Germany, most of Sirius' properties are currently located in and around the seven largest cities by population (Berlin, Hamburg, Munich, Cologne, Frankfurt, Stuttgart and Düsseldorf). Sirius seeks mixed-use properties, primarily light industrial units, business parks or office buildings outside the city centres, or on the edge of the cities, in locations that have a high density of commercial and industrial activity and good transport links. In the UK, Sirius has grown its portfolio to 74 regionally diverse industrial units and out of town offices and is now an established, scalable and well-diversified UK regional operator of flexible workspace.

As at 31 March 2024, the Group owned and operated 142 investment properties (excluding seven properties held in the Titanium Venture) (31 March 2023: 140) across Germany and the UK thereby providing a combination of conventional and flexible workspace (the latter being referred to in Germany as "**Smartspace**"). In the UK the Group operates under the BizSpace brand. The Group has a well-diversified income and tenant profile from large multinational corporations working within a broad range of industries to SMEs and individual customers. Most sites have a combination of anchor tenants which provide secure long-term income, SME tenants on a combination of conventional and flexible lease terms and Smartspace serviced tenants which comprise a wide variety of companies and individuals using self-storage, serviced office and workbox products. Workbox products are self-contained units for light industrial (craft business, car workshop, personal hobbies etc.) tenants with an all-inclusive price. While the stability of anchor tenants is important for income security, the Company's high-yielding Smartspace products, which are generally created by transforming previously sub-optimal vacant space, acquired for very low cost, provide a substantial boost to income returns.

Sirius' business model involves the execution of a stringent acquisition process followed by selective capital investment and the roll out of an intensive asset management plan that focuses on transforming vacant and sub-optimal space into high-quality conventional and flexible workspace. Sirius opportunistically sells assets that have been successfully transformed where proceeds can be recycled into assets with a higher value creation potential where the Group can utilise its asset management capability to a greater effect. The Group's track record of using its integrated operating platform provides a significant advantage across multiple disciplines including the sourcing of acquisitions, sales and marketing and service charge recovery.

The integrated operating platform in Germany includes major asset and property management specialisations, which enables Sirius to generate independent leads and invest into space with a high value generation potential based on its in-depth knowledge and understanding of local market demand. As a result, Sirius is able to increase occupancy and annualised rent roll on a like for like basis, which in turn drives improvement in service charge recovery. Through a combination of active tenant management and the selective use of higher yielding products, Sirius has historically been able to increase average rental rates in excess of inflation in Germany. The transformative investment the Group makes into its assets at the point of integration, combined with its strong income growth trajectory, has played a major role in the increase in capital values Sirius has recorded.

3 The asset of the Company located in Nabern, Germany and referred as "Nabern II" by the Company comprises two separate sites. The Company refers to Nabern II as one property in marketing materials and for reporting purposes.

The aggregate sum of the properties' market values of the portfolio of owned assets, including assets held for sale, has been independently valued at £1,873,244,063 by C&W in its Property Valuation Report included in Part XIV (*Property Valuation Report prepared by C&W in relation to certain assets in the portfolio*) as at 31 March 2024.

German Portfolio Overview

As at 31 March 2024, the Group's investment property portfolio in Germany can be split into three categories:

1. traditional business parks;
2. modern business parks; and
3. office buildings.

The usage split within the Group's portfolio in Germany is a mixture of production space, offices, warehouses and storage. The Company's traditional industrial business parks (which accounted for 54 per cent. of the Group's total annualised rent roll as at 31 March 2024 in Germany (31 March 2023: 56.2 per cent.)) typically feature multiple mixed-use buildings and over 30,000 sqm of workspace. The majority of these sites were originally constructed by owner occupiers generally for manufacturing and industrial usage but have since undergone significant investment by Sirius to be reconfigured for multi-tenant use and to meet the needs of modern businesses. Today, these sites offer a range of different workspace options, ranging from conventional large-scale office, storage and industrial spaces, to smaller-sized and flexible self-storage, office and conference room options. They are frequently let to large blue-chip tenants, alongside a significant number of SME and individual tenants.

Modern business parks (which represent 28 per cent. of the Group's total annualised rent roll as at 31 March 2024 in Germany (31 March 2023: 26.9 per cent.)) and other office buildings (representing 18 per cent. of the Group's total annualised rent roll in Germany as at 31 March 2024 (31 March 2023: 16.9 per cent.)) often comprise expansive sites of over 20,000 sqm, featuring a blend of warehouses and office buildings and are often let to small and medium enterprises ("**SMEs**") (or *Mittelstand*), smaller companies as well as private clients and entities associated with the German government.

As at 31 March 2024, the top 50 anchor tenants in Germany made up 38 per cent. of the Group's total annualised rent roll in Germany (31 March 2023: 39 per cent.) with Smartspace SME tenants steadily accounting for 7 per cent. of the total annualised rent roll in Germany (31 March 2023: 7 per cent.), and other SME tenants accounting for 55 per cent. of total annualised rent roll in Germany (31 March 2023: 55 per cent.). As at 31 March 2024, 7.9 per cent. of the Group's tenants in Germany were government agencies (31 March 2023: 7.9 per cent.). Most sites have a combination of anchor tenants that provide secure long-term income, SME tenants on a combination of conventional and flexible lease terms and Smartspace tenants using self-storage, serviced office and workbox products. The stable income from the anchor tenants complements the high-yielding Smartspace products, which are generally created by transforming inexpensive vacant and sub-optimal space and in doing so boosting income returns.

The Company enabled an accelerated series of acquisitions in the second half of the financial year ending 31 March 2024 through its €165.3 million equity financing in November 2023 taking advantage of an attractive pipeline of acquisition opportunities in the market. Three assets were acquired or agreed to be acquired in Germany in the financial year ended 31 March 2024: Köln (Cologne) for €20.0 million (excluding acquisition costs) in March 2024, Göppingen for €19.8 million (excluding acquisition costs), which completed in April 2024 and Klipphausen for €13.75 million (excluding acquisition costs), which also completed in April 2024.

UK Portfolio Overview

As at 31 March 2024, Sirius' UK portfolio, BizSpace, included predominantly freehold sites – consisting primarily of:

- (i) industrial sites;
- (ii) office buildings; and
- (iii) mixed use sites.

As at 31 March 2024, the industrial sites comprised 30 per cent. of the total annualised rent roll in the UK, office buildings comprised 44 per cent. of the total annualised rent roll in the UK and mixed use sites comprised 26 per cent. of total annualised rent roll in the UK. All the Company's UK sites operate under the BizSpace brand which was acquired in November 2021. BizSpace offers light industrial, workshop, studio and out of town office units to a wide range of businesses such as large corporates, SMEs and microbusinesses, offering a blend of flexible agreements and longer-term leases.

On industrial sites in the UK, BizSpace provides a range of workshops and small industrial units for businesses needing space for light industrial work like manufacturing, repairing and packing, or warehouse space to store stock. The Group's industrial spaces range from private, self-contained workshops to managed workshop units where tenants have access to shared amenities. All units are unfurnished and sold on a sq ft basis.

In office buildings, BizSpace caters to the office needs of small and growing SMEs, ranging from small units of 80 – 120 sq ft which are suited to two to three people, to larger units of over 800 – 9,000 sq ft for companies with 20 – 200 people. The majority of BizSpace's office units are rented unfurnished and on a square foot basis, but a number of its sites also contain fully furnished serviced offices where tenants are charged an all-inclusive monthly bill which includes Wi-Fi, utilities, cleaning and reception staff. BizSpace also has a number of co-working spaces where entrepreneurs, start-ups and self-employed individuals work alongside one another in a single shared space.

BizSpace's mixed sites have a combination of workshop space and office space on site. These sites are typically converted mills or factories which have been modernised and repositioned to provide flexible workspace accommodation. All units are rented unfurnished on a sq ft basis with the customer having the flexibility to choose between a lease or a licence.

In the UK, the Company acquired or agreed to acquire six assets in the financial year ended 31 March 2024, with its major Gloucestershire acquisition completing in April 2024, post the balance sheet date. The assets acquired were Liverpool and Barnsley for £9.5 million (excluding acquisition costs) in October 2023, Islington and Camden (comprising three assets) for £33.5 million (excluding acquisition costs) in November 2023 and Gloucestershire for £47.0 million (excluding acquisition costs) in April 2024. Sirius has identified a number of opportunities to increase value in these assets by utilising its asset management platform to improve occupancy, income and service charge recovery.

As at 31 March 2024, the Group's top 100 tenants in the UK accounted for 21.2 per cent. of the annualised rent roll in the UK with the next 900 tenants accounting for 44.8 per cent. of total annualised rent roll in the UK. The remaining 34 per cent. of total annualised rent roll in the UK relates to nearly 3,000 SME and micro-SME tenants (who occupy 39.6 per cent. of the overall portfolio).

Group Financial Performance

In the financial year ended 31 March 2024 the Group's consolidated revenue (which comprises rent, fee income, other income from investment properties, and service charge income) increased from €270.1 million for the financial year ended 31 March 2023 to €288.8 million. For the financial year ended 31 March 2024, the Group reported a consolidated profit before tax of €115.2 million (31 March 2023: €87 million), including €12.2 million (31 March 2023: €9.8 million loss) of gains from property revaluations (excluding movements relating to leased investment properties in accordance with IFRS 16) net of €0.2 million (31 March 2023: €2.1 million) of capex and adjustments in respect of lease incentives and broker fees.

FFO, which is the key measure of operational performance, increased by 7.9 per cent. to €110.2 million for the financial year to 31 March 2024 (31 March 2023: €102.1 million) The majority of the increase in FFO came from a combination of strong organic growth within the existing portfolio as well as excellent asset recycling.

As at 31 March 2024, the Group's Net LTV (which excludes restricted cash balances) was 33.9 per cent. (31 March 2023: 41.6 per cent.). For a calculation of Net LTV, a non-IFRS measure, based on our audited financial statements, see Part XI (*Operating and Financial Review – Non-IFRS Measures – Reconciliation*).

The average number of people employed by the Group during the financial year ended 31 March 2024 was 428 (31 March 2023: 421), expressed in full-time equivalents.

2. COMPETITIVE STRENGTHS

The Directors believe Sirius' business model is well-positioned to capture future growth. The Directors also believe the Group has a number of core competitive strengths that have been a primary driver of its success in the past and will continue to be a source for its future business development:

Pure play commercial real estate, benefiting from well balanced and resilient German economy and similarly favourable UK market dynamics

The Group's success is significantly correlated with the development of the commercial real estate market in Germany and the regional sub-markets in which Sirius is active on the one hand and the prevailing macroeconomic conditions in Germany on the other hand.

Germany remains comfortably the largest economy in the European Union and the third largest in the world after the USA and China, as it has overtaken Japan to take the number three spot. It has maintained its reputation as an industrial powerhouse with a strong export-focused economy characterised by low unemployment. (*Forbes India: The top 10 largest economies in the world – 30 April, 2024*).

The German economy is facing headwinds as demand for its industrial products, both foreign and domestic, has come under pressure from lower cost producers, particularly since the energy price shock following Russia's invasion of Ukraine. There have been signs of 'green shoots' more recently, industrial output increasing in January 2024 across most sectors, however, overall GDP contracted due to a significant fall in motor vehicle production. The labour market remains robust as unemployment rates remain at 5.4 per cent. and consumers overall have more funds to spend as inflation eases and real wages see improvement (*Deutsche Bundesbank Eurosystem: German economy's recovery is stalling – 21 March 2024*). Even though Germany has faced steady headwinds, GDP is expected to grow in 2024 and beyond.⁴

The European Commission estimates a 0.3 per cent. GDP contraction occurred in Germany in 2023, followed by 0.1 per cent. expected growth in 2024 and a further 1.0 per cent. in 2025, with inflation coming off from its 11.6 per cent. peak in October 2022 to 6 per cent. in 2023 and 2.4 per cent. in February 2024, being the lowest level since June 2021. Inflation is expected to finish the year at 2.8 per cent. in 2024 and fall further to 2.4 per cent. in 2025. Gas supplies in Germany are stable and balanced, with wholesale prices having fallen in recent months. (*European Commission: Economic forecast for Germany – 15 May 2024; Statistisches Bundesamt: Inflation rate of 2.5 per cent. expected in February 2024 – Press release no. 078 of 29 February 2024; Bundesnetzagentur – current status of gas supply in Germany – 2 November 2023*)

Commercial real estate investment volumes in Germany in 2023 were down sharply to just under €23.3 billion from €54.1 billion the year prior according to BNP Paribas, representing a 57 per cent. drop year over year. This marks the first time in 8 years that investment volume was below €50 billion, showcasing the headwinds faced by the industry⁵.

The German economy continues to be driven by a diverse, large number of small to medium sized companies - the so called "*Mittelstand*" - which remain robust and agile to changes in the market. Germany leads the way globally in terms of the contribution such *Mittelstand* 'hidden champions' make to economic output and employment.⁶ These companies are highly specialised, acting as strategic partners for larger companies along the value chain, contributing significantly to innovation through their opportunistic mindset. In excess of 58 per cent. of jobs created in Germany are attributable to the *Mittelstand*, generating a total of 35 per cent. of sales. The space that the Company provides is specially suited for SME tenants which occupy 55 per cent. of the space and contribute 62 per cent. to the Company's rent roll.

National and international investors continue to focus on the German real estate market. The market for light industrial property and offices is characterised by a diverse investor landscape with increased levels of inward capital from private equity, sovereign wealth, insurance companies, private investors, asset managers, public companies and funds managed by banks. The Directors believe that the continued broadening of the investor base of these assets demonstrates that the appeal of the sector continues to increase and that with the right operating platform sustainable and attractive risk-adjusted returns are achievable.

4 https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/germany/economic-forecast-germany_en#:~:text=The%20German%20economy%20went%20through,the%20first%20quarter%20of%202024

5 <https://www.realestate.bnpparibas.de/en/market-reports/investment-market/germany-at-a-glance>

6 Berenberg Economics Report (August 2023) "The German economy: what is the problem?" https://research.berenberg.com/report/1F2D7879F366F97B76F9E29341CA3D06?mc_cid=1e660c5c8e&mc_eid=d10a99d01e

With its focus on the German market combined with its integrated operating platform and related asset management capability Sirius is well placed to continue to benefit from the fundamentals of the German economy and take advantage of the opportunities within the light industrial asset class.

The UK continues to adjust to life after Brexit. An increased focus on supply chain security has driven demand for commercial storage as lead times for imported goods has increased. The end of free movement of people is exacerbating a shortage of labour which is affecting the entire economy. Heading into the latter half of 2024, the country faces a certain amount of uncertainty following on from the general election on 4 July 2024 and the change to the party in power.

Despite these uncertainties, on the ground Sirius continues to experience the resilience of British business, the Group's smaller units are highly sought after and are dominated by small businesses serving every area of the economy. The Group's larger industrial spaces benefit from the shortage of supply that comes with there having been very little new stock constructed in a generation. The OECD forecasts a return to growth for the UK economy in 2024 of 0.4 per cent., following a contraction of 0.3 per cent. in 2023, and forecast growth of 1.0 per cent. in 2025 (*House of Commons Library: GDP – International Comparisons: Key Economic Indicators– 10 May 2024*). Inflation has reduced to 2 per cent. in June 2024 from its peak of 9.1 per cent. in April 2022⁷.

The fourth quarter of 2023 saw investment increase in UK by 15 per cent. compared to the previous quarter, indicating that investments are picking up. Looking ahead, commentators expect bond yields to stabilise off their peaks and rate cuts from mid to late 2024, which could ease the cost of capital and thereby alleviate concerns of asset investors, even though interest rates are expected to remain higher than those enjoyed over the past decade.

The light industrial sector in the UK has favourable market dynamics, witnessing strong demand, driven most notably by accelerated e-commerce penetration, while supply remains severely constrained due to a lack of available land and expensive build costs. This demand-supply imbalance is evidenced by strong levels of regional rental growth across the UK. The UK market also provides favourable sector dynamics for flexible workspace with ongoing on-shoring production activities and strong growth in rental rates.

Balanced and diversified mix of spaces and range of products

Sirius' Smartspace products in Germany are designed with flexibility where tenants also benefit from a fixed cost, which continues to be desirable even in challenging market conditions. The majority of Smartspace has been developed from space that is either sub-optimal or considered to be structurally vacant by most light industrial real estate operators. Following conversion, the area is transformed into space that can be let at significantly higher rents than the rest of the business park and, as a result, is highly accretive to both income and value. The Company was able to add 4,400 sqm of Smartspace offering from 101,277 sqm in the prior year (reduced by the disposals) to 105,677 sqm which is an increase of more than 4 per cent. Total Smartspace occupancy increased to 70 per cent. (31 March 2023: 65 per cent.), which led to a 4.2 per cent. increase of the annualised Smartspace rent roll.

Integrated operating platform and strong management team

Key to the generation of consistent and attractive returns within the multi-tenanted light industrial market are specialist competencies across a range of property related disciplines. Unlike many of its competitors, Sirius has chosen not to outsource the provision of essential services to its property portfolio to third parties. Instead, since 2012, Sirius has developed a sophisticated multidisciplinary internal operating platform in Germany and the UK, focused on key drivers such as property and tenant management, new lettings, service charge recovery, lease management, tenant renewals, debt collection, sourcing acquisitions and executing its asset management initiatives. Through this internal operating platform, the Group has, since 2012, developed expertise and competencies that allow it to benefit from direct access and market insight. In Germany, the internal marketing team has developed a significant internet presence since 2012 and for the financial year ended 31 March 2024, 15,880 total enquiries were generated (31 March 2023: 15,412) relating to its wholly owned assets in Germany, with a sales conversion rate in respect of these enquiries of 14 per cent. (31 March 2023: 12 per cent.). This disintermediation represents a key competitive advantage

7 Statista: <https://www.statista.com/statistics/270384/inflation-rate-in-the-united-kingdom/>

allowing the Group to develop and deploy niche strategies relating to the sourcing of acquisitions, the generation of tenant leads, sales conversion, service charge optimisation and the targeted development into vacant space. A total of 219,142 sqm of space was let by the Company in Germany and the UK during the financial year ended 31 March 2024, while tenant retention remained strong, particularly in Germany, with 79 per cent. by square metre of property that was up for renewal in the financial year ended 31 March 2024 being successfully extended (31 March 2023: 75 per cent. by square metre).

In the UK, the Group manages approximately 4.3 million sq. feet of space as at 31 March 2024. Through the integration work conducted with BizSpace, the key learnings which have been acquired in Germany since 2012 are transferred where applicable, allowing the UK platform to benefit significantly from the successful methods deployed in Germany. In the UK, for the financial year ended 31 March 2024, 17,108 total enquiries were generated (31 March 2023: 15,511) with a sales conversion rate in respect of these enquiries of 6.8 per cent. (31 March 2023: 6.2 per cent.).

The Group has invested substantially in building an in-house team in Germany focused on optimising service levels and costs as well as improving service charge recovery levels. These investments include developing utilities metering and consolidating purchasing power to negotiate better utilities deals and improve consumption allocation; creating detailed equipment lists and matrices to manage maintenance programmes better and improve allocation of these costs; increasing service charge prepayments to reduce the need to chase balancing payments at the end of each year; and improving the overall cost allocation and recovery process. Sirius' focused in-house team has enabled the Company to achieve a cost recovery percentage that is higher than occupancy.

In addition, Sirius benefits from a highly experienced and dedicated management team with a strong track record and deep experience in property markets across Germany and the UK, and through a variety of market conditions.

Strong platform for further acquisitions

Sirius now has a property portfolio comprised of 142 assets as well as an asset management platform which has provided Sirius a second market to source acquisitive growth opportunities. Sirius' management believes that this market opportunity has been fostered by an acceleration of existing trends leading to increased demand, for example from sectors such as e-commerce, third party logistics and smaller occupiers seeking demand for flexible space for their operations. Sirius' management believes that Brexit has increased the desire to manufacture, assemble and store in the UK with a positive impact on onshoring production activity. Following the successful acquisition of BizSpace, Sirius has a combination of two effective management platforms with over 20 years' experience in the UK and Germany and high yielding portfolios with growth potential. Sirius' management believes that the geographic extension into the UK, a market which has substantially similar supply/demand profiles and fundamental market dynamics has strengthened the earnings resilience, further enhances the risk profile of Sirius and gives another route to accretive inorganic acquisitive growth, as evidenced by the execution of recent transactions in the second half of the financial year to 31 March 2024. Both Germany and the UK are characterised by a commercial real estate market that is fragmented and with continuing high demand for investment properties.

Continued acquisitive growth

Sirius has been active in growing its portfolio through acquisitions, which it has funded through a combination of share placings, bond offerings, attractively priced long-term bank financing and the selective recycling of equity through disposals of mature or non-core assets. In order to establish and maintain a balanced portfolio, both opportunistic and stable assets have been acquired, providing the Group with an attractive combination of secure income and the potential to create significant value by utilising its integrated operating platform.

Between December 2014 and 31 March 2024, Sirius acquired 58 assets (excluding land and smaller buildings inside the plot of existing sites) at a total investment amount of €879.1 million. As at 31 March 2024, the value of these assets amounted to €1,280.9 million, an increase of €401.8 million, or 45.7 per cent., compared to the acquisition costs. Acquisitive growth continued in the financial year ended 31 March 2024 with the Company investing or committing to (including post balance sheet

acquisitions) three new acquisitions in Germany for a total investment of €53.6 million (excluding acquisition costs) and six in the UK for total investment of £90.0 million (excluding acquisition costs).

Moreover, on 31 July 2019, the Company entered into the Titanium Venture. The Titanium Venture seeks to grow primarily through the acquisition of larger stabilised business parks assets and portfolios of assets with strong tenant profiles and occupancy levels. Sirius acts as operator of the assets in the venture, on a fee basis. As at 31 March 2024, the Titanium Assets had a value of €360.7 million. Sirius expects to generate additional income as a result of Sirius' continued management of the Titanium Assets.

The Company completed an inaugural €400.0 million corporate bond issuance in June 2021 and a further bond issuance of €300.0 million in November 2021, the proceeds of which funded further strategic acquisitions in Germany throughout 2021. These included the acquisition of a third office space in Frankfurt and business parks at Oberhausen, Neckartenzlingen and Heiligenhaus, as well as the purchase of buildings and a land parcel adjacent to existing assets at Potsdam and Neuruppin respectively.

The Company acquired BizSpace, a leading provider of regional flexible workspace in the UK, in November 2021 for a cash consideration of circa £245 million, based on an enterprise value of £380 million and representing a 7.1 per cent. net operating yield. BizSpace has provided Sirius with an opportunity to diversify geographically at scale in the attractive UK market and also bought organic and inorganic growth opportunities, overlaid with meaningful operational and financial synergies.

In November 2023, the Company completed an oversubscribed equity fundraising of €165.3 million to provide funds to execute on a pipeline of acquisition opportunities. That fundraising enabled an accelerated series of acquisitions in the second half of the financial year ended 31 March 2024, with the Company acquiring or agreeing to acquire approximately €150 million of assets. €96 million of which were in the UK and €55 million of which were in Germany.

In June 2024, the Group also completed the acquisitions of two industrial assets in the UK, in Banbury, South East England, and Wembley, for just over £31 million (excluding acquisition costs).

Internal asset management platform

The internal asset management platform remains a key differentiator for Sirius over its competitors in its markets and plays an integral role in driving occupancy and rental growth. The internal marketing team in Germany has developed a significant internet presence since 2012 and in the financial year ended 31 March 2024, generated on average in excess of 1,323 leads per month predominantly from the Company's website and the internet portals upon which vacancies are advertised. Leads are passed on to a dedicated call centre in Germany, which over the same period converted approximately 63.1 per cent. of all enquiries into viewings. All aspects of Sirius' German sales process are "mystery shopped" in order to measure performance and ensure standards are continually met. This highly specialised in-house capability enables Sirius to secure and retain tenants without reliance on external agents and brokers and is an important component in being able to realise the full potential of the transformed vacant space that is created through the capex investment programs.

The Company has leveraged the knowledge and strategies gained over the past circa 15 years by Sirius' internal marketing team and adopted certain of the practices utilised in Germany for its UK properties and operations.

The Group's primary source of revenue relates to leasing contracts with tenants. As at 31 March 2024, 77.8 per cent. of Sirius' rental and other income was derived from the Group's operations in Germany, with the remainder in the UK.

The Group realises escalations as a result of new sales, renewals, inflation linked indexations and contractually agreed uplifts. As at 31 March 2024, approximately 31.9 per cent. of contracts in place in Germany and approximately 42.2 per cent. of contracts in place in the UK were subject to contractual uplifts within the next 12 months (31 March 2023: 33.4 per cent. in Germany and 5.1 per cent. in the UK).

The sales and marketing specialism described above has played a key role in Sirius successfully increasing occupancy in Germany and the UK on a like for like basis and also consistently increasing average occupancy rate. As a result of Sirius' ability to consistently sell high volumes of space, assets with vacant space have been acquired at which point they are integrated into the platform and subjected to a wide

range of asset management disciplines that increases both income and capital growth. The principles and disciplines applied to driving occupancy and rental growth applied in the German market over a number of years have been integrated into the BizSpace portfolio of properties.

In Germany, the Company's headline 85 per cent. occupancy rate as at 31 March 2024 (31 March 2023: 83.4 per cent.) means that, excluding structural vacancy, in total 215,189 sqm of space is vacant as at the financial year end.

In the UK, the Company's headline 87 per cent. occupancy rate as at 31 March 2024 (31 March 2023: 86.5 per cent.) means that in total 53,969 sqm of space is vacant as at the financial year end.

Since 31 March 2015, Sirius' rent roll increase in Germany has been over 5 per cent. per annum and was 7.1 per cent. in the financial year ended 31 March 2024. Since 15 November 2021 (being the date of the completion of the acquisition of BizSpace), the Company's rent roll in the UK has increased by 33 per cent. and was 14.4 per cent. in the financial year ended 31 March 2024.

Strong cash collection performance and strong financial profile

Cash collection has always been of fundamental importance to the success of the Group. The Company benefits from an experienced in-house team of cash collection professionals who collaborate with on-site staff to maintain close relationships with tenants. Together the cash collection team and on-site staff work with tenants to support and maintain business continuity whilst ensuring contractual obligations are met, resulting in an average 98.2 per cent. cash collection rate over the financial year ended 31 March 2024. One of the factors supporting Sirius' cash collection success is its diversified tenant base and range of products, comprising 5,915 tenants in Germany and 3,739 in the UK, in each case as at 31 March 2024. Sirius is not materially dependent on any single economic sector, with the largest tenant in Germany representing 2.1 per cent. of total annualised rent roll in Germany (31 March 2023: 2.1 per cent.), and the largest tenant in the UK representing 1.3 per cent. of total annualised rent roll in the UK (31 March 2023: 1.9 per cent.), in each case as at 31 March 2024. The top 50 tenants in Germany representing 38 per cent. of total annualised rent roll in Germany as at 31 March 2024 (31 March 2023: 38 per cent.) and the top 100 tenants in the UK account for 21.2 per cent. of total annualised rent roll in the UK as at 31 March 2024 (31 March 2023: 24 per cent.).

Diversified financing structure following Sirius' corporate bond issuances

Sirius has continuously sought to take advantage of favourable lending conditions whilst broadening its pool of lenders and sources of financing. Sirius has historically part funded its investment activity through secured lending. The Company has issued two unsecured corporate bonds - in June 2021, the Company issued its inaugural €400 million 1.125 per cent. corporate bond due June 2026 and, in November 2021, the Company issued a €300.0 1.75 per cent. corporate bond due November 2028. On 17 May 2024, the Company issued a further €59.9 million under this corporate bond to a single existing international institutional investor. Sirius has utilised the proceeds of these two corporate bonds to transform its balance sheet by repaying secured debt, acquiring BizSpace and to support the Company's acquisitive growth, as well as reducing its overall cost of debt. Moreover, the Company has successfully refinanced multiple loans on attractive terms, highlighting both the strength of its banking relationships and the lenders understanding the role of its integrated operating platform in reducing risk. As at 31 March 2024, and following the bond issuances and related secured debt repayments (but excluding the bond issuance on 17 May 2024 which occurred after the end of the financial year), the Company has a total debt (interest bearing loans and borrowings and unamortised borrowing costs) of €955.4 million of which €715.0 million or 75 per cent. is unsecured (31 March 2023: 75 per cent.). This transformation of the Company's financing arrangements is expected to positively support Sirius' operations and make asset recycling notably easier and less expensive.

As at 31 March 2024, the Group's Net LTV ratio was 33.9 per cent. (31 March 2023: 41.6 per cent.), which includes unrestricted cash balances of €244.2 million (31 March 2023: €124.3 million). For a calculation of Net LTV, a non-IFRS measure, based on our audited financial statements, see Part XI (*Operating and Financial Review – Non-IFRS Measures – Reconciliation*).

3. BUSINESS STRATEGY

Based on its key strengths, Sirius' strategy focuses on value creation and is based on the following pillars:

Diversified growth strategy through acquisitions, recycling and active portfolio management

Sirius expects to continue to grow its business through acquisitions and asset recycling. The primary focus is to maximise the Company's FFO and value of all assets by way of active asset management throughout the period in which they are owned. A geographical focus for acquisition activity remains on Germany's seven largest cities by population: Berlin, Hamburg, Munich, Cologne, Frankfurt, Stuttgart and Düsseldorf. In the UK the Company continues to see assets on attractive financial terms which, if acquired, could contribute further scale, rental income and diversification to its platform.

The Sirius portfolio has been built by careful strategic assembly with the objective of delivering sustainable and long-term total returns for Shareholders. When acquiring assets, the Company seeks out assets at value-accretive yields, which can be integrated into the Company's portfolio and where there are opportunities for asset management, including reconfiguration, upgrading of existing and vacant space, and improving rental income from currently unutilised space of tenants, which will increase rental income, improve cost recoveries and capital values, and where returns can be enhanced through the Company's low-cost financing. Once sites are mature and net income and values have been optimised, the Company may take the opportunity to refinance sites to release capital for investment in new sites, or consider the disposal of sites in order to recycle equity into assets which present greater opportunity for the asset management skills of the Company's team.

The Group's asset management platform is predominantly in-house and focused on key drivers such as property and tenant management, new lettings, service charge recovery, lease management, tenant renewals and debt collection.

A dedicated team of investment professionals review acquisition proposals. The way in which the Group has developed deep connectivity within the market directly and through its network of brokers is considered of strategic importance and allows the Group to identify off-market opportunities regardless of prevailing market conditions. The main asset management initiatives are designed to convert properties into improved, more efficient, higher yielding conventional and flexible workspaces where businesses can reach their potential.

During the financial year ended 31 March 2024, the Company invested or committed to (including post balance sheet acquisitions) three new acquisitions in Germany for a total investment of €53.6 million (excluding acquisition costs) and six in the UK for total investment of £90.0 million (excluding acquisition costs).

Sirius will continue to grow its wholly owned portfolio through acquisitions, where it can capitalise on its asset management expertise to maximise utilisation of the space, grow occupancy and improve quality of the tenants. The Titanium Venture now comprises seven assets with a combined gross asset value of €360.7 million. The Titanium Venture's acquisition strategies have been clearly defined so that the Titanium Venture does not conflict with Sirius' wholly-owned business.

Further unlock income and capital growth opportunity from vacant or vacated space

The Group's extensive capex investment programmes continue to deliver high returns and remain key drivers of organic income and capital value growth. The programmes are focused on the transformation of sub-optimal vacant space with potential for high value generation into both the Group's conventional and flexible workspaces. This also includes upgrading common and outside areas as well as branding sites. Often amenities like conferencing rooms, canteens and fitness centres are created on site and let to external operators which draw substantial footfall as well as bringing them to life and adding to the tenant work environment. The returns that Sirius achieves from these improvements are high because they deliver rental income and service charge recovery gains that come from letting the transformed areas, but also include valuation uplifts arising from improving the space and business parks as a whole. The Company actively seeks out opportunity to make accretive investment into space that has been recently vacated or is due to be vacated in order to enhance the overall value of the space.

Capex Investment – Germany

Further details on the acquisitions capex investment programme in Germany on this vacant space are set out in the table below:

New German Acquisition Capex Programme progress	Sqm	Investment budgeted €m	Actual spend €m	Annualised	Annualised	Occupancy achieved to March 2024 %	Occupancy achieved to March 2024 %	Rate per sqm budgeted €	Rate per sqm achieved to March 2024 €
				rent roll* increase budgeted €m	rent roll* increase to March 2024 €m				
Completed	445,864	76.5	70.9	24.4	29.4	82	73	5.59	7.56
In progress**	998	0.0	0.0	0.1	–	100	–	7.50	–
To commence in next financial year	18,755	4.6	–	1.7	–	84	–	8.91	–
Total	465,636	81.1	70.9	26.2	29.4	82	73	5.73	–

* Annualised rent roll is the contracted rental income of a property at a specific reporting date expressed in annual terms.

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

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

Capex investment – UK

In the UK, BizSpace has historically invested in its sites in order to maintain and upgrade its space, which allows it to adapt to changes in tenant demand. From 15 November 2021 (being the date of the completion of the BizSpace Acquisition) through 31 March 2024, the Company has invested a total of £14.9 million into its sites focussed primarily on improving the condition of spaces in order to drive occupancy and price. The Company expects to identify further opportunities to invest into its UK assets in the coming financial year, whilst continuing to progress its ESG related investment in order to align the UK portfolio with the wider Group.

Further enhancement of service charge recovery

In Germany, poor recovery of service charge costs in mixed-use, multi-tenanted business parks typically results in high leakage from net operating income. Over the last ten years, the Group has invested substantially in building a dedicated and experienced in-house team that is entirely focused on optimising service levels and costs as well as improving service charge recovery levels. These investments include the following:

1. developing utilities metering and consolidating purchasing power to negotiate better utilities deals and improve consumption allocation;
2. creating detailed equipment lists and matrices to manage maintenance programs better and improve allocation of these costs;
3. increasing service charge prepayments to reduce the need to chase balancing payments at the end of each year; and
4. improving the overall cost allocation and recovery process.

The Group has developed the ability to achieve a cost-recovery percentage that is higher than occupancy, which the Directors believe represents highly competitive performance.

Further embedding sustainability in Sirius' business

Sirius aims to incorporate sustainability into Sirius' strategy and processes across the board. The refined sustainability strategy also specifically addresses the UN's Sustainable Development Goals (SDGs) as well as the specific ESG targets set by European and national standard setters.

Sirius' ESG transformation has been a major focus for the Board over the last few years across all three elements, particularly since the establishment of the Social and Ethics Committee (since relaunched as the Sustainability and Ethics Committee) under Andrew Coombs' leadership. Ms Kremena Wissel is the Company's Chief Marketing and Impact Officer and manages the business's ESG strategy, implementing a consolidated approach that supports the delivery of sustainable returns while further enhancing the business's investment proposition. The establishment of this new senior management role reflects the further integration of ESG principles into the day-to-day running of the organisation.

Sirius supports the aims and implementation of the Task Force on Climate-related Financial Disclosure ("**TCFD**"), which came into effect on 6 April 2022. In line with Sirius' continuing commitment to measure and minimise its environmental impact and its TCFD disclosure requirements, during the financial year ended 31 March 2024, Sirius' focus has been on identifying a potential decarbonisation pathway to 2030 to reduce its Scope 3 emissions, which account for over 98 per cent. of its total emissions, taking into account CRREM/SBTi as a benchmark rather than seeking alignment as the Directors note that the CRREM methodology does not have a target pathway for industrial sites which represent the highest emitting element of the Group's portfolio. Based on this decarbonisation pathway, the Group's ambition is to reduce its carbon emissions intensity by 45 per cent. by 2030 using its 2021/22 emissions as a baseline.

4. PROPERTY PORTFOLIO

Overview

The Group owns and manages a substantial portfolio of primarily large mixed-use commercial real estate assets in Germany and the UK, which are operated as business parks.

Overview of German Portfolio

As at 31 March 2024, the Group owned 68 properties and held seven additional property investments through its 35 per cent. interest via its Titanium Venture. The value of owned property in Germany held by the Group as at 31 March 2024 was €1.7 billion (31 March 2023: €1.7 billion). The majority of the Group's business parks are a mixture of office, storage and production space.

Traditional business parks

Traditional business parks typically comprise multiple mixed-use buildings and contain in excess of 30,000 sqm of workspace. They were originally designed for manufacturing and industrial usage. Over time they have undergone significant investment and been reconfigured to cater for multi-tenants. After Sirius' transformation, its traditional business parks offer conventional large-scale industrial, storage and office facilities as well as flexible serviced office, self-storage and workbox options, which are created from the less conventional areas of the sites.

These business parks are home to large blue-chip industrial tenants, as well as a significant number of SME and retail tenants that together create thriving business communities.

Modern business parks

Modern business parks typically contain a combination of warehouse and office buildings across a site with a total area in excess of 20,000 sqm. The quality and look of the modern business parks are usually of a higher standard and they are easier to manage than traditional industrial business parks due to a higher proportion of office space. In addition, they often offer the potential for attractive returns on capex investment.

Office buildings

The office buildings are usually conveniently located on the periphery of major economic centres and offer both conventional and flexible office space to SMEs and larger corporates seeking a cost-effective alternative to city centre locations. The Group's office buildings provide high-quality space that can be quickly adapted to meet the changing needs of, and working practices of, its tenants.

Titanium Venture

The Titanium Venture is a contractual venture of the Group and AXA. The Titanium Venture owns seven properties, and the Group provides management services for each of the properties. The Group owns 35 per cent. of the Titanium Venture. The Titanium Venture was formed in July 2019, when Sirius (via the Titanium Venture Shareholders) entered into a contractual venture with AXA Investment Managers Alt (via the AXA Shareholder), an active, long-term, global, multi-asset investor and global leader in alternative investments. The Titanium Venture was formed immediately following the sale by the Titanium Venture Shareholders of a 65 per cent. stake in five business parks, with Sirius (via the Titanium Venture Shareholders) retaining the remaining 35 per cent. The Titanium Venture was initially set up with five assets and as at 31 March 2024 held seven properties located in key locations throughout Germany such as Berlin, Nuremberg, Bayreuth and Mainz. As at 31 March 2024, the Titanium Assets had a gross asset value of €360.7 million, and Sirius has a Net LTV ratio of 33.9 per cent. (31 March 2023: 41.6 per cent.; 31 March 2022: 41.6 per cent.). For a calculation of Net LTV, a non-IFRS measure, based on our audited financial statements, see Part XI (*Operating and Financial Review – Non-IFRS Measures – Reconciliation*). The Titanium Venture's acquisition strategy is clearly defined as targeting core plus real estate investments, with a focus on stable cashflows, so that it does not conflict with Sirius' acquisition strategy, which targets value add, opportunistic real estate investments, with a focus on value creation through improved asset management. In addition to any share of profits from the Titanium Venture, Sirius also generates income from Titanium by charging a management fee for the management of the Titanium Assets and interest on loans made to the Titanium Venture.

Overview of UK Portfolio

As at 31 March 2024, the Group owned 74 properties. The value of owned property in the UK held by the Group as at 31 March 2024 was €461.6 million (31 March 2023: €417.7 million). The portfolio can be broadly split into three main categories industrial sites, office buildings and mixed use sites.

Industrial sites

The Company provides a range of workshops and small industrial units for businesses needing space for light industrial work like manufacturing, repairing and packing, or warehouse space to store stock. Its industrial spaces range from private, self-contained workshops to managed workshop units where tenants have access to shared amenities. All units are unfurnished and sold on a square foot basis.

Office buildings

The Company caters to the office needs of small and growing SMEs, ranging from small units of 80–120 sq ft which are ideal for two to three people, to larger units of over 800–9,000 sq ft for companies with 20–200 people. The majority of its office units are sold unfurnished and on a square foot basis, but a number of its sites also contain fully furnished serviced offices where tenants are charged an all-inclusive monthly bill which includes Wi-Fi, utilities, cleaning and reception staff. The Company also has a number of co-working spaces where entrepreneurs, start-ups and self-employed individuals work alongside one another in a single shared space.

Mixed use sites

The Company's mixed use sites in the UK have a combination of workshop space and office space. These sites are typically converted mills or factories that have been modernised and repositioned to provide flexible workspaces. All units are sold unfurnished on a square foot basis with the customer having the flexibility to choose between a lease or a licence.

Asset Management and Development

Sirius' business model is based on active asset and property management, and its operating platform is key to delivering attractive returns.

The Group's German operating platform is predominantly in-house and focused on marketing, property and tenant management, new lettings, service charge recovery, lease management, tenant renewals, debt collection, the development and maintenance of properties and sourcing acquisitions. In the UK, the Company has leveraged its knowledge and applies the same principles and disciplines of its active asset and property management in Germany to its assets in the UK.

Sirius' operating platform has been developed since 2007 and has involved major investment into systems and processes as well as the development of personnel. Sirius' integrated operating platform offers a number of benefits across multiple disciplines, including reduced reliance on commercial agents and local brokers, higher cost recovery, greater lead generation and more efficient new tenant acquisition, increased optionality in terms of space configuration as well as enhanced control, focus and speed in the development and maintenance of space.

As at 31 March 2024, the average number of employees employed by the Group expressed as full-time equivalents was 428 (excluding Board members) (31 March 2023: 421). Of these, 277 were employed in Germany (31 March 2023: 286), 149 were employed in the UK (31 March 2023: 132), two were employed in the Netherlands (31 March 2023: 2) and one was employed in Cyprus (31 March 2023: 1). These employees perform the asset and property management functions and those in Germany have helped to develop the Group's operating platform.

Sirius' operational platform benefits from a dedicated in-house development team responsible for planning and controlling the capex investment programs while third party contractors are commissioned with the modernisation and refurbishment. The revitalisation of real estate and location upgrading are Sirius' main goals: utilisation, renovation and modernisation measures on former industrial areas create lively business parks with a balanced mix of conventional and flexible spaces.

Sirius enhances rental and capital value through active portfolio management, which can be split into four key stages:

1. Acquisition: Sirius seeks out underutilised, multi-tenanted, mixed-use properties that it can transform into higher yielding workspaces with a value-add and opportunistic focus on asset management potential.
2. Transformation: Sirius converts properties into improved, more efficient, higher yielding, flexible workspaces. Additionally, its active ongoing programme reconfigures and upgrades existing spaces.
3. Active and ongoing asset management: Sirius seeks to maximise the value of its assets with an active and ongoing asset management programme with the majority of functions performed internally.
4. Recycling: Sirius sells off mature and non-core assets and uses the proceeds to purchase core assets with higher value-add opportunity.

When assets have been fully transformed, some are held for their stable income and some are recycled into opportunistic assets with value-add potential.

The Group implements strategies to extend and secure a core base of stable income and if possible, sub-divides and converts space with a high value generation potential into either flexible workspaces or higher quality conventional spaces, which achieve higher rents than the unimproved acquired space would have. In addition, the transformation of each site might include strategies such as:

- (i) investing in refurbishments to the common areas, including adding the Group's branding to the premises;
- (ii) building a marketing suite and Centre Manager office;
- (iii) improving the façade and surrounding outside areas;
- (iv) ensuring adequate parking is available on-site;
- (v) developing on-site cafes and sourcing third party operators to provide on-site catering;
- (vi) letting space to leisure providers;
- (vii) creating meeting rooms and conference facilities; and
- (viii) selling excess land on-site or developing it into conventional letting and self-storage facilities.

Once transformed, the enhanced working environment offers a completely different income profile and provides a stable investment proposition. As valuations increase on mature sites, the Group may refinance the sites and release capital to invest in new assets or seek to dispose of such assets with a view to crystallising the value created and recycling the capital into sites that present greater opportunity for the asset management skills of the Group's team.

From a marketing perspective, Sirius' fully integrated in-house marketing team of digital experts has developed a significant internet presence over the last ten years and consistently drives on average in excess of 1,000 leads per month originating predominately from Sirius Facilities GmbH's website and other the internet portals upon which vacancies are advertised. Sirius is not reliant on third parties for letting enquires. In the UK, typically in excess of 450 leads per month originate from the BizSpace website.

To support the marketing and sales teams, Sirius maintains a comprehensive database of existing and prospective tenants, which are analysed in-house. Once leads have been generated, a dedicated call centre immediately deals with all enquiries. The on-site sales teams use a structured sales process, which translated into a 14 per cent. conversion rate of all enquiries into new lettings for the financial year ended 31 March 2024 (31 March 2023: 12 per cent.) in Germany and a 6.8 per cent. conversion rate of all enquiries into new lettings for the financial year ended 31 March 2024 (31 March 2023: 6.2 per cent.) in the UK.

The wide range of tenants that the Sirius lettings and marketing team is able to attract is a key competitive advantage for Sirius and results in a significantly de-risked real estate portfolio than would typically be associated with the asset class and a 2.7 years weighted average lease expiry per sqm ("**WALE**") in Germany as at 31 March 2024 (31 March 2023: 2.8 years).

Acquisition Strategy

In executing its acquisition-led growth strategy, the Group focuses on assets across both Germany and the UK which both fit the Group's disciplined selection criteria and also provide the Group the opportunity to derive further value from those acquired assets through its organic growth initiatives, including its highly developed capex investment programme. Acquisition criteria across both jurisdictions will be focused on under-utilised, multi-let, mixed-use properties primarily located outside city centres, in locations which have a high density of commercial and industrial activity and good transport links.

Property Type

The Group typically seeks sites which offer valuation and/or income upside and/or can be transformed into higher yielding spaces with a value-add and opportunistic focus on asset management potential. Sirius buys commercial properties and portfolios with a dedicated focus on corporate real estate (warehouses, light industrial, offices mixed use and business parks). Sirius targets properties in need of renovation or modernisation (which are typically characterised by a maintenance backlog, contamination on site or monument protection) and properties with significant vacancies (up to 100 per cent.) as well as partially let properties with shorter or longer remaining terms.

Investment Values

German assets will typically have €10 million to €50 million site value, a higher vacancy and under-rented opportunity with relatively low competition of purchasers for such assets. Similarly, UK assets will typically comprise multi-let industrial, offices and mixed-use workspaces of £5 million to £30 million site value with high gross yields and asset management potential.

The Group will also consider acquisition of larger opportunities where appropriate.

Macro / Micro location

Sirius' geographical focus for acquisition activity in Germany remains as Germany's seven largest cities by population: Berlin, Hamburg, Munich, Cologne, Frankfurt, Stuttgart and Düsseldorf. Across the UK, Sirius looks for mixed-use properties, primarily light industrial units, business parks or office buildings outside city centres, or on the edge of towns although is "geographic agnostic" if a particular asset can be acquired on attractive financial terms and/or has substantial asset management potential.

Depending on the location and type of property, Sirius implements various concepts, from the centrally located premium business centre to the classic office centre to the business park with a wide range of spaces. Whether in the centre of large cities, in a regional centre or in an industrial area on the outskirts of the city, all properties are carefully selected. The following criteria play a central role:

- (i) optimal use of the existing buildings and the entire area;

- (ii) diverse infrastructure in the immediate vicinity (this includes, for example, supermarkets, retail, petrol stations, restaurants, fitness and health offers); and
- (iii) good transport links both by car and public transport.

Occupancy / vacancy rate

Occupancy / vacancy rate – German Portfolio

The Company's headline 85 per cent. occupancy rate in Germany as at 31 March 2024, means that, excluding structural vacancy, in total 215,189 sqm of space was vacant as at the financial year end. When excluding the vacancy that is subject to investment (3 per cent. of total space) and the structural vacancy that is not economically viable to develop (2 per cent. of total space), the Company's occupancy rate based on space that is readily lettable is approximately 90 per cent.

The tables below detail the space with a high value generation potential and vacancy at 31 March 2024, and highlights the opportunity from developing this space:

Vacancy analysis – German portfolio – March 2024

Total space (sqm)	1,751,598
Occupied space (sqm)	1,493,056
Vacant space (sqm)	258,543
Occupancy	85%

Occupancy / vacancy rate – UK Portfolio

The Company's headline 87 per cent. occupancy rate in the UK as at 31 March 2024, means that, in total 580,931 sq ft (53,970 sqm) of space was vacant as at the financial year end.

The tables below details vacancy as at 31 March 2024:

Vacancy analysis – UK portfolio – March 2024

Total space (sqm)	401,526
Occupied space (sqm)	347,557
Vacant space (sqm)	53,970
Occupancy	87%

Geographical distribution of investment properties

In Germany, the primary focus remains on Germany's seven largest cities by population: Berlin, Hamburg, Munich, Cologne, Frankfurt, Stuttgart and Düsseldorf. Sirius seeks mixed-use properties, primarily light industrial units, business parks or office buildings outside city centres, or on the edge of towns, in neighbourhoods, which have a high density of commercial and industrial activity and good transport links. In the UK, the geographic focus of the Company extends across the whole UK market with a primary focus on light industrial, office buildings, workshop, studio and mixed-use assets.

As at 31 March 2024, approximately 52 per cent. of total annualised rent roll in Germany was attributable to the top five German cities by population, including Berlin, Hamburg, Munich, Cologne and Frankfurt (31 March 2023: 53 per cent.) and approximately 37.6 per cent. of total annualised rent roll in the UK was attributable to South East, the South West and the North West of the UK.

German Portfolio

The following table provides an overview of the geographical distribution and key financial data of Sirius' wholly-owned investment properties in Germany as at 31 March 2024:

March 2024	No. of Owned Properties	Total sqm 000	Annualised Occupancy	Rate p sqm €	Annualised Rent Roll €m	% of Portfolio by annualised rent roll	Value €m	Gross Yield	Net Yield	WALE rent	WALE sqm
Frankfurt	16	339	85.8%	7.76	27.1	21%	344.1	7.9%	7.2%	2.6	2.5
Berlin	4	104	95.7%	9.00	10.7	8%	171.2	6.3%	6.3%	2.4	2.4
Stuttgart	9	330	91.5%	5.63	20.4	16%	256.0	8.0%	7.5%	3.1	3.2

March 2024	No. of Owned Properties	Total sqm 000	Occupancy	Annualised		% of Portfolio by annualised rent roll	Value €m	Gross Yield	Net Yield	WALE rent	WALE sqm
				Rate p sqm €	Rent Roll €m						
Cologne	8	147	89.7%	8.87	14.0	11%	183.1	7.7%	7.3%	2.7	2.8
Munich	3	123	81.9%	8.89	10.8	8%	194.6	5.5%	4.8%	1.3	1.3
Düsseldorf	15	371	78.0%	6.92	24.0	19%	308.0	7.8%	6.6%	3.0	3.3
Hamburg	4	92	83.6%	5.63	5.2	4%	63.2	8.2%	7.5%	1.5	1.4
Other	9	246	82.2%	7.21	17.5	13%	205.0	8.5%	7.9%	2.6	2.4
Total Germany	68	1,752	85.2%	7.24	129.7	100%	1,752.2	7.5%	6.8%	2.7	2.7

UK Portfolio

The following table provides an overview of the geographical distribution and key financial data of Sirius' wholly-owned investment properties in the UK as at 31 March 2024:

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

(1) The Group's UK business charges licence customers an all-inclusive rate, which includes an implicit element of service charge.

(2) Book value of owned investment properties including assets held for sale.

Usage

Usage – German Portfolio

The majority of Sirius assets are industrial property units, but Sirius also invests in the secondary office and modern warehouse market. The major usage of the assets is light industrial and manufacturing and production, storage space and offices. To maximise the utilisation of space, Sirius has developed serviced offices, self-storage and workbox products, which have their own Smartspace brand and are particularly popular with tenants seeking flexible solutions to their accommodation needs.

The products are usually created from space that other owners may regard as structural vacancy by investing into these spaces and using the capability of the in-house sales and marketing teams to let these at premium rental rates.

The Group has a well-diversified income and tenant profile from large multinational corporations working within a broad range of industries to SMEs and retail tenants. These tenants use several types of workspaces on both long-term and flexible leases.

The German portfolio by usage, as at 31 March 2024, is set out in the table below:

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

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

The German portfolio consists of five categories of usage: office, storage, production, Smartspace and other.

Office

The pure office buildings that Sirius buys are usually well located on the periphery of major economic centres and offer both conventional and flexible office space to SMEs and larger corporates seeking a cost-effective alternative to city centre locations. Typically constructed post 1990, Sirius' office buildings provide high-quality space that can be quickly adapted to meet the changing needs of and working practices of its tenants.

The office space within the German portfolio comprises office areas and buildings on industrial business parks, office buildings attached to warehouses and stand-alone office buildings in more traditional office areas. Within these office types, Sirius offers a wide range of conventional and flexible office solutions on either long or short-term leases. Some business centres offer service packages such as furniture, IT and conferencing as well as co-working areas and virtual offices.

Storage

Sirius provides a variety of storage space for businesses and private households ranging from large scale industrial warehouses to storeroom and self-storage options.

Production

Sirius' property portfolio contains large production areas, which form the base of many Sirius business parks and are let to anchor tenants who use the space for a wide range of manufacturing activities. Smaller production and workshop areas complement these larger spaces, providing clients with the possibility to expand their businesses as their needs change. Large production areas form the base of many Sirius business parks. However, smaller workshop areas complement these, giving clients optionality.

Smartspace Products

Sirius' Smartspace branded products, which comprise self-storage units, serviced office spaces and workbox products (i.e. self-contained units for light industrial tenants) are products designed with flexibility in mind, with tenants benefitting from a fixed cost, which has proven to be desirable in all market conditions. The majority of Smartspace has been developed from space that is either sub-optimal or considered to be structurally vacant by most competitors operating light industrial real estate including excess office space, basements and redundant halls. Following conversion, the area is transformed into space that can be let at significantly higher rents than the rest of the business park and, as a result, is highly accretive to both income and value.

Within this product group Sirius now has nine brands that cover the entire product range. Smartspace products include serviced offices, self-storage and workbox products.

The total Smartspace portfolio, as at 31 March 2024, set out in the table below:

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

*Annualised rent roll is the contracted rental income of a property at a specific reporting date expressed in annual terms.

**Rate, in relation to the German portfolio, is rental income per sqm expressed on a monthly basis as at a specific reporting date.

***First Choice office space is "premium" serviced office space.

Usage – UK Portfolio

In the UK, the Company offers light industrial, workshop, office buildings and mixed-use properties to a wide range of businesses offering a blend of flexible agreements and longer-term leases.

The UK portfolio by usage, as at 31 March 2024, is set out in the table below:

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

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

(2) The Group's UK business charge licences customers an all-inclusive rate, which includes an implicit element of service charge.

Lease expiry profile – German Portfolio

The following table sets out the future minimum lease payments receivable under non-cancellable leases by income as at 31 March 2024:

	Office Sqm	Production €m	Storage €m	Smartspace €m	Other ⁽¹⁾ €m	Adjustments in relation to lease incentives €m	Total €m
Less than 1 year	44.7	20.5	29.7	4.3	14.8	(0.6)	113.2
Between 1 and 5 years	78.3	40.1	50.0	1.2	26.1	(0.2)	195.6
More than 5 years	12.7	10.4	10.0	–	7.0	–	40.2
Total	135.7	71.0	89.7	5.5	47.9	(0.8)	349.0

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

Escalation profile per usage – Germany

The Group's primary source of revenue in Germany relates to leasing contracts with tenants. The Group realises escalations as a result of new sales, renewals, inflation linked indexations and contractually agreed uplifts. Approximately 31.9 per cent. of contracts in place in Germany as at 31 March 2024 are subject to contractual uplifts (31 March 2023: 33.4 per cent.).

The average contractual uplift over the twelve months from 31 March 2024 split by usage is detailed as follows:

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

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

Lease expiry profile – UK Portfolio

The following table sets out the future minimum lease payments in the UK receivable under non-cancellable leases by income as at 31 March 2024:

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

(1) Other includes: aeriels, car parking, retail units, yards, catering and residential.

Escalation profile per usage - UK

The Group's primary source of revenue in the UK also relates to leasing contracts and licence fee agreements with tenants. The Group realises increases as a result of new sales, renewals, inflation linked indexations and contractually agreed uplifts. Approximately 42.2 per cent. of contracts in place in the UK as at 31 March 2024 are subject to contractual uplifts (31 March 2023: 5.1 per cent.).

The average expected contractual uplift over the twelve months from 31 March 2024 split by usage is detailed as follows:

Usage	Increase in %
Office	4.70
Workshop	9.35
Average	<u>6.97</u>

Tenant structure

Tenant Structure – German Portfolio

The Group's business parks in Germany house a combination of long-term blue-chip anchor tenants, SME tenants on conventional terms and flexible workspaces offering a range of high-quality managed business accommodation to national and local businesses. Sirius provides conventional and flexible workspace to a large number of tenants who represents a wide range of industries.

The table below illustrates the tenant mix across Sirius' German portfolio as at 31 March 2024:

	No. of tenants as at 31 March 2024	Occupied sqm	% of occupied sqm	Annualised rent roll* €m	% of total annualised rent roll* %	Rate per sqm €
Top 50 anchor tenants ¹	50	676,802	45	49,422	38	6.09
Smartspace SME tenants ²	3,007	74,076	5	8,697	7	9.78
Other SME tenants ³	2,858	742,178	50	71,593	55	8.04
Total	<u>5,915</u>	<u>1,493,056</u>	<u>100</u>	<u>129,712</u>	<u>100</u>	<u>7.24</u>

*Annualised rent roll is the contracted rental income of a property at a specific reporting date expressed in annual terms.

- 1 Mainly large national/international private and public tenants.
- 2 Mainly small and medium-sized private and public tenants.
- 3 Mainly small and medium-sized private and individual tenants.

Sirius' top 50 tenants in Germany are mainly large German or international private and public tenants. The top 50 tenants account for 38 per cent. of total annualised rent roll and typically occupy a combination of production and storage space with its related administrative functions being located within adjoining office space. Top 50 tenants are typically long-term tenants engaged in light and heavy manufacturing processes and have often made significant investment into the spaces they occupy.

Sirius' SME tenants form part of the German "Mittelstand", which is considered to be the backbone of the German economy. SME tenants make up 55 per cent. of Sirius' total annualised rent roll and represent a wide range of industries and are mainly small to medium-sized private and public tenants predominately occupying storage and office spaces on a combination of conventional and flexible leases.

Smartspace SME tenants make up 7 per cent. of total annualised rent roll and represent a combination of small private and retail tenants who are attracted by the flexibility afforded by the range of Smartspace products that include a variety of production, storage and office products.

In addition, a total of 7.9 per cent. of Sirius' annualised rent roll relates to entities affiliated with the German government. Tenant retention in the year to 31 March 2024 was 79 per cent. by sqm that was up for renewal in the period being successfully extended (2023: 75 per cent.).

Tenant Structure – UK Portfolio

The Company's UK portfolio includes light industrial, office buildings and mixed-use space and caters to multiple usages and a range of sizes and types of tenants.

The table below illustrates the diverse nature of tenant mix within Sirius' UK portfolio as at 31 March 2024:

	<i>No. of tenants as at 31 March 2024</i>	<i>Occupied sq ft m</i>	<i>% of occupied sq ft</i>	<i>Annualised rent roll £m</i>	<i>% of total annualised rent roll</i>	<i>Rate per sq ft £</i>
Top 100 Tenants	100	0.8	21.7	11.8	21.2	14.31
Next 900	900	1.8	48.6	24.9	44.8	13.75
Remaining SME	2,739	1.1	29.7	18.9	34.0	17.08
Total	3,739	3.7	100.0	55.6	100.0	14.86

SMEs in the UK, are typically defined as companies with revenues of up to £50.0 million and up to 250 employees. The Company's internal operating platform and product offering has a strong track record of attracting and retaining customers in this segment of the market.

Acquisitions

A total of £90.0 million (excluding acquisition costs) was invested or committed to five on balance sheet and one post balance sheet acquisition in the financial year ended 31 March 2024.

The acquisition assets are located in markets underpinned by strong demand dynamics that in some cases are complementary to the Group's existing assets. With total annualised net operating income of £8.7 million at 81.1 per cent. occupancy, the acquired assets provide attractive and well-diversified cashflows that, once fully integrated, are expected to make a significant contribution to the Company's FFO growth. Additionally, with more than 313,313 sq ft of vacant space the acquisition assets provide opportunity for the Company to make selective investments that upgrade the space and drive income growth.

A summary of the acquisitions that completed or were notarised in the year ended 31 March 2024 is detailed below:

		<i>Total</i>	<i>Total</i>	<i>Annualised</i>	<i>Annualised</i>		
	<i>Date</i>	<i>Investment*</i>	<i>acquired</i>	<i>rental</i>	<i>NOI</i>	<i>Occupancy</i>	<i>Gross yield*</i>
		<i>£m</i>	<i>sq ft</i>	<i>£m</i>	<i>£m</i>		
Liverpool and Barnsley	Oct 23	10.1	71,957	1.3	1.0	99.3%	12.4%
Islington and Camden	Nov 23	35.7	103,962	2.8	2.6	69.8%	7.8%
Gloucestershire**	Apr 24	50.1	1,464,664	5.1	5.1	81.0%	10.2%
Total		95.9	1,640,583	9.2	8.7	81.1%	9.5%

* Includes purchaser costs.

** Completed 5 April 2024.

5. BACKGROUND TO AND REASONS FOR THE CAPITAL RAISING

Track record of M&A

The Company has established a strong track record over a sustained period of acquiring assets, optimising them and then recycling those assets to provide additional capital and value accretion. Between 31 December 2014 and 31 March 2024, Sirius acquired 58 assets at a total investment amount of €879.1 million, at a blended net initial yield of 6.3 per cent., aggregate rent roll of €68.9 million and average occupancy levels at 71.5 per cent. As at 31 March 2024, the value of these assets amounted to €1,280.9 million (assets sold are counted with their sale price) which equates to a valuation uplift of 46 per cent., with a net yield of 7.3 per cent., rent roll improvement of 49 per cent., net operating income improvement of 68 per cent. and occupancy improvement of 13.2 per cent. Over the same time period, the Company disposed of 14 core assets, at an aggregate disposal price of €357.3 million for which it had paid an aggregate purchase price of €213.5 million, representing an uplift on disposal of 67 per cent. For the majority of this track record period, the Company has been focussed on Germany with the Company entering the UK market in November 2021 with the acquisition of BizSpace, which has provided an additional geography to pursue its acquisition strategy where the market dynamics are on favourable terms similar to Germany. In November 2023, the Company raised €165.3 million to fund an acquisition pipeline. The Company has successfully invested those proceeds at attractive yields, within the year ended 31 March 2024, acquiring or notarising three German assets (Cologne, Göppingen and Klipphausen) totalling €53.6 million (excluding acquisition costs), with an average net yield and average gross yield (based on total acquisition costs) of 9.4 per cent. and 10.2 per cent. respectively, and six assets in the UK (Barnsley & Liverpool, the North London Portfolio of three assets, and Vantage Point Business Park), totalling £90.0 million (excluding acquisition costs) at an average net yield and average gross yield (based on total acquisition costs) of 9.1 per cent. and 9.6 per cent. respectively. In June 2024, the Group also completed the acquisitions of two industrial assets in the U.K., in Banbury and Wembley, for just over £31 million (excluding acquisition costs), representing an average net yield of 9.0 per cent. and average gross yield of 9.3 per cent. (based on total acquisition costs).

Acquisition criteria

Sirius applies a high-return, value-added business model to investments in assets located across the UK, the seven largest German cities by population (Berlin, Hamburg, Munich, Cologne, Frankfurt, Stuttgart and Düsseldorf). Sirius seeks mixed-use properties, primarily light industrial units, business parks or office buildings outside the city centres, or on the edge of the cities, in locations which have a high density of commercial and industrial activity and good transport links. The Sirius portfolio has been built by careful strategic assembly with the objective of delivering sustainable and long-term total returns for Shareholders. When acquiring assets, the Company seeks out assets at value-accretive yields which can be integrated into the Company's portfolio and where there are opportunities for asset management, including reconfiguration, upgrading of existing and vacant space, and improving rental income from currently unutilised space of tenants, which will increase rental income, improve cost recoveries and capital values, and where returns can be enhanced through the Company's low cost financing. German assets will typically have €10 million to €50 million site value, a higher vacancy and under-rented opportunity. Similarly, UK assets will typically comprise multi-let industrial, studios

and workspaces of £5 million to £30 million site value with high gross yields and asset management potential. The Group will also consider larger opportunities where appropriate to drive shareholder value.

Once sites are mature and net income and values have been optimised, the Company may take the opportunity to refinance sites to release capital for investment in new sites or consider the disposal of sites in order to recycle equity into assets which present greater opportunity for the asset management skills of the Company's team. The Company seeks to drive IRRs well in excess of the Company's cost of capital, using its focus on local markets in Germany and the UK to drive the best returns from the assets it acquires.

Acquisition pipeline

The Directors believe that the real estate market dynamics in Germany, characterised by a resilient and well diversified economy spread across several large autonomous markets, a strong SME market, high replacement costs for light-industrial buildings and levels of investment, provide a strong backdrop to pursue its organic and acquisitions-led growth strategy over the medium term. Similarly, the Directors continue to believe that the real estate market dynamics in the UK remain positive, characterised by strong rental growth potential, UK government regional investment commitment, increased level of near-shoring, structural undersupply of UK multi-let assets and resilient market conditions for light industrial assets.

The Directors believe that raising capital in November 2023 proved to be opportune, allowing the Company to acquire high quality real estate assets on attractive financial terms. The acquisition pipeline continues to remain strong, the Company is in advanced discussions on additional opportunities across Germany and the UK, and the Directors believe there will continue to be opportunities to deploy capital on an accretive basis into the medium term.

Against the current market conditions in the Group's German and UK markets, the Directors have identified an indicative pipeline of attractive acquisition opportunities which meet the Group's acquisition criteria and launched the Capital Raising to execute further on that pipeline into the medium term. These assets remain subject to further detailed commercial and legal due diligence. Of the identified indicative near-term pipeline, two assets are located in Germany and would require approximately €32.9 million (circa £27.9 million) to acquire, and three are in the UK and would require approximately £30.2 million (circa €35.6 million). There is an average investment size of approximately £11.6 million (approximately €13.7 million) across the indicative pipeline with a range of deal sizes from £8.9 million (approximately €10.5 million) to £15.7 million (circa €18.5 million) and a range of net initial yields of 0.5 per cent. to 9.4 per cent. and occupancy rates of between 21 per cent. and 100 per cent. The vendors of the assets are a mix of private sellers, private equity and corporate sellers. The Directors believe that these identified sites have attractive attributes based on the Group's ability to apply its expertise to drive growth through under-rent and service charge recovery, its understanding of local area and tenant churn and utilisation of targeted capex and other strategies to improve occupancy, pricing and/or asset values. The Directors believe each of the sites will benefit from strong tenant demand.

The Company continues to see a significant opportunity for investment in further attractive opportunities across both its geographic markets and has identified an additional high quality, pipeline of more than €100 million of potential acquisitions in Germany and in the UK, including a number of sizeable opportunities, which could be executed on into the medium term. These potential acquisitions fit the Company's acquisition criteria and have attractive net initial yields. The Company remains disciplined in seeking opportunities that will drive the best returns for the Company.

The Directors believe that completing the Capital Raising will provide the balance sheet flexibility and financial resources to execute on its on-going acquisition strategy, replenishing funds to use opportunistically following acquisitions completed over recent months, and will allow the Company to continue to represent an acquirer of choice across its markets when looking at acquisition opportunities beyond its medium-term pipeline.

Use of Proceeds

The Company expects to raise net proceeds of up to approximately £146.8 million from the Capital Raising. The Company intends to apply the net proceeds of the Capital Raising towards executing on the acquisition pipeline described above and replenishing funds to use opportunistically following acquisitions completed over recent months. The allocation of funds between Germany and the UK is dependent upon a number of factors, including the Company's ability to complete satisfactory due diligence, obtain any debt finance

which it considers appropriate for any particular transaction and conclude agreements for such acquisitions in order to deliver the best returns for the Company. Accordingly, the exact allocation of net proceeds may vary between particular identified opportunities and between the UK and Germany. The Company will retain the net proceeds of the Capital Raising on its balance sheet until such times as they are required to be deployed in acquisitions.

Financial benefits of the Capital Raising

Execution on the acquisition pipeline utilising the net proceeds of the Capital Raising has the potential to make a strong contribution to the Group achieving its long-term ambition to grow FFO to €150 million per annum and will be accretive to net asset value in the medium term. The Company expects to maintain Net LTV below the Company's stated 40 per cent. target level, post completion of the Capital Raising. The Group also intends to maintain its progressive dividend policy.

6. CURRENT TRADING AND OUTLOOK

The Company is trading in line with management expectations in the period since 31 March 2024. Sirius continues to assess further growth options in both Germany and the UK on an opportunistic basis, including recycling of mature assets and reinvesting in value-add opportunities. Organic growth opportunities remain strong in both markets.

7. REGULATORY ENVIRONMENT

Sirius' current real estate portfolio is subject to a variety of laws and regulations in Germany and in the UK. This may cause restrictions in use and, if Sirius fails to comply with any of these laws and regulations, it may be subject to civil liability, administrative orders, fines or even criminal sanctions.

The following provides a brief overview of selected laws and regulations that are applicable to Sirius' business operations.

German regulatory environment

Tenancy Law for Commercial Properties in Germany

Unlike tenancy law for residential properties, German tenancy laws for commercial properties generally provide landlords and tenants with a broader framework within which they can structure the lease agreements. Also, general terms and conditions (*Allgemeine Geschäftsbedingungen*) used between entrepreneurs are subject to a less strict review. There are, however, certain areas in which legal restrictions may limit a landlord's negotiating power. Further, the parties are required to adhere to strict form requirements to avoid early termination rights.

Strict Written Form Requirements

German tenancy law generally requires that lease agreements with a term of more than one year must be concluded and amended in written form (*Schriftform*). The requirements to comply with the written form have been specified by comprehensive case law. Lease agreements that do not comply with written form requirements are not invalid. Rather, they are deemed to have been concluded for an indefinite period of time with the consequence that they can be terminated at the earliest at the end of one year after handover of the leased property to the tenant in accordance with the statutory notice period that may be significantly shorter than the agreed fixed term. For business premises the notice of termination is admissible at the latest on the third working day of a calendar quarter towards the end of the next calendar quarter, resulting in approximately a six to nine months' notice period. According to a decision of the Federal Civil Court in autumn 2017 (and subsequent court decisions which confirmed this position), so-called written form defect curing clauses (*Schriftformheilungsklauseln*) which were market standard to minimise the risk of early termination of a lease due to written form defects are null and void (*nichtig*). Thus, compliance with the written form requirements is even more important following this decision. In this context, it has to be pointed out that lease agreements that do not comply with the written form requirements can still be amended at the will of both parties to meet the written form requirements of the lease contract.

Operating Costs

As regards to the operating costs of commercial tenancies, most of the ongoing operating costs of the property accruing to the landlord may essentially be apportioned to the tenants. However, this requires a clause in the lease agreement stipulating explicitly which operating costs shall be borne by the tenant. These clauses have to be even more specific and transparent if they can be considered to be general terms and conditions presented by the landlord to the tenant.

Furthermore, costs that do not adhere to the landlord's statutory obligation to take a cost-effective approach (*Wirtschaftlichkeitsgebot*) may also not be apportioned to tenants and may even result in liability for damages.

Maintenance Costs, Cosmetic Repairs, Final Decorative Repairs

Lease agreements for commercial properties may generally transfer the responsibility for the maintenance and repair of let properties to tenants. This general principle is limited to the extent that the costs of maintenance and repairs to the roof and structures (*Dach und Fach*) cannot be charged to the tenant at all under general terms and conditions.

Furthermore, as regards to maintenance and repair obligations of the leased premises, general terms and conditions require a contractual limitation by restricting the tenant's obligation to such damages caused by his contractual use or originating from his risk sphere. With respect to commonly used areas/facilities, the obligation of the tenant to bear maintenance and repair costs must be capped (usually at 8-10 per cent. of the annual rent).

The obligation to carry out cosmetic repairs (*Schönheitsreparaturen*) or to pay the respective expenses may, in principle, be allocated to tenants, provided that the obligation to carry out ongoing cosmetic repairs is not combined with an undertaking to perform initial and/ or final decorative repairs. Furthermore, the leased premises must have been handed over to the tenant in renovated condition or else the tenant must be recompensed (for example through a rent free period or renovating cost contribution). However, general terms and conditions may not allocate obligations for cosmetic repairs to tenants if the execution of such repairs is fixed to set deadlines or if the tenant is otherwise unfairly disadvantaged. There is a general trend in the case law of the German Federal Supreme Court (*Bundesgerichtshof*) to the effect that restrictions originally developed for residential tenancy law are increasingly being applied to lease agreements for commercial properties. This may result in provisions contained in commercial lease agreements no longer being valid in the future and thus increasing costs to be borne by the landlord.

Land-use Regulations

German Federal Immission Control Act

Under the German Federal Immission Control Act (*Bundes-Immissionsschutzgesetz*), which is supplemented and concretised by several Federal Immission Control Ordinances (*Bundesimmissionsschutzverordnungen*), installations (*Anlagen*) have to be constructed and operated in such a way that harmful environmental influences are reduced to a minimum according to the current state of technology (*Stand der Technik*) in order to ensure a high level of environmental protection. Building permits for commercial use often contain specific immission control-related requirements such as limitations regarding operating hours which should be reflected in the respective lease agreements. In addition, the construction and operation of installations listed in the Fourth Federal Immission Control Ordinance (4. *Bundesimmissionsschutzverordnung*), which are particularly likely to harm the environment, is subject to prior approval by the competent authority in a so called BImSchG-permit. Regardless of existing permits, competent authorities may also issue subsequent orders in order to achieve compliance with the applicable law. Moreover, an amendment of the German Federal Immission Control Act and several of the relevant ordinances is expected to come into force this summer. The proposed amendments aim to shorten, simplify and thus accelerate the permitting procedures for renewable energy installations such as wind farms.

German Planning Law

Under German planning law (*Bauplanungsrecht*), municipal planning authorities have a considerable amount of discretion in exercising their planning competence. They are, however, required by law to consider private interests as well as to pursue a number of prescribed objectives, including sustainable urban development and the protection of the natural resources. Formal planning by municipalities takes a two-tiered approach.

On the first level, each municipality can issue a preparatory land use plan (*Flächennutzungsplan*) that represents, with respect to the entire municipal territory, a basic classification of land uses according to urban development objectives and the needs of the municipality. A preparatory land use plan may, for example, determine for which type of use specific areas should be used in the future or which areas should be made available for environmental purposes, but does not create or affect individual rights.

On the second level, zoning plans (*Bebauungspläne*) may determine the permissible type and size of use of properties in designated areas. A zoning plan has to comply with the applicable preparatory land use plan. A zoning plan establishes the legally binding rules with respect to matters such as the permissible height, density and use of buildings, and may also designate land as being reserved for public purposes, social housing, infrastructure, open spaces, or protected areas. Generally, a building permit will be granted if the planned project complies with the stipulations of the zoning plan (and all other applicable public law requirements). However, there is no legal claim of property owners that a zoning plan procedure is initiated or that a zoning plan is adopted.

Where there is no zoning plan, planning law permissibility generally depends on the location of the property (i.e., within or outside of built areas) and the existing buildings and types of use in the surrounding area. In built areas, a building permit may be granted if the planned project fits into the immediate surroundings, which requires an analysis of the buildings in the vicinity with regard to their type and size of use. Outside of built areas, only specific defined “privileged” projects (for example wind farms) are generally permissible,

If the use of a property does not comply with the permitted use under the relevant building permit, the competent authority may restrict or prohibit the use of the property by means of a public order. This may entitle the tenant to reduce the rent or to terminate the lease agreement.

UK regulatory environment

Real estate law for commercial property in the UK

Leasehold interests are very common in the UK and whilst the terms of business leases are freely negotiable, the real estate investment market within the UK has driven the growth of an institutionally acceptable lease which allocates the obligations and risks between both the landlord and the tenant. This differs from residential leases, which take a different form and are more highly regulated in the UK.

Security of tenure regime for business occupiers of leasehold properties

Under the UK Landlord and Tenant Act 1954, business occupiers of leasehold properties, occupying for the purposes of a business have (save in certain limited circumstances or unless otherwise agreed between the parties) the statutory right to require a new lease to be granted in their favour once their existing lease term expires. Any such renewal lease is required to be on essentially the same terms as the existing lease, subject to modernisation and a review of the rent to open market rent. Similarly, a periodic tenancy (being a rolling tenancy with no fixed end date) cannot be terminated by notice. Instead, the lease will continue until either a renewal lease is granted, or the lease is ended in one of the ways specified under the relevant legislation (for example, by the landlord evidencing its plans to redevelop the property). The rules for terminating business tenancies which enjoy this protection are very prescriptive and notices, which must include prescribed information, are to be served within strict time frames. Where the landlord successfully opposes the granting of a renewal lease, it may be required to pay the tenant compensation which is calculated by reference to the rateable value of the property.

The landlord and tenant may agree to “contract out” of the security of tenure provisions of the Landlord and Tenant Act 1954 (“contracted out lease”). A “contracted out lease” is a lease where the parties have followed a strict procedure specified by the relevant legislation prior to the grant of the lease, for the security of tenure rights to be validly excluded. Licences to occupy are also excluded from the protection, provided they are ‘true’ licences and not leases (these may be distinguished from leases as they lack the essential features of a lease such as exclusive possession of the let property. A licence is instead a personal permission to do something on someone else’s property, but it does not confer exclusive possession).

Landlord and tenant covenants

There are various obligations, covenants and warranties given by the tenant to the landlord which will be set out in the lease. There are also covenants given by the landlord to the tenant. There is legislation in place

which governs whether the benefit of both landlord and tenant covenants, as well as the obligations to comply with them, transfer to the purchasers of the leasehold interest from the tenant or the freehold reversion from the landlord (the sale of the leasehold interest being described as an assignment of the lease).

For all leases granted prior to this legislation (being all leases granted prior to 1 January 1996, subject to certain limited exceptions), original tenants and their guarantors are liable to pay rent and perform the tenant covenants in the lease for the whole of the lease term even after an assignment.

For leases granted on or after 1 January 1996, outgoing tenants are no longer liable under the tenant covenants after an assignment, although they will remain liable for any breaches which were committed before the date of the assignment. Subject to the terms of the lease, they may also be required to guarantee performance of their own assignee, by way of an Authorised Guarantee Agreement "AGA". Further, if the former tenant of a lease granted on or after 1 January 1996 had a guarantor, that guarantor may also remain liable if it has guaranteed the former tenant's obligations under the AGA under what is commonly known as a "GAGA".

The original landlord (and any subsequent acquirer of the landlord's interest) is not automatically released from its covenants when it sells its interest in the lease but can apply to the current tenant to be released from future liability if it applies within the timeframe set out in the relevant legislation.

Following significant case law surrounding the current legislation and the release of outgoing tenants and/or outgoing guarantors and repeat guarantees, certain difficulties exist, for example on intra-group assignments where having the same group company who has guaranteed the obligations of the outgoing tenant to continue to guarantee the obligations of the incoming tenant would be desirable, but for the law in this area which provides for their release. Case law has also cast doubt on the ability for a tenant to validly assign its lease to its guarantor and a prudent landlord would refuse consent to such assignment.

If the tenant breaches its covenants in a lease it may be possible for a landlord to terminate the lease early and remove the tenant. For most breaches, the lease and legislation prescribe information which must be given by the landlord to the tenant before these rights can be exercised and if it does not do so, the landlord may waive their right of termination inadvertently. Even if the lease is terminated early, for breach of covenant, tenants (and other interested third parties) have rights of relief so that they can ask the court to, in effect, reinstate the lease. Until the time limits for making an application for this relief have expired, it may be difficult to let the property to another tenant.

Most commercial leases will include provisions so that a tenant cannot dispose of the lease, carry out alterations or change the use of the property without some form of landlord's consent. The terms of a lease may require the landlord to act reasonably and without delay when considering any application for consent and to give reasons, in writing, if it wants to withhold consent. Case law has provided guidance around the timescales that may be considered unreasonable where a landlord delays its consent in such circumstances.

Requirement for writing and registration

Under UK real estate law, and save in very limited circumstances, any lease must be in writing and must be executed as a deed by both the landlord and tenant. In addition, leases for a term of seven years or more need to be registered at the central land registry before they can take effect at law.

There are additional requirements around how documents which need to be sent to the central land registry can be executed, especially where execution is by an overseas company or involves electronic signatures.

Operating and Maintenance Costs

The most common type of lease in commercial real estate in the UK (albeit not in respect of the Group's leases) is a full repairing and insurance ("FRI") lease. FRI leases generally put the responsibility for repairs, insurance and other property costs on the tenant. Where the lease is of only part of the building or estate, usually the landlord will be responsible for the repair and maintenance for the structure of the building, common parts of the building, and common parts of the estate (if applicable). The occupational leases at the building/estate will apportion the costs of operating and repairing the common parts between the tenants of the building and/or the estate, which is recovered by the landlord via a service charge. The costs that can be recovered and whether they need to be reasonably incurred are a matter of construction of the lease. Any shortfall, for example because a unit is unlet, will usually be a cost to the landlord.

Under UK regulation, an energy performance certificate (“EPC”) is usually required when a property is sold or let. Whether the costs of obtaining an EPC can be recovered from a tenant will depend on the terms of the lease. There are also regulations in place to prevent the letting or continued letting of properties which have an EPC rating of an F or lower and in such cases the landlord is required to do all work which it reasonably can to improve the energy performance of the property. There are a number of exemptions available, but they need to be claimed and registered on a public register. In most cases landlords will not be able to recover the costs of any improvement works from their tenants, either directly or via a service charge, because of the terms of the lease. The UK government intends that by 2030 these regulations will apply to any property that does not have an EPC rating of at least a B.

At the end of the lease term if a tenant moves out of the property and does not leave it in the state required by the lease then the landlord can recover the costs from the tenant of bringing the property up to the required standard. However, the amount the landlord can recover is capped at the amount by which the disrepair has reduced the value of the landlord’s interest in the property and is subject to any limitation agreed between the landlord and tenant on such repair in the lease.

Planning and building control

The UK government has two primary methods of controlling development on land: the planning regime and the building control regime. The planning regime will determine whether a development may proceed, whilst the building control regime imposes rules on how that development may proceed.

The planning regime is the process of managing the development of lands and buildings and it aims to balance the need to preserve heritage with the need to improve infrastructure. Locally elected councillors (or their officers) act as planning authorities and they decide whether a development should go ahead.

Building control is a system of rules for building work in new and altered buildings to ensure buildings are safe and accessible and the work is carried out to modern standards. Anyone carrying out building work must usually arrange for their work to be checked by an independent third party to make sure that their work meets the required standards.

Compulsory Purchase or Expropriation

Many local or state authorities and private sector entities have, or can, acquire powers to compulsorily acquire real estate if there is a compelling case in the public interest for the exercise of that power. The exercise of such powers is subject to a legal process and challenge. The owner of the interest in the land acquired must be paid fair compensation which is broadly market value. Compensation may also be payable to cover business disruption and relocation costs.

Environmental

The Environmental Protection Act 1990 imposes a regime for the identification and clean-up of land where contamination poses a significant risk to human health or the environment by those responsible for the contamination. If the original polluter or a person who allowed the pollution to occur or remain cannot be located, then liability passes to the current owner or occupier of the land regardless of whether it was aware of the contamination.

In addition to clean-up liability, it is a criminal offence to deposit, knowingly cause, dispose of, recover, treat or keep controlled waste without a licence or in a way that is likely to cause pollution or harm to health. In the worst-case scenario, a company could be found guilty of corporate manslaughter if it is deemed to have caused pollution that resulted in fatal harm to health.

Under UK law, there are other obligations imposed by environmental and health and safety legislation, depending on the nature of the activities taking place at the premises. Further, there are various climate change laws such as the Climate Change Act 2008 which was introduced to reduce carbon dioxide emissions in the UK. Legally binding targets have been imposed to reduce carbon emissions by 100 per cent. by 2050.

8. INVESTMENTS

Major investments comprised the following acquisitions and disposals during the past two financial years as well as planned investments in the current financial year:

Acquisitions

Financial Year ended 31 March 2024

In the financial year ended 31 March 2024, three assets were acquired or agreed to be acquired in Germany: Köln (Cologne) for €20.0 million (excluding acquisition costs) in March 2024, Göppingen for €19.8 million (excluding acquisition costs), which completed in April 2024 and Klipphausen for €13.75 million (excluding acquisition costs), which also completed in April 2024. In the UK, the Company acquired or agreed to acquire six assets: Liverpool and Barnsley for £9.5 million (excluding acquisition costs) in October 2023, Islington and Camden (comprising three assets) for £33.5 million (excluding acquisition costs) in November 2023 and Gloucestershire, which completed in April 2024, for £47.0 million (excluding acquisition costs).

The acquired assets are located in markets that remain underpinned by strong demand dynamics that in some cases are complementary to the Group's existing assets. With total annualised net operating income as at 31 March 2024 of €5.5 million at 91 per cent. occupancy for the German acquired assets and total annualised net operating income as at 31 March 2024 of £8.7 million at 81.1 per cent. occupancy for the UK acquired assets, the acquired assets provide attractive and well-diversified cashflows that, once fully integrated, are expected to make a significant contribution to the Company's FFO growth. Additionally, with more than 310,186 sq ft in the UK and 6,473 sqm in Germany of vacant space the acquired assets provide opportunity for the Company to make selective investments that upgrade the space and drive income growth.

Financial Year ended 31 March 2023

A total of €44.6 million was invested or committed to three on-balance sheet acquisitions.

The acquired assets are located in markets that remain underpinned by strong demand dynamics that in some cases are complementary to the Group's existing assets. With total annualised net operating income as at 31 March 2023 of €1.6 million at 54 per cent. occupancy, the acquired assets provide attractive and well-diversified cashflows that, once fully integrated, are expected to make a significant contribution to the Company's FFO growth. Additionally, with more than 18,490 sqm of vacant space the acquired assets provide opportunity for the Company to make selective investments that upgrade the space and drive income growth.

Disposals

Financial Year ended 31 March 2024

Disposals in the financial year amounted to €45.8 million in Germany and £3.0 million in the UK. All sales were completed at or above book value and focused predominantly on mature assets in Germany.

Financial Year ended 31 March 2023

Disposals in the financial year amounted to €30.9 million (including the disposal of assets held for sale of €13.8 million). All sales were completed at or above book value and focused predominantly on mature assets in Germany. The Company's disposals strategy remains opportunistic and focused on non-core or mature assets with little upside, where it can continue to achieve returns in excess of book value.

Investments in the Current Financial Year and Planned Investments

The Group completed the following acquisitions in April 2024:

- Göppingen, for €19.8 million (excluding acquisition costs);
- Klipphausen, for €13.75 million (excluding acquisition costs); and
- Gloucestershire, UK, for £47.0 million (excluding acquisition costs).

In addition to the above, the Group also purchased an adjacent building in its existing Dresden asset for €1.0m under its “Buy Your Neighbour” campaign.

In June 2024, the Group also completed the acquisitions of two industrial assets in the UK, in Banbury, South East England, and Wembley, for circa £31 million (excluding acquisition costs).

Save as disclosed above and as further described in Part XI (*Operating and Financial Review of the Group*), the Group has not made any material investments since the date of its last published financial statements and no firm commitments have been made in respect of any future material investments.

9. INSURANCE

Various insurance contracts have been concluded by Sirius also covering its material group entities (for example Sirius Facilities GmbH, Curris Facilities & Utilities Management GmbH, DDS Conferencing & Catering GmbH, LB2 Catering and Services GmbH and SFG NOVA Construction and Services GmbH and Sirius Cooperatief B.A and Helix Investments Limited (holder of the BizSpace portfolio)). They cover, amongst other things, the following risks or risk areas: primary professional liability, directors and officers liability and fraud insurance, data protection liability insurance, building property and liability insurance covering losses caused by fire, lightning and explosion, water, storm and hail for its properties as well as house and landowner liability insurance (*Haus- und Grundbesitzerhaftpflicht*).

10. ENVIRONMENTAL, SUSTAINABILITY AND GOVERNANCE (“ESG”) MEASURES

Economic sustainability is at the heart of Sirius’ sustainability framework. This refers to Sirius’ practices that support long-term economic success of the Group whilst at the same time positively impacting social, environmental and ethical aspects of the ecosystem. Sirius understands that environmental quality, ethical practices, and happy, healthy engaged people are essential for the Group to perform and thrive in the long term. Equally, it knows that this relationship is symbiotic. Only a financially sustainable business can contribute positively to social, ethical and environmental challenges.

Sirius’ purpose is to create and manage optimal workspaces that empower small and medium-sized businesses to grow, evolve and thrive. It seeks to unlock the potential of its people, its properties and the communities in which it operates so that, together, it can create sustainable impact and long-term financial and social value.

Sirius continues to look for ways through which it can encourage sustainability and reduce its environmental impact and footprint. As a major property owner across Germany, Sirius recognises its own responsibility to contribute towards global efforts to address climate change, and to minimise the impact that the Group’s operations have on the environment. Sirius is committed to playing its part in responding to climate change. Sirius’ sustainable strategy of maintaining and refurbishing existing buildings means that it can help minimise urban sprawl and contribute to protecting undeveloped land. By recycling existing properties, Sirius conserves resources and minimises the use of materials and energy required to construct new properties.

Sirius understands that climate change cannot be solved by one group alone. That is why it is working closely with a variety of partners, including local and national government, tenants, and communities in which it operates. Sirius aims to equip its tenants with the ability to monitor and manage their energy consumption and have continued to make progress by installing meters to allow them to do this across all sites. This allows tenants to actively measure and identify where efficiencies can be found. Ultimately, Sirius believes that business and environmental interests are aligned when it comes to climate change. A sustainable real estate sector delivers value for tenants and owners, and helps protect the planet, and integrating sustainability into its business delivers better long-term value for its stakeholders.

Sirius’ ESG transformation has been a major focus for the Board over the last few years across all three elements, particularly since the establishment of the Social and Ethics Committee (since relaunched as the Social and Ethics Committee) under Andrew Coombs’ leadership. Ms Kremena Wissel is the Company’s Chief Marketing and Impact Officer and manages the business’s ESG strategy, implementing a consolidated approach that supports the delivery of sustainable returns while further enhancing the business’s investment proposition. The establishment of this new senior management role reflects the further integration of ESG principles into the day-to-day running of the organisation.

In its ESG Report, 'Shaping Our Future', published in December 2022, the Group set out for the first time the strategic priorities and targets it had for the business. In 2024, for the first time, the Group published a standalone ESG Report alongside its Annual Report. The main function of the ESG Report, 'Building momentum on our ESG journey', is to provide added transparency and accountability to the Group's stakeholders for the ambitions the Directors have set as well as detail on initiatives and the progress the Group has made. The Group's ESG roadmap is focused on three overarching strategic goals (supported by 14 underlying objectives), which are to: (1) Reduce its carbon footprint, achieve net zero emissions, and have a positive environmental impact across our platform, portfolio, and value chain; (2) Encourage and invest in the training, development and wellbeing of its people and enhance the Group's positive impact on its local communities; and (3) Ensure its governance structures and policies support the Group's strategy and enable it to identify and manage ESG risks and opportunities.

11. HISTORY OF THE GROUP

Below is an historical overview of important business and corporate events since the Company's foundation:

2007 The Company was formed as a company limited by shares under the laws of Guernsey on 20 February 2007 with the intention of purchasing and operating mixed-use industrial business parks in Germany.

The Company was admitted to trading on the London Stock Exchange's AIM market in May 2007 with a primary capital raise of €328 million initially used to acquire 20 business parks.

2008 Purchase of further nine business parks in the year to 31 March 2008, and growth of the portfolio to 38 business parks over the course of the following year.

2009 Initial acquisition programme ceased, and focus shifted to increasing occupancy and efficiency. This included a restructuring of the German operating company, a doubling of the sales team and development of the in-house team to improve cost recovery from tenants.

2010 Andrew Coombs appointed as Chief Executive Officer of Sirius Facilities GmbH.

2012 In January 2012, the Company acquired Sirius Facilities GmbH, a company providing asset management services to the Group and internalised that company's asset management platform into its own operations. Andrew Coombs, who joined Sirius Facilities GmbH in 2010, was subsequently appointed as CEO of Sirius Real Estate Limited.

2014 Launch of a secondary listing in December 2014 on the AltX of the JSE. The capital raised enabled Sirius to acquire 14 business parks.

2017 Listing of the Company on the Main Market of the London Stock Exchange and the Main Board of the JSE, transferring its listing on the Main Board of the JSE from a secondary listing to a primary listing, and successful completion of a €15.0 million private placement in March, while in December the Company's shares were included in the FTSE/JSE SA Listed Property Index.

2018 In March 2018, the Company's shares qualified for inclusion in the FTSE EPRA / NAREIT Global Real Estate Index. The FTSE EPRA/NAREIT Global Real Estate Index is a stock market index series jointly managed by EPRA (Europe), FTSE (UK) and NAREIT (US), and is composed of all major real estate company constituents that trade on the world's leading exchanges.

Sirius reached a total portfolio book value in excess of €1 billion.

2019 The Company formed a German business park venture with AXA Investment Managers – Real Assets in March 2019.

The Company joined the FTSE250 index on 23 September 2019.

2021 In June 2021, the Company completed a €400 million inaugural corporate bond, which was heavily subscribed and supported by institutional investors. The 1.125 per cent. coupon reduced the Company's cost of debt with a five-year term providing the Group with a platform for future growth.

In November 2021, the Company acquired BizSpace in the UK for a cash consideration of circa £245 million based on an enterprise value of £380 million, which was funded by a combination of new and existing debt together with the proceeds of a fundraise in the UK and South Africa which raised gross proceeds of £137 million. The acquisition of BizSpace allowed the Company to enter, at scale, an under-served wider UK market with an already established platform.

In November 2021, the Company completed a further €300 million corporate bond, which was once again heavily subscribed. The bond was issued with a 1.75 per cent. coupon over a seven-year term with the proceeds being committed to partially finance the Company's acquisition of BizSpace, including its repayment of existing secured debt facilities within BizSpace.

2022 The Company converted its newly acquired UK business into a UK REIT, effective from 1 April 2022.

2023 In November 2023, the Company completed a successful equity fundraise of €165.3 million, the net proceeds of which enabled the Company to execute on a significant near term pipeline of attractive acquisition opportunities, following the acquisition of assets in Liverpool, Barnsley and three in North London, acquired for a total of approximately £45 million over the four months prior to the fundraise.

2024 On the back of the equity raised in November 2023, the Company has executed on an acquisition pipeline comprising of three industrial assets in Germany in the first half of the 2024 calendar year, namely Köln (Cologne) €20 million (excluding acquisition costs), Klipphausen €13.75 million (excluding acquisition costs) and Göppingen €19.8 million (excluding acquisition costs) and one additional asset in the UK, Gloucestershire, for £47.0 million (excluding acquisition costs) and which completed in April 2024, after the most recent audited balance sheet date.

On 17 May 2024, the Company issued a further €59.9 million under its €300.0 million 1.75 per cent. corporate bond to a single existing international institutional investor priced in line with current trading levels.

In June 2024, the Group also completed the acquisitions of two industrial assets in the UK, in Banbury, South East England, and Wembley, for just over £31 million (excluding acquisition costs).

PART VIII

INDUSTRY AND MARKETS AND COMPETITION

Macroeconomic development in Germany and the UK

With over 84 million inhabitants as of 1 January 2023, Germany was the largest country in the European Union (“EU”) by population (source: Eurostat, Demography of Europe – 2024 Edition⁸) and the UK, had it remained in the EU, would have been named in the top 3 with a population of over 67 million (source: Macrotrends⁹). Based on sovereign credit ratings, both Germany and the UK are considered to be stable economies, rated at AAA* and AAA by S&P (source: S&P¹⁰).

The European Commission estimates a 0.3 per cent. GDP contraction occurred in Germany in 2023, followed by 0.3 per cent. expected growth in 2024 and a further 1.2 per cent. in 2025, with inflation coming off from its 11.6 per cent. peak in October 2022 to 6 per cent. in 2023 and 2.5 per cent. in February 2024, being the lowest level since June 2021. Inflation is expected to finish the year at 2.8 per cent. in 2024 and fall further to 2.4 per cent. in 2025. Gas supplies in Germany are stable and balanced, with wholesale prices having fallen in recent months.

The OECD forecasts a return to growth for the UK economy in 2024 of 0.4 per cent., following a contraction of 0.3 per cent. in 2023, and forecast growth of 1.0 per cent. in 2025.¹¹ Inflation has reduced to 2 per cent. from its peak of 9.1 per cent. in April 2022¹².

Industry of the Company

Sirius generates its revenues from letting commercial and industrial properties in Germany and the UK. As a result, Sirius’ business success is dependent on the performance of the German and UK real estate markets and, in particular, the commercial and industrial real estate markets, demand for rental properties, rent levels, management costs, and property valuations. The German and UK real estate markets, in turn, are dependent on the performance of the overall economy, political and legislative developments, demographic trends, unemployment rates, interest rates, inflation and overall financing costs and foreign investment in Germany and the UK.

Macroeconomic indicators, such as the development of gross domestic product, unemployment rates, purchasing power and the development of the average household size, are expected to develop in a diverse manner across the different regions in which Sirius owns properties. An increase in national indebtedness or interest rates could impact private and institutional investors’ propensity to invest in real estate. Another relevant factor for demand has been the general tax environment, in particular tax incentives, such as incentives for real estate investments and refurbishments. Such tax incentives have been reduced considerably in the recent past.

Industry trends

Besides fundamental supply and demand factors depending on overall economic cycles, in recent years, the real estate industry has become increasingly affected by certain mega trends and shifts in investment paradigms. The increasing global awareness of sustainability has impacted not only asset specifications themselves, but also incentivises investors to fund environmentally friendly portfolios. Further, digitalisation has allowed assets to become smarter and more interactive, as asset owners are being empowered to extract and use more information from their properties. This in combination with new technologies, such as cloud computing and blockchain, is expected to make certain aspects of real estate more efficient, potentially decreasing costs for landlords and tenants alike. Considering the environmental and technological developments, expectations are that, in the future, logistics and light industrial production are going to merge increasingly. In line with that, manufacturing, production, and commerce are expected to become more integrated into other asset types (source: Garbe¹³).

8 <https://ec.europa.eu/eurostat/web/interactive-publications/demography-2024>

9 <https://www.macrotrends.net/global-metrics/countries/GBR/united-kingdom/population>

10 <https://www.spglobal.com/ratings/en/research/articles/231207-sovereign-ratings-list-12938153>

11 https://www.oecd-ilibrary.org/sites/69a0c310-en/1/3/2/50/index.html?itemId=/content/publication/69a0c310-en&csp_=3184060ecf59639d0f609174b10264b5&itemGO=oecd&itemContentType=book

12 <https://www.statista.com/statistics/270384/inflation-rate-in-the-united-kingdom/>

13 <https://www.garbe-industrial.de/en/research/impact-map/>

Competitive landscape overview

Sirius, with its operations historically primarily focused on the segment of business park real estate in Germany, competes with a number of other real estate companies and institutional investors – both listed and private, of domestic as well as of international origin. As of the date of this document, the Directors believe that its main competitors in Germany include companies like BEOS AG, Hamborner REIT AG, DIC Asset AG, Blackstone Group, Swiss Life Asset Managers, Aurelis Real Estate, Palmira Capital, Garbe Group, Helaba Landesbank Hessen-Thüringen, Deutsche Industrie REIT and Bayerische Versorgungskammer. As of the date of this document, the Directors believe that its main competitors in the UK include companies like Workspace Group Plc, SEGRO Plc, Big Yellow Group Plc, Safestore Holdings Plc, Custodian REIT Plc, Warehouse REIT Plc, Regional REIT Ltd, Urban Logistics REIT Plc, CLS Holdings Plc, LondonMetric Property Plc, Shurgard Self Storage SA, Blackstone Group and Tritax Big Box REIT.

Given its market positioning in the business parks segment, with the portfolio comprising a mix of storage/logistics, production/light industrial and office space, Sirius competes only to a limited extent with the major listed commercial real estate companies operating in Germany, such as Aroundtown, CA Immo, alstria, and others, as these companies are more focused on providing traditional office space.

Real Estate landscape overview – Germany Market Overview

The operations of Sirius have historically been primarily in the segment of business parks real estate in Germany, and since November 2021, the UK. Business parks are one of the real estate categories, alongside light manufacturing properties, warehouse properties and converted properties, which together form the segment of so called corporate real estate (in Germany, *Unternehmensimmobilien*). This segment refers to mixed-use commercial properties, typically with a tenant structure comprising medium-sized companies, where the types of use normally include offices, warehouses, manufacturing, research, service, and/or wholesale trade, and open areas (source: bulwiengesa¹⁴).

Investment volumes – Germany

Commercial real estate investment volumes in Germany in 2023 were down sharply to just under €23.3 billion from €54.1 billion the year prior according to BNP Paribas, representing a 57 per cent. drop year over year. This marks the first time in eight years that investment volumes were below €50 billion, showcasing the headwinds faced by the real estate market¹⁵.

The German economy continues to be driven by a diverse, large number of small to medium sized companies - the so called "*Mittelstand*" -, which remain robust and agile to changes in the market. Germany leads the way globally in terms of the contribution such "*Mittelstand*" 'hidden champions' make to economic output and employment¹⁶. These companies are highly specialised, acting as strategic partners for larger companies along the value chain, contributing significantly to innovation through their opportunistic mindset. In excess of 58 per cent. of jobs created in Germany are attributable to the *Mittelstand*, generating a total of 35 per cent. of sales. The space that the Company provides is specially suited for SME tenants which occupy 55 per cent. of the space and contribute 62 per cent. to the Company's rent roll.

Completions and take-up – Germany

The growing significance of the business parks asset class since the onset of the 2010's has resulted in a dynamic development on the demand side in terms of high levels of take-up, and has simultaneously been reflected in a supply expansion. 2023 saw the highest take-up performance in the market since 2019, which was largely due to a strong result for owner-occupied light manufacturing properties. Over the same time period, the highest volume of investment within the German Commercial Real Estate industry related to investment in business parks, amounting to €735.75 million, however investment volumes for the market as a whole were around 36 per cent. lower than the previous year. (source: bulwiengesa¹⁷).

14 <https://bulwiengesa.de/en/publikationen/marktbericht-nr-13-der-initiative-unternehmensimmobilien/>

15 <https://www.realestate.bnpparibas.de/en/market-reports/investment-market/germany-at-a-glance>

16 Berenberg Economics Report (August 2023) "The German economy: what is the problem?"

https://research.berenberg.com/report/1F2D7879F366F97B76F9E29341CA3D06?mc_cid=1e660c5c8e&mc_eid=d10a99d01e

17 bulwiengesa market report #19 & #20

Business parks in Germany have a diversified mix of occupiers, representing a large number of economic sectors. The manufacturing industry is the leading group in terms of demand for space in Unternehmensimmobilien with its percentage share of total take-up accounting for 74 per cent., followed by the logistics and transport sector and service sector with 12 per cent. and 8 per cent. respectively (source: bulwiengesa¹⁸).

Real Estate landscape – UK Market Overview

With the acquisition of BizSpace, Sirius entered the UK regional workspace market. The regional office market in the UK comprises the so-called “Big Nine” cities: Birmingham, Bristol, Cardiff, Edinburgh, Glasgow, Leeds, Liverpool, Manchester, and Newcastle. The “Big Nine” regional office market has witnessed resilient occupier confidence and healthy take-up levels and record levels of rental growth in the first quarter of 2024 (source: Avison Young¹⁹). Despite office take-up at the end of 2023 being 10–15 per cent. below pre-pandemic levels across the UK, the Prime Office Costs index showed net effective costs to occupiers increased by 2.6 per cent. compared to year-end 2022, as competition for the best-in-class space continues to drive prime costs up. Rental growth is expected to be stronger in the UK compared with EMEA and North America over the course of 2024, with the main driver being the lack of prime office stock available. This has created heightened competition in the market, with this set to grow as occupiers continue to seek the most sustainable, top-quality office spaces (source: Savills).²⁰

Investment volume – UK

The UK regional office market investment activity was reasonably healthy across Q1 2024 as investment volumes amounted to £324 million – significantly exceeding investment volumes of £99.3 million in Q1 2023²¹ however representing an 11 per cent. reduction against Q4 2023 (source: Avison Young)²².

A total of 1.88 million sq ft was transacted across 437 deals in Q1 2024 with take-up volumes just 3 per cent. below typical levels, which on a rolling 12-month basis was down 16 per cent. on the post-pandemic peaks of 538 deals in Q4 2022. A sign of the ongoing recovery in the regional office market can be seen in levels of deals on 25,000+ sq ft properties. These levels reached a low point in Q2 2023 when larger deals accounted for just 21 per cent. of all take-up in the market, however have consistently recovered in recent quarters to a level of 28 per cent. in Q1 2024. This compares to 31 per cent. seen in the first years prior to the pandemic (source: Avison Young²³).

Yields and rents – UK

The prime yields of all Big Nine cities softened by 25 basis points in Q1 to a weighted average of 6.94 per cent. Compared to December, MSCI’s all property and office net initial yields softened by 3 and 12 basis points respectively. With the declines in 10-year government bond yields – as well as 5-year gilts – seen in H2 2023 having steadied in Q1 2024, the spread between gilts and prime Big Nine offices narrowed by 15 basis points to 3.0 per cent. whilst the gap to MSCI UK offices narrowed 28 basis points to 1.51 per cent. (source: Avison Young).

Rents for properties in the regional office segment in the UK have been following a steady upward trend over the past several years. Best-in-class space remains in high demand and short supply across the Big Nine city centres, which continues to drive the record levels of rental growth noted above, bringing the Big Nine average prime rental growth to an unprecedented level of 6.51 per cent., up from 5 per cent. in Q4 2023. These rates differ significantly in different cities across the UK, with Birmingham headline rates in the city centre at £42.50 per sq ft compared to Newcastle at £32 per sq ft in Q1 2024. (source: Avison Young).²⁴

18 bulwiengesa market report #19 & #20

19 https://assets.foleon.com/eu-central-1/de-uploads-7e3kk3/44754/big_nine_q1_2024.9772447cfbaf.pdf

20 https://www.savills.de/research_articles/260049/358394-0

21 <https://viewer.foleon.com/preview/Nx3Mkt6Mj/national-investment>

22 https://assets.foleon.com/eu-central-1/de-uploads-7e3kk3/44754/big_nine_q1_2024.9772447cfbaf.pdf

23 https://assets.foleon.com/eu-central-1/de-uploads-7e3kk3/44754/big_nine_q1_2024.9772447cfbaf.pdf

24 https://assets.foleon.com/eu-central-1/de-uploads-7e3kk3/44754/big_nine_q1_2024.9772447cfbaf.pdf

Sentiment around the UK Logistics and Industrial sector remains one of firm conviction and quiet confidence, given the resilience of the occupational market and outlook for moderate rental growth over coming years. Despite this, the market continues to be heavily impacted by economic conditions, the large outward shift in the cost of debt and a wide gap between buyer and seller expectations. As such, total investment volumes fell to £6.4 billion during 2023, having seen just £1.2 billion transact during the final quarter of the year. The year has been characterised by an absence of large portfolio sales completing, and a downturn in purchases of higher lot sizes. Pricing has moved out marginally during the second half of the year, with the markets opting for gradual adjustments in order to encourage liquidity. However, it is felt that the end of the interest rate hiking cycle, and economic recovery during 2024 may bear fruit and kick start a gradual recovery during H1 2024 (source: Cushman & Wakefield²⁵).

25 <https://www.cushmanwakefield.com/en/united-kingdom/insights/-/media/32cc496c40d144dabb451505b0b445e9.ashx>

PART IX

DESCRIPTION OF CAPITAL RAISING

Introduction

The Company has conditionally raised gross proceeds of £150 million and may seek to raise up to a further £2.5 million via the Retail Offer (approximately £146.8 million after deduction of the total estimated fees, costs and expenses of approximately £5.7 million) and will issue in aggregate up to 162,234,042 New Ordinary Shares at the Offer Price (comprising 136,035,152 Placing Shares, 23,404,255 SA Placing Shares, 135,061 Subscription Shares and up to a further 2,659,574 Retail Offer Shares), representing approximately 12.0 per cent. of the Company's issued ordinary share capital.

The Offer Price of 94 pence per New Ordinary Share represents a discount of 3.5 per cent. to the Closing Price of 97.45 pence per Ordinary Share on 10 July 2024 and a discount of 2.1 per cent. to the weighted average traded price of the Ordinary Shares on the JSE measured over a period of 30 business days prior to 10 July 2024 (being date on which the Offer Price was agreed by the Company). The adjusted net asset value per Ordinary Share as at 31 March 2024, being the date of the latest audited balance sheet, was 111.12 cents.

The New Ordinary Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares.

Times and dates referred to in this Part IX have been included on the basis of the expected timetable for the Capital Raising set out on page 47 of this document.

Application will be made for the admission of the New Ordinary Shares (i) to listing on the premium segment of the Official List of the FCA and to trading on the London Stock Exchange's main market for listed securities and to listing ("**UK Admission**") and (ii) to trading on the JSE ("**JSE Admission**"). UK Admission is expected to become effective at 8.00 a.m. (London time) on 16 July 2024. JSE Admission is expected to become effective at 9.00 a.m. (Johannesburg time) on 16 July 2024.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is required for the New Ordinary Shares and all of the New Ordinary Shares when issued and fully paid may be held and transferred by means of CREST.

In relation to the Placing, each Bank has severally (and not jointly nor jointly and severally) agreed with the Company, in the event of any default by any Placee in paying the Offer Price in respect of any Placing Shares allotted to it, to subscribe for such Placing Shares itself at the Offer Price in the agreed proportions as set out in the Sponsor and Placing Agreement. The SA Placing will occur on a 'delivery versus payment' basis, in accordance with the terms of the SA Placee Undertakings.

The Capital Raising also includes the Subscription and, if made, will include the Retail Offer. It is expected that the Retail Offer will be made on behalf of the Company by PrimaryBid Limited on its online platform after the date of publication of this document but prior to the date of Admission and would provide eligible existing and new retail investors in the UK with an opportunity to participate in the Capital Raising. Certain directors and PDMRs of the Company also participated in the Capital Raising and have agreed to subscribe for Subscription Shares.

The Capital Raising is conditional on, *inter alia* (i) the Sponsor and Placing Agreement having become unconditional in all respects, save for the condition relating to Admission, and not having been terminated in accordance with its terms before Admission occurs; and (ii) UK Admission and JSE Admission occurring.

The Capital Raising is not conditional on the approval of the Company's shareholders. The Capital Raising has been undertaken on a non-pre-emptive basis pursuant to the Company's existing shareholder authorities. The Company has consulted, where possible, with the Company's major institutional shareholders prior to the Capital Raising. The Capital Raising structure was chosen as it minimises cost, time to completion and use of management time. The consultation has confirmed the Board's view that the Capital Raising is in the best interest of shareholders, as well as wider stakeholders of Sirius. The Company has respected the principles of pre-emption through the allocation process, while also allowing the

participation of new investors, with allocations being in the Company's discretion. Subscription Shares were allocated equitably "in the book" through the bookbuild process in compliance with the JSE Listings Requirements.

Participation in, and principal terms of, the Placing

The Placing was undertaken on the basis of the terms and conditions set out in the Placing Announcement, which are reproduced, without material adjustment, from the Placing Announcement below:

1. The Banks are arranging the Placing severally, and not jointly, nor jointly and severally, as agents of the Company.
2. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by the Banks. Each Bank and its Affiliates are entitled to enter bids in the Bookbuild as principal.
3. The Bookbuild, if successful, will establish the Offer Price payable to the Banks by all Placees whose bids are successful. The Offer Price and the aggregate proceeds to be raised through the Placing will be agreed between the Banks and the Company following completion of the Bookbuild and any discount to the market price of the Ordinary Shares will be determined in accordance with the Listing Rules and the terms of Resolutions 17 and 18 passed at the Company's annual general meeting held on 28 June 2024. The Offer Price and the number of Placing Shares will be announced in the Placing Results Announcement.
4. To bid in the Bookbuild, prospective Placees should communicate their bid by telephone or in writing to their usual sales contact at one of the Banks. Each bid should state the number of Placing Shares which the prospective Placee wishes to subscribe for either at the Offer Price which is ultimately established by the Company and the Banks or at prices up to a price limit specified in its bid. Bids may be scaled down by the Banks on the basis referred to in paragraph 8 below.
5. A bid in the Bookbuild will be made on the terms and subject to the conditions in the Appendix and will be legally binding on the Placee on behalf of which it is made and, except with the consent of the Banks, will not be capable of variation or revocation after the time at which it is submitted. Each Placee's obligations will be owed to the Company and the Banks. Each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to the Banks, to pay to the Banks (or as the Banks may direct) as agents for the Company in cleared funds an amount equal to the product of the Offer Price and the number of Placing Shares that such Placee has agreed to subscribe for and the Company has agreed to allot and issue to that Placee.
6. The Bookbuild is expected to close as soon as practicably possible on 10 July 2024. The Banks may, in agreement with the Company, accept bids that are received after the Bookbuild has closed.
7. Each Placee's allocation will be determined by the Company in consultation with the Banks and will be confirmed to Placees orally or in writing by the relevant Bank following the close of the Bookbuild, and a trade confirmation will be dispatched as soon as possible thereafter. The relevant Banks's oral or written confirmation to such Placee will constitute an irrevocable legally binding commitment upon such person (who will at that point become a Placee) in favour of such Bank and the Company, under which such Placee agrees to subscribe for the number of Placing Shares allocated to it and to pay the relevant Offer Price for each such Placing Share on the terms and conditions set out in the Appendix and in accordance with the Company's corporate documents.
8. The Banks will, in effecting the Placing, agree with the Company the identity of the Placees and the basis of allocation and pricing of the Placing Shares. Subject to paragraphs 4 and 5 above, the Banks may choose to accept bids, either in whole or in part, on the basis of allocations determined in agreement with the Company and may scale down any bids for this purpose on such basis as they may determine. The Banks may also, notwithstanding paragraphs 4 and 5 above, and subject to the prior consent of the Company, (i) allocate Placing Shares after the time of any initial allocation to any person submitting a bid after that time; and (ii) allocate Placing Shares after the Bookbuild has closed to any person submitting a bid after that time. The acceptance of offers shall be at the absolute discretion of the Banks. The Company reserves the right (upon agreement with the Banks) to reduce or seek to increase the amount to be raised pursuant to the Placing.

9. Except as required by law or regulation, no press release or other announcement will be made by any Bank or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
10. Irrespective of the time at which a Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be subscribed for pursuant to the Placing will be required to be made at the same time, on the basis explained below under "Registration and Settlement".
11. All obligations under the Bookbuild and Placing will be subject to fulfilment or (where applicable) waiver of the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Termination of the Sponsor and Placing Agreement".
12. By participating in the Bookbuild, each Placee agrees that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee after confirmation (oral or otherwise) by any Bank.
13. To the fullest extent permissible by law, none of the Company, the Banks, nor any of their respective Affiliates nor any of their respective Representatives shall have any responsibility or liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise). In particular, none of the Company, the Banks nor any of their respective Affiliates nor any of their respective Representatives shall have any responsibility or liability (including to the extent permissible by law, any fiduciary duties) in respect of the Banks' conduct of the Bookbuild or of such alternative method of effecting the Placing as the Banks and their respective Affiliates and the Company may agree.

Conditions of the Placing

The Placing is conditional upon the Sponsor and Placing Agreement becoming unconditional and not having been terminated in accordance with its terms. The obligations of the Banks under the Sponsor and Placing Agreement are conditional on certain conditions, including, amongst other things:

1. the Placing Terms having been executed and delivered by the Company and the Banks by no later than 23.59 (London time) on the date of Placing Announcement (or such later time and date as the Company and the Banks may agree in writing);
2. (i) the mandate letter between the Company and PSG Capital in relation to the SA Placing having been executed and remaining in full force and effect, not having lapsed or been terminated or amended in accordance with its terms prior to UK Admission; (ii) no condition to which the mandate letter is subject having become incapable of satisfaction and not having been waived prior to UK Admission; and (iii) no event having arisen prior to UK Admission which gives a party thereto a right to terminate the mandate letter, save in each case in circumstances where the Company and the Banks agree in the Placing Terms that no SA Placing Shares will be issued pursuant to the SA Placing;
3. the publication by the Company of the Placing Results Announcement to a Regulatory Information Service as soon as possible following the execution of the Placing Terms;
4. the Company not being in breach of any of its obligations and undertakings under the Sponsor and Placing Agreement which fall to be performed or satisfied prior to UK Admission (to the extent such obligations and undertakings are not waived in writing by each of the Banks);
5. the representations and warranties contained or referred to in the Sponsor and Placing Agreement being true, accurate and not misleading on and as at each of the dates that they are given, in each case, as though they had been given and made on the relevant date by reference to the facts and circumstances from time to time subsisting;
6. no matter having arisen in respect of which indemnification or contribution may be sought from the Company by any Bank or other indemnified person;
7. in the opinion of the Banks (acting jointly and in good faith), there not having been any material adverse change (whether or not foreseeable at the date of the Sponsor and Placing Agreement);
8. certain customary documents having been delivered;
9. the Company issuing, subject only to UK Admission and JSE Admission, the Placing Shares, the SA Placing Shares, the Retail Offer Shares (if any) and the Subscription Shares;
10. (i) each document relating to the Retail Offer (if any) remaining in full force and effect, not having lapsed or been terminated or amended in accordance with its terms prior to UK Admission; (ii) no condition

to which any such document is subject having become incapable of satisfaction and not having been waived prior to UK Admission; and (iii) no event having arisen prior to UK Admission which gives a party thereto a right to terminate any such document, save in each case in circumstances where the Company and the Banks agree in the Placing Terms that no Retail Offer Shares will be issued;

11. (i) each Subscription Agreement in relation to the subscription by certain Directors and PDMRs for New Ordinary Shares remaining in full force and effect and not having lapsed or been varied, modified, supplemented, rescinded or terminated (in whole or part); (ii) no event having occurred which may constitute a breach of the Subscription Agreements; and (iii) no party to the Subscription Agreements having failed to enforce its rights thereunder in accordance with their terms or granted any waiver or indulgence in relation to any obligation thereunder or extension of time for their performance;
12. JSE Admission taking place by no later than 9.00 a.m. (Johannesburg time) on the Closing Date (or such later time and/or date as the Company, PSG Capital and the Banks may agree in writing, not being later than 30 July 2024); and
13. UK Admission taking place by no later than 8.00 a.m. on the Closing Date (or such later time and/or date as the Company, PSG Capital and the Banks may agree in writing, not being later than 30 July 2024).

(all conditions to the obligations of the Banks included in the Sponsor and Placing Agreement being together, the “**Conditions**”).

If: (i) any of the Conditions are not fulfilled or, where permitted, waived or extended by the Banks in accordance with the Sponsor and Placing Agreement; or (ii) the Sponsor and Placing Agreement is terminated in the circumstances specified below, the Placing will lapse and the Placees’ rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by or on behalf of the Placee (or any person on whose behalf the Placing is acting) in respect thereof.

The Banks (acting jointly) may, at their discretion and upon such terms and conditions as they think fit, waive satisfaction of the Conditions (or any part of them) or extend the time provided for satisfaction of the Conditions save that Conditions 1, 9 and 14, amongst others may not be waived. Any such waiver or extension will not affect Placees’ commitments as set out in the Placing Announcement.

None of the Company, the Banks nor any of their respective Affiliates or their respective Representatives shall have any liability or responsibility to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision it or another person may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any Condition nor for any decision it may make as to the satisfaction of any Condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of the Banks. Placees will have no rights against the Banks, the Company or any of their respective Affiliates under the Sponsor and Placing Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 (as amended) or otherwise.

By participating in the Bookbuild, each Placee agrees that its rights and obligations hereunder terminate only in the circumstances described above and under “Termination of the Sponsor and Placing Agreement” below, and will not be capable of rescission or termination by the Placee.

Termination of the Sponsor and Placing Agreement

Each Bank, in its absolute discretion may terminate the Sponsor and Placing Agreement in accordance with its terms in certain circumstances, including, amongst others, if, at any time prior to UK Admission:

1. any statement in any document or announcement issued or published by or on behalf of the Company in connection with the Placing, the SA Placing or the Retail Offer is or has become untrue, inaccurate or misleading in any respect, or any matter has arisen which would, if such document had been issued at that time, constitute an inaccuracy or omission from any such document or announcement;
2. there has been a breach by the Company of any of its obligations under the Sponsor and Placing Agreement save to an extent that is not, in the opinion of any Bank (acting in good faith), material;
3. there has been a breach by the Company of any of the representations or warranties contained or referred to in the Sponsor and Placing Agreement or any of the representations or warranties is not or has ceased to be, true, accurate and not misleading;

4. there has been a breach of any provision of any document relating to the Retail Offer (if any) or a waiver of any condition thereto, in each case, by the Company;
5. in the opinion of any Bank (acting in good faith) there has been a material adverse change (whether or not foreseeable at the date of the Sponsor and Placing Agreement);
6. in the opinions of the Banks, an event referred to in Article 23 of the Prospectus Regulation arises between the time of publication of the Prospectus and Admission which would require the publication of a supplementary prospectus or if any supplementary prospectus is published or is due to be published by the Company;
7. there has occurred, or in the opinion of any Bank (acting in good faith) it is reasonably likely that there will occur:
 - 7.1 any material adverse change in the financial markets in the United Kingdom, South Africa, any member state of the EEA, the United States or the international financial markets, any outbreak or escalation of hostilities or war, act of terrorism, declaration of emergency or martial law or other calamity or crisis or event or any change or development involving a prospective change in national or international political, financial, economic, monetary or market conditions or currency exchange rates or controls;
 - 7.2 a suspension of, or occurrence of material limitations to, trading in any securities of the Company by the London Stock Exchange, the JSE or any other exchange or over-the-counter market, or of trading generally on the London Stock Exchange, the JSE, the New York Stock Exchange, the NASDAQ National Market or any over-the-counter market, or minimum or maximum prices for trading having been fixed, or maximum ranges for prices of securities having been required, by any of such exchanges or by such system or by order of the FCA, the London Stock Exchange, the JSE, the SEC, the Financial Industry Regulatory Authority, Inc. or any other Agency, or a material disruption in commercial banking or securities settlement or clearance services in the United Kingdom, any member state of the EEA or the United States;
 - 7.3 a declaration of a banking moratorium by the United Kingdom, Guernsey, South Africa, any member state of the EEA, the United States or New York authorities; or
 - 7.4 any actual or prospective adverse change or development in United Kingdom, Guernsey, Germany, South Africa or United States materially affecting any Group Company, the New Ordinary Shares or the transfer thereof,

in each case, where the effect is such that (either singly or together with any other event referred to in this paragraph 7), in the opinion of any Bank (acting in good faith), it is inadvisable or impracticable to market the New Ordinary Shares or to enforce contracts for the sale of the New Ordinary Shares; or
8. either application for UK Admission is withdrawn or refused by the FCA or the London Stock Exchange or the application for JSE Admission is withdrawn or refused by the JSE or, in each case, in the opinion of any Bank (acting in good faith), and after consultation where practicable with the Company, will not be granted.

If not all Banks give notice to terminate the Sponsor and Placing Agreement in circumstances where they are able, the Bank(s) who do not give such notice may allow the Placing and UK Admission to proceed and will assume the obligations which remain to be performed under the Sponsor and Placing Agreement by the Bank(s) who has given notice to terminate.

If the Sponsor and Placing Agreement is terminated by all Banks in accordance with its terms, the rights and obligations of each Placee in respect of the Placing shall cease and terminate at such time and no claim may be made by any Placee in respect thereof.

By participating in the Placing, each Placee agrees with the Company and the Banks that the exercise or non-exercise by the Banks of any right of termination or other right or other discretion under the Sponsor and Placing Agreement shall be within the absolute discretion of the Banks or for agreement between the Company and the Banks (as the case may be) and that neither the Company nor the Banks need make any reference to, or consult with, Placees and that none of the Company, the Banks nor any of their respective Affiliates or respective Representatives shall have any liability to Placees whatsoever in connection with any such exercise or failure to so exercise or otherwise.

Withdrawal Rights

Placees acknowledge that their agreement to subscribe for Placing Shares is not by way of acceptance of a public offer made or to be made in the Prospectus but is by way of a collateral contract and, accordingly, Articles 23(2) of the Prospectus Regulation does not entitle Placees to withdraw in the event that the Company publishes a supplementary prospectus in connection with Admission.

Lock-up

The Company has undertaken to the Banks that, between the date of the Sponsor and Placing Agreement and the date which is 90 calendar days after the Closing Date, it will not, without the prior written consent of the Banks, enter into certain transactions involving or relating to the Ordinary Shares, subject to certain customary carve-outs agreed between the Banks and the Company.

By participating in the Placing, Placees agree that the exercise by the Banks of any power to grant consent to waive the aforementioned undertaking by the Company shall be within the absolute discretion of the Banks and that they need not make any reference to, or consult with, Placees and that they shall have no liability to Placees whatsoever in connection with any such exercise of the power to grant consent.

Registration and settlement

Settlement of transactions in the Placing Shares (ISIN: GG00B1W3VF54) following UK Admission will take place within the CREST system, subject to certain exceptions. The Company and the Banks reserve the right to require settlement for, and delivery of, the Placing Shares to Placees by such other means that they deem necessary, including in certificated form, if delivery or settlement is not possible or practicable within the CREST system within the timetable set out in the Placing Announcement or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with the standing CREST or certificated settlement instructions that it has in place with the relevant Bank or otherwise as such Bank may direct.

The Company will deliver the Placing Shares to a CREST account operated by the Settlement Bank as agent for and on behalf of the Company and the Settlement Bank will enter its delivery (DEL) instruction into the CREST system. The Settlement Bank will hold any Placing Shares delivered to this account as nominee for the Placees. The input to CREST by a Placee of a matching or acceptance instruction will then allow delivery of the relevant Placing Shares to that Placee against payment.

It is expected that settlement will be on 16 July 2024 on a T+3 basis and on a delivery versus payment basis in accordance with the instructions given to the Banks.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above, in respect of either CREST or certificated deliveries, at the rate of two percentage points above SONIA as determined by the Banks.

Each Placee agrees that, if it does not comply with these obligations, the Banks may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for its own account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and shall be required to bear any stamp duty, stamp duty reserve tax or other stamp, securities, transfer, registration, execution, documentary or other similar impost, duty or tax (together with any interest, fines or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf. By communicating a bid for Placing Shares, each Placee confers on the Banks all such authorities and powers necessary to carry out any such transaction and agrees to ratify and confirm all actions which the Banks lawfully takes on such Placee's behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that, upon receipt, the electronic contract note and/or electronic trade confirmation is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free

from any liability to UK stamp duty or UK stamp duty reserve tax. If there are any circumstances in which any other stamp duty or stamp duty reserve tax (and/or any interest, fines or penalties relating thereto) is payable in respect of the allocation, allotment, issue or delivery of the Placing Shares (or for the avoidance of doubt if any stamp duty or stamp duty reserve tax is payable in connection with any subsequent transfer of or agreement to transfer Placing Shares), neither the Banks nor the Company shall be responsible for the payment thereof.

Representations and warranties

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) irrevocably acknowledges, confirms, undertakes, represents, warrants and agrees (as the case may be) with each Bank (in its capacity as joint global coordinator and joint bookrunner and as placing agent, as applicable, of the Company in respect of the Placing) and the Company, in each case as a fundamental term of its application for Placing Shares, that:

1. it has read and understood the Placing Announcement, including the Appendix, the Preliminary Prospectus and the Pricing Information in their entirety and that its participation in the Bookbuild and the Placing and its subscription for Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained therein and it undertakes not to redistribute or duplicate such documents and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with UK Admission, the Bookbuild, the Placing, the Company, the Placing Shares or otherwise other than the information contained in the Placing Announcement, including the Appendix, the Preliminary Prospectus, and the Pricing Information;
2. it acknowledges that the Preliminary Prospectus is in draft form and is subject to updating, completion, revision, further verification and amendment;
3. no Bank, nor the Company nor any of their respective Affiliates or their respective Representatives nor any person acting on behalf of any of them has provided, and none of them will provide, it with any material or information regarding the Placing Shares, the Bookbuild, the Placing or the Company or any other person other than the Placing Announcement, the Preliminary Prospectus and the Pricing Information, nor has it requested any Bank, the Company, any of their respective Affiliates or Representatives or any person acting on behalf of any of them to provide it with any such material or information;
4. unless otherwise specifically agreed with the Banks, it and/or the person on whose behalf it is participating is not, and at the time the Placing Shares are subscribed for, neither it nor the beneficial owner of the Placing Shares will be, a resident of a Restricted Jurisdiction or any other jurisdiction in which it is unlawful to make or accept an offer to acquire the Placing Shares;
5. the Placing Shares have not been and will not be registered or otherwise qualified, for offer and sale nor will an offering document, prospectus, offering memorandum or admission document be cleared or approved in respect of any of the Placing Shares under the securities legislation of any Restricted Jurisdiction and, subject to certain exceptions, may not be offered, sold, transferred, delivered or distributed, directly or indirectly, in or into those jurisdictions or in any country or jurisdiction where any such action for that purpose is required;
6. the content of the Placing Announcement, the Preliminary Prospectus and the Pricing Information has been prepared by and is exclusively the responsibility of the Company and that no Bank nor any of their respective Affiliates or its or their Representatives nor any person acting on behalf of any of them has or shall have any responsibility or liability for any information, representation or statement contained in the Placing Announcement, the Preliminary Prospectus or the Pricing Information or any information previously or simultaneously published by or on behalf of the Company, and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in the Placing Announcement, the Preliminary Prospectus or Pricing Information or any information previously or simultaneously published by or on behalf of the Company or otherwise;
7. the only information on which it is entitled to rely and on which such Placee has relied in committing itself to subscribe for the Placing Shares is contained in the Placing Announcement, the Preliminary Prospectus and the Pricing Information, it received and reviewed all information that it believes is necessary or appropriate to make an investment decision in respect of the Placing Shares, and that it

has neither received nor relied on any other information given or investigations, representations, warranties or statements made by any Bank or the Company or any of their respective Affiliates or their respective Representatives or any person acting on behalf of any of them and no Bank nor the Company nor any of their respective Affiliates or Representatives will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement;

8. it has relied on its own investigation, examination and due diligence of the business, financial or other position of the Company in deciding to participate in the Placing and no Bank nor any of their respective Affiliates or its or their Representatives nor any person acting on behalf of any of them have made any representations to it, express or implied, with respect to the Company, the Bookbuild, the Placing and the Placing Shares or the truth, accuracy, completeness or adequacy of the information in the Placing Announcement, the Preliminary Prospectus and/or the Pricing Information, and each of them expressly disclaims any liability in respect thereof; and (ii) it will not hold any Bank or any of their respective Affiliates or its or their Representatives or any person acting on behalf of any of them responsible or liable for any misstatements in or omission from such documents. Nothing in this paragraph or otherwise in the Placing Announcement excludes the liability of any person for fraudulent misrepresentation made by that person;
9. it has not relied on any information relating to the Company contained in any research reports prepared by any Bank, any of their respective Affiliates or any person acting on its or their behalf and understands that (i) no Bank nor any of their respective Affiliates nor any person acting on its or their behalf has or shall have any responsibility or liability for (x) public information or any representation; or (y) any additional information that has otherwise been made available to such Placee, whether at the date of publication, the date of the Placing Announcement or otherwise; and (ii) no Bank nor any of their respective Affiliates nor any person acting on its or their behalf makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such information, whether at the date of publication, the date of the Placing Announcement or otherwise;
10. (i) the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder of Placing Shares will not give rise to a liability under any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services); (ii) it is not participating in the Placing as nominee or agent for any person to whom the allocation, allotment, issue or delivery of the Placing Shares would give rise to such a liability; and (iii) the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to issue or transfer Placing Shares into a clearance service;
11. no action has been or will be taken by the Company, any Bank or any person acting on behalf of the Company or any Bank that would, or is intended to, permit a public offer of the Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;
12. (i) it (and any person acting on its behalf) is entitled to subscribe for the Placing Shares under the laws of all relevant jurisdictions which apply to it; (ii) it has paid or will pay any issue, transfer or other taxes due in connection with its participation in any territory; (iii) it has fully observed such laws and obtained all such governmental and other guarantees, permits, authorisations, approvals and consents which may be required thereunder and complied with all necessary formalities; (iv) it has not taken any action or omitted to take any action which will or may result in any Bank, the Company or any of their respective Affiliates or Representatives acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing; and (v) the subscription for the Placing Shares by it or any person acting on its behalf will be in compliance with applicable laws and regulations in the jurisdiction of its residence, the residence of the Company, or otherwise;
13. it (and any person acting on its behalf) has all necessary capacity and has obtained all necessary consents and authorities to enable it to commit to its participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in the Placing Announcement) and will honour such obligations;
14. it has complied with its obligations under the Criminal Justice Act 1993, MAR, any delegating acts, implementing acts, technical standards and guidelines, and in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Anti-Terrorism Crime and Security Act 2001, the Terrorism Act 2006, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and the Money Laundering Sourcebook of the FCA and any related or similar rules, regulations or guidelines issued, administered or enforced

by any government agency having jurisdiction in respect thereof (together the “**Regulations**”) and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations. If within a reasonable time after a request for verification of identity, the relevant Bank has not received such satisfactory evidence, such Bank may, in its absolute discretion, terminate the Placee’s Placing participation in which event all funds delivered by the Placee to such Bank will be returned without interest to the account of the drawee bank or CREST account from which they were originally debited;

15. it is acting as principal only in respect of the Placing or, if it is acting for any other person: (i) it is duly authorised to do so and has full power to make, and does make, the acknowledgments, undertakings, representations and agreements and give the indemnities herein on behalf of each such person; and (ii) it is and will remain liable to each Bank and the Company for the performance of all its obligations as a Placee in respect of the Placing (regardless of the fact that it is acting for another person). Each Placee agrees that the provisions of this paragraph shall survive the resale of the Placing Shares by or on behalf of any person for whom it is acting;
16. it undertakes that it will (as principal or agent) subscribe for, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;
17. it understands that any investment or investment activity to which the Placing Announcement relates is available only to Qualified Investors in a member state of the EEA, Relevant Persons in the United Kingdom and South African Eligible Investors in South Africa and will be engaged in only with Qualified Investors in a member state of the EEA, Relevant Persons in the United Kingdom and South African Eligible Investors in South Africa, and further understands that the Placing Announcement must not be acted on or relied on by persons who are not Qualified Investors in a member state of the EEA, Relevant Persons in the United Kingdom and South African Eligible Investors in South Africa;
18. if in a member state of the EEA, it is a Qualified Investor;
19. if in the United Kingdom, it is a Relevant Person;
20. in the case of any Placing Shares subscribed for by it as a financial intermediary, as that term is used in Article 5(1) of the EU Prospectus Regulation or Article 5(1) of the Prospectus Regulation, (i) the Placing Shares subscribed for by it in the Placing will not be subscribed for on a non-discretionary basis on behalf of, nor will they be subscribed for with a view to their offer or resale, to persons in a member state of the EEA other than Qualified Investors, or persons in the United Kingdom other than Relevant Persons, or in circumstances in which the prior consent of the Banks have been given to each such proposed offer or resale; or (ii) where the Placing Shares have been subscribed for by it on behalf of persons in any member state of the EEA other than Qualified Investors, or in the United Kingdom other than Relevant Persons, the offer of those Placing Shares to it is not treated under the EU Prospectus Regulation or the Prospectus Regulation (as applicable) as having been made to such persons;
21. if it is a Placee resident in Australia, it:
 - 21.1 is either (i) a “sophisticated investor” within the meaning of Section 708(8) of the Australian Corporations Act or a “professional investor” within the meaning of Section 9 and Section 708(11) of the Australian Corporations Act; or (ii) a “wholesale client” for the purposes of Sections 761G(4) and 761G(7) of the Australian Corporations Act (and related regulations), who has complied with all relevant requirements in this respect;
 - 21.2 understands, and each account it represents has been advised that: (i) no offer of securities may be made in Australia except to a person who is a sophisticated investor or a professional investor who is also a wholesale client (each as defined in the Australian Corporations Act); and (ii) the Placing Announcement including the Appendices issued by the Company in connection with the Placing or any regulatory announcement that may be issued by the Company:
 - (a) does not constitute an offer of securities for sale in Australia and does not constitute a disclosure document under Part 6D.2 of the Australian Corporations Act;
 - (b) does not and is not required to contain all the information which would be required under the Australian Corporations Act to be included in a disclosure document as defined under the Australian Corporations Act;
 - (c) has not been lodged with the Australian Securities and Investments Commission;

- (d) does not constitute financial product advice in relation to the Placing and nothing in the documentation should be taken to constitute a recommendation or statement of opinion that it intended to influence you in making a decision to participate in the Placing; and
 - (e) does not constitute a Product Disclosure Statement as defined under the Australian Corporations Act (nor has a Product Disclosure Statement been or will be issued in relation to this Placing) and no cooling-off regime applies to the financial products offered pursuant to the Placing Announcement or any accompanying documentation;
- 21.3 acknowledges and agrees that any securities acquired pursuant to the Placing Announcement are not, within 12 months of acquisition of the securities, able to be offered, transferred, assigned or otherwise alienated to investors in Australia except in circumstances where disclosure is not required under Part 6D.2 of the Australian Corporations Act or unless a compliant disclosure document is prepared and lodged with the Australian Securities and Investments Commission or any successor entity thereto;
22. it is and, at the time the Placing Shares are acquired, will be either:
- 22.1 located outside the United States and (i) is subscribing for Placing Shares in an “offshore transaction” as defined in, and in accordance with, Regulation S; (ii) is aware of the restrictions on the offer and sale of the Placing Shares pursuant to Regulation S; and (iii) the Placing Shares have not been offered to it by means of any “directed selling efforts” as defined in Regulation S; or
 - 22.2 located within the United States and is a QIB that is acquiring the Placing Shares in a transaction that is exempt from the registration requirements under the Securities Act for its own account (or for the account of a QIB as to which it has sole investment discretion);
- and in either case is not an ERISA Entity;
23. it will not distribute, forward, transfer or otherwise transmit the Placing Announcement or any part of it, or any other presentation or other materials concerning the Placing (including electronic copies thereof), in or into any Restricted Jurisdiction to any person and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;
24. where it is subscribing for the Placing Shares for one or more managed accounts, it is authorised in writing by each managed account to subscribe for the Placing Shares for each managed account and it has full power to make, and does make, the acknowledgements, representations and agreements herein on behalf of each such account;
25. if it is a pension fund or investment company, its subscription for Placing Shares is in full compliance with applicable laws and regulations;
26. it has not offered or sold and, prior to the expiry of a period of six months from UK Admission, will not offer or sell any Placing Shares to persons in the United Kingdom, except to persons whose ordinary activities involve them acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA;
27. any offer of Placing Shares may only be directed at persons in member states of the EEA who are Qualified Investors and that it has not offered or sold and will not offer or sell any Placing Shares to persons in the EEA prior to UK Admission except to Qualified Investors or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the EEA within the meaning of the EU Prospectus Regulation;
28. it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to the Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;
29. it has complied and will comply with all applicable laws (including, in the United Kingdom, all relevant provisions of the FSMA and the Financial Services Act 2012) with respect to anything done by it in relation to the Placing Shares;
30. if it has received any “inside information” as defined in MAR about the Company in advance of the Placing, it has not: (i) dealt in the securities of the Company; (ii) encouraged or required another person to deal in the securities of the Company; or (iii) disclosed such information to any person except as permitted by MAR, prior to the information being made publicly available;

31. (i) it (and any person acting on its behalf) has the funds available to pay for the Placing Shares it has agreed to subscribe for and it (and any person acting on its behalf) will make payment for the Placing Shares allocated to it in accordance with the Placing Announcement on the due time and date set out herein against delivery of such Placing Shares to it, failing which the relevant Placing Shares may be placed with other persons or sold as any Bank may in its discretion determine and without liability to such Placee. It will, however, remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest, fines or penalties) due pursuant to the terms set out or referred to in the Placing Announcement which may arise upon the sale of such Placee's Placing Shares on its behalf;
32. its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares to which it will be entitled, and required, to acquire, and that the Banks or the Company may call upon it to acquire a lower number of Placing Shares (if any), but in no event in aggregate more than the aforementioned maximum;
33. no Bank nor any of their respective Affiliates or its or their Representatives nor any person acting on behalf of any of them, is making any recommendations to it or advising it regarding the suitability or merits of any transactions it may enter into in connection with the Placing and participation in the Placing is on the basis that it is not and will not be a client of any Bank and no Bank has any duties or responsibilities to it for providing the protections afforded to its clients or customers or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Sponsor and Placing Agreement nor for the exercise or performance of any of the Banks' rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
34. the exercise by any (or all) of the Banks of any right or discretion under the Sponsor and Placing Agreement shall be within the absolute discretion of the Banks and the relevant Bank or the Banks (acting jointly) (as the case may be) need not have any reference to any Placee and shall have no liability to any Placee whatsoever in connection with any decision to exercise or not to exercise any such right and each Placee agrees that it has no rights against the Banks, the Company or any of their respective Affiliates under the Sponsor and Placing Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 (as amended) or otherwise;
35. the person whom it specifies for registration as holder of the Placing Shares will be (i) itself; or (ii) its nominee, as the case may be. No Bank, nor the Company nor any of their respective Affiliates will be responsible for any liability to stamp duty or stamp duty reserve tax or other similar duties or taxes (together with any interest, fines or penalties) resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to indemnify the Company, each Bank and their respective Affiliates and Representatives in respect of the same on an after-tax basis on the basis that the Placing Shares will be allotted to the CREST stock account of the Settlement Bank who will hold them as nominee on behalf of such Placee until settlement in accordance with its standing settlement instructions;
36. these terms and conditions and any agreements entered into by it pursuant to these terms and conditions (including any non-contractual obligations arising out of or in connection with such agreements) shall be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by any Bank or the Company in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
37. each of the Banks, the Company and their respective Affiliates and others will rely upon the truth and accuracy of the representations, warranties, agreements, undertakings and acknowledgements set forth herein and which are given to each Bank on its own behalf and on behalf of the Company and are irrevocable and it irrevocably authorises each Bank and the Company to produce the Placing Announcement, pursuant to, in connection with, or as may be required by any applicable law or regulation, administrative or legal proceeding or official inquiry with respect to the matters set forth herein;
38. it will indemnify on an after-tax-basis and hold the Company, each Bank and their respective Affiliates and Representatives and any person acting on behalf of any of them harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of, directly or indirectly,

or in connection with any breach by it of the representations, warranties, acknowledgements, agreements and undertakings in the Appendix and further agrees that the provisions of the Appendix shall survive after completion of the Placing;

39. it irrevocably appoints any director or authorised signatory of the Banks as its agent for the purposes of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares agreed to be taken up by it under the Placing;
40. its commitment to acquire Placing Shares on the terms set out herein and in any contract note will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or the Banks' conduct of the Placing;
41. in making any decision to subscribe for the Placing Shares: (i) it has sufficient knowledge, sophistication and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares; (ii) it is experienced in investing in securities of a similar nature to the Ordinary Shares and in the sector in which the Company operates and is aware that it may be required to bear, and is able to bear, the economic risk of participating in, and is able to sustain a complete loss in connection with, the Placing and has no need for liquidity with respect to its investment in the Placing Shares; (iii) it has relied solely on its own investigation, examination, due diligence and analysis of the Company and its Affiliates taken as a whole, including the markets in which the Group operates, and the terms of the Placing, including the merits and risks involved, and not upon any view expressed or information provided by or on behalf of any Bank; (iv) it has had sufficient time and access to information to consider and conduct its own investigation with respect to the offer and purchase of the Placing Shares, including the legal, regulatory, tax, business, currency and other economic and financial considerations relevant to such investment and has so conducted its own investigation to the extent it deems necessary to enable it to make an informed and intelligent decision with respect to making an investment in the Placing Shares; (v) it is aware and understands that an investment in the Placing Share involves a considerable degree of risk; and (vi) it will not look to the Company, any Bank or any of their respective Affiliates or their respective Representatives or any person acting behalf of any of them for all or part of any such loss or losses it or they may suffer;
42. neither the Company nor any Bank owes any fiduciary or other duties to it or any Placee in respect of any representations, warranties, undertakings or indemnities in the Sponsor and Placing Agreement or these terms and conditions;
43. may not rely on any investigation that any Bank or any person acting on their behalf may or may not have conducted with respect to the Company and its Affiliates or the Placing and none of such persons has made any representation or warranty to it, express or implied, with respect to the suitability or merits of the Placing, the subscription for or purchase of the Placing Shares, or as to the condition, financial or otherwise, of the Company and its Affiliates, or as to any other matter relating thereto, and nothing herein shall be construed as any investment or other recommendation to it to acquire the Placing Shares. It acknowledges and agrees that no information has been prepared by, or is the responsibility of, any Bank for the purposes of this Placing;
44. in connection with the Placing, any Bank and any of its Affiliates acting as an investor for its own account may take up shares in the Company and in that capacity may retain, purchase or sell for its own account such shares in the Company and any securities of the Company or related investments and may offer or sell such securities or other investments otherwise than in connection with the Placing. Accordingly, references in the Placing Announcement to Placing Shares being issued, offered or placed should be read as including any issue, offering or placement of such shares in the Company to any Bank or any of its Affiliates acting in such capacity. In addition, any Bank or any of their respective Affiliates may enter into financing arrangements and swaps with investors in connection with which such Bank or any of their respective Affiliates may from time to time acquire, hold or dispose of such securities of the Company, including the Placing Shares. No Bank nor any of their respective Affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so; and
45. a communication that the Placing or the book is "covered" (i.e. indicated demand from investors in the book equals or exceeds the amount of the securities being offered) is not any indication or assurance that the book will remain covered or that the Placing and securities will be fully distributed by the Banks. Each Bank reserves the right to take up a portion of the securities in the Placing as a

principal position at any stage at its sole discretion, among other things, to take account of the Company's objectives, UK MiFID II requirements and/or its allocation policies.

The foregoing acknowledgements, agreements, undertakings, representations, warranties and confirmations are given for the benefit of each of the Company and each Bank (for their own benefit and, where relevant, the benefit of their respective Affiliates and any person acting on their behalf) and are irrevocable.

The agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as nominee or agent) free of UK stamp duty and UK stamp duty reserve tax relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct from the Company for the Placing Shares in question. Neither the Company nor the Banks will be responsible for any UK stamp duty or UK stamp duty reserve tax (including any interest, fines and penalties relating thereto) arising in relation to the Placing Shares in any other circumstances.

Such agreement is subject to the representations, warranties and further terms above and also assumes, and is based on a warranty from each Placee, that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to issue or transfer the Placing Shares into a clearance service. Neither the Company nor the Banks are liable to bear any stamp duty or stamp duty reserve tax or any other similar duties or taxes (including, without limitation, other stamp, issue, securities, transfer, registration, capital, or documentary duties or taxes) ("**transfer taxes**") that arise (i) if there are any such arrangements (or if any such arrangements arise subsequent to the acquisition by Placees of Placing Shares) or (ii) on a sale of Placing Shares, or (iii) otherwise than under the laws of the United Kingdom. Each Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such transfer taxes undertakes to pay such transfer taxes forthwith, and agrees to indemnify on an after-tax basis and hold each Bank and/or the Company and their respective Affiliates (as the case may be) harmless from any such transfer taxes, and all interest, fines or penalties in relation to such transfer taxes. Each Placee should, therefore, take its own advice as to whether any such transfer tax liability arises.

In the Placing Announcement, "after-tax basis" means in relation to any payment made to the Company, any Bank or their respective Affiliates or their or their Representatives pursuant to the Placing Announcement where the payment (or any part thereof) is chargeable to any tax, a basis such that the amount so payable shall be increased so as to ensure that after taking into account any tax chargeable (or which would be chargeable but for the availability of any relief unrelated to the loss, damage, cost, charge, expense or liability against which the indemnity is given on such amount (including on the increased amount)) there shall remain a sum equal to the amount that would otherwise have been so payable.

Each Placee, and any person acting on behalf of each Placee, acknowledges and agrees that each Bank and/or any of its Affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares. Each Placee acknowledges and is aware that each Bank is receiving a fee in connection with its role in respect of the Placing as detailed in the Sponsor and Placing Agreement.

When a Placee or person acting on behalf of the Placee is dealing with any Bank, any money held in an account with such Bank on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FCA made under the FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from the relevant Bank's money in accordance with the client money rules and will be used by the relevant Bank in the course of its own business; and the Placee will rank only as a general creditor of that Bank.

Time is of the essence as regards each Placee's obligations under the Appendix.

Any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to any Bank.

The rights and remedies of each Bank and the Company under the terms and conditions set out in the Appendix are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

Each Placee may be asked to disclose, in writing or orally to each Bank: (a) if they are an individual, their nationality; or (ii) if they are a discretionary fund manager, the jurisdiction in which the funds are managed or owned.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

All times and dates in the Placing Announcement may be subject to amendment. The Banks shall notify the Placees and any person acting on behalf of the Placees of any changes.

Terms of Participation in the SA Placing

The SA Placing shall take place in accordance with and subject to the terms and conditions set out and contained in the Placing Announcement, the provisions of this document applicable to the SA Placing and the SA Placee Undertakings.

PART X

HISTORICAL FINANCIAL INFORMATION OF SIRIUS REAL ESTATE LIMITED

The audited consolidated financial statements for the Group as at and for the financial years ended 31 March 2024 (the “**2024 Financial Statements**”), 31 March 2023 (the “**2023 Financial Statements**”), and 31 March 2022 (the “**2022 Financial Statements**”) (the 2022 Financial Statements, the 2024 Financial Statements and the 2023 Financial Statements together, the “**Financial Statements**”) which have been filed with, or notified to, the FCA and are available for inspection in accordance with paragraph 23 of Part XVI (*Additional Information*) of this document, contain financial information about the Group.

The 2024 Financial Statements, the 2023 Financial Statements and the 2022 Financial Statements, prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB), together with the independent auditor’s reports to the members of Sirius Real Estate Limited and notes in respect of each financial year are contained in the 2024 Annual Report, the 2023 Annual Report and the 2022 Annual Report respectively and are incorporated by reference into this document as described in Part XVII (*Documents Incorporated by Reference*) of this document.

The Financial Statements were audited by Ernst & Young LLP and the audit report for such financial years were unqualified. Ernst & Young LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales. Its business address is 1 More London Place, London SE1 2AF and it has no material interest in the Company or the Group.

The Financial Statements, including the related notes thereto, should be read together with Part XI (*Operating and Financial Review of the Group*) of this document.

PART XI

OPERATING AND FINANCIAL REVIEW OF THE GROUP

The following discussion is based on (i) the 2024 Financial Statements; (ii) the 2023 Financial Statements; and (iii) the 2022 Financial Statements, each incorporated by reference into this Part XI (Operating and Financial Review of the Group) as described in Part XVII (Documents Incorporated by Reference) of this document. Prospective investors should read the entire document including the Documents Incorporated by Reference and not rely solely on the information set out in the discussion below.

The following discussion of the Group's results of operations and financial condition contains forward-looking statements that involve risks and uncertainties. The Group's actual results could differ materially from those that it discusses in these forward-looking statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this document, particularly in risk factors set out in Part II (Risk Factors).

In addition, the following discussion of the Group's results of operations and financial condition contains the Directors' estimates with respect to certain revenue and cost breakdowns. These estimates are derived from management reporting systems and not from financial accounting systems or financial accounting records and, therefore, are not subject to the same degree of internal controls as information derived from financial accounting systems. The Directors' estimates are unaudited and are not reviewed by the Company's auditors. The Directors nonetheless believe that investors will find this information helpful in assessing the Group's business.

Information in this section covers the three financial years ended 31 March 2022, 31 March 2023 and 31 March 2024.

Overview

The Company is a Guernsey-incorporated property company and a leading owner and operator of branded business and industrial park real estate assets at 68 sites across Germany and 74 sites across the UK, providing conventional space and flexible workspace to its tenants. All rental and other income is derived from the Group's operations performed in Germany via its wholly owned subsidiaries including Curris Facilities & Utilities Management GmbH and DDS Conferencing & Catering GmbH, and in the UK via its wholly owned subsidiary: Helix Investments Limited. The Company converted into a UK Real Estate Investment Trust ("REIT") in respect of its UK business with effect from 1 April 2022.

Sirius applies a high-return, value-add business model to investments in mixed-use industrial, warehouse and office properties. In Germany, most of Sirius' properties are located in and around the largest seven cities by population (Berlin, Hamburg, Munich, Cologne, Frankfurt, Stuttgart and Düsseldorf). Sirius seeks mixed-use properties, primarily light industrial units, business parks or office buildings outside the city centres, or on the edge of the cities, in locations which have a high density of commercial and industrial activity and good transport links. The German portfolio is split into three main categories: office buildings (comprising 18 per cent. of annualised rent roll in Germany); traditional business parks (comprising 54 per cent. of annualised rent roll in Germany); and modern business parks (comprising 28 per cent. of annualised rent roll in Germany). In the UK, Sirius has grown its network to 74 well-located sites and is now an established, scalable and well-diversified UK regional operator of flexible workspace. The UK portfolio is regionally diverse and is split into three main categories: industrial units (comprising 30 per cent. of annualised rent roll in the UK); mixed use sites (comprising 26 per cent. of annualised rent roll in the UK); and office buildings (comprising 44 per cent. of annualised rent roll in the UK).

Recent Developments

The Directors believe that the real estate market dynamics in Germany, characterised by a resilient and well diversified economy spread across several large autonomous markets, a strong SME market, high replacement costs for light-industrial buildings and levels of investment, provide a strong backdrop to pursue its organic and acquisitions-led growth strategy over the medium term. Similarly, the Directors continue to believe that the real estate market dynamics in the UK remain positive, characterised by strong rental growth

potential, UK government regional investment commitment, increased level of near-shoring, structural undersupply of UK multi-let assets and resilient market conditions for light industrial assets.

On 20 November 2023, the Company completed an equity fundraising of €165.3 million to provide funds to execute on a pipeline of acquisition opportunities. During the second half of the Company's financial year ended 31 March 2024, the Company acquired or agreed to acquire approximately €150 million of assets. Three acquisitions completed in April 2024. At 31 March 2024, €96 million of these acquisitions were in the UK and four acquisitions were in Germany, totalling €55 million.

On 17 May 2024, the Company issued a further €59.9 million under its €300.0 million 1.75 per cent. corporate bond to a single existing international institutional investor priced in line with current trading levels.

On 3 June 2024, the Company announced its consolidated financial results for the year ended 31 March 2024. This contained a summary of its financial and operating performance. The Company announced continued funds from operations growth with strong operational performance driving ten years of increasing dividends and Group revenue of €288.8 million, 33.9 per cent. Net LTV and Net Debt to EBITDA of 5.6x. For a calculation of Net LTV, a non-IFRS measure, based on our audited financial statements, see *Non-IFRS Measures – Reconciliation of this Part XI*.

Current Trading and Prospects

The Company is trading in line with management expectations in the period since 31 March 2024. Sirius continues to assess further growth options in both Germany and the UK on an opportunistic basis, including recycling of mature assets and reinvesting in value-add opportunities. Organic growth opportunities remain strong in both markets.

Recent Disposals

Germany

In March 2024, the Company completed the sale of its Maintal I asset for a sales price of €40.1 million equating to a 6 per cent. premium to book value at the time of notarisation in November 2023. Notarisation is a process similar to exchange of contracts in the UK whereby a contractual commitment is made to buy or sell an asset, with completion of the sale or purchase occurring at a specified or agreed date in the future. Under German law a notarisation is legally mandatory in real estate transactions. The revenue from the sale or cost of purchase of an asset is recognised in the Company's financial statements at the point of completion of the relevant transaction and not at the point of notarisation. The mixed-use site consisted of 37,851 sqm of storage, industrial and office space, yielding €2.3 million on NOI at 83 per cent. occupancy.

On 1 October 2023, the Company completed its disposal of a non-core asset in Kassel. The Company completed the notarisation of the Kassel asset for €7.3 million, at a 5 per cent. premium to book value at the time of notarisation in October 2022. This allowed Sirius to dispose of an asset located in a non-core location, which was 92 per cent. let and comprised a total lettable area of 8,342 sqm of industrial, office, logistics and other space within a 16,217 sqm plot size.

On 1 April 2023, the Company completed the disposal of a business park in Wuppertal, North Rhine Westphalia. The Company notarised for disposal the business park in Wuppertal for proceeds amounting to €8.8 million in December 2022. This business park comprised 15,006 sqm of industrial, storage and office space with a 79 per cent. occupancy, generating €0.7 million of annual net operating income. Once again, due to the property's size and location, this asset was considered non-core and the returns expected on this asset going forward were well below those expected from the acquisition pipeline.

UK

In March 2024, the Group sold a non-core asset in Stoke-on-Trent for £3.0 million. The asset, which comprised 55,097 sq ft of industrial space, generating £0.2 (€0.2) million of net operating income at 79.7 per cent. occupancy was sold at a 1 per cent. premium to the last reported book value. In June 2024, the Company exchanged contracts on the disposals of two sub scale assets located in Hartlepool and Letchworth, for a combined total of £1.9 million.

Recent Acquisitions

Germany

In March 2024, the Company completed its acquisition of a business park in Köln (Cologne), Germany's fourth largest city. The property comprises 19,114 sqm of principally light industrial space. The property was acquired at a price of €20.0 million (excluding acquisition costs) and currently generates total rental income of €1.67 million and an annualised net operating income of €1.56 million, representing a gross yield at acquisition of 7.8 per cent. (on total acquisition costs) and an EPRA net initial yield of 7.3 per cent. (on total acquisition costs). The site has an occupancy rate of just over 89 per cent., with a weighted average unexpired lease term ("**WAULT**") of 2.4 years and a well-diversified, stable tenant structure.

In April 2024, the Company completed on acquisition of a business park in Göppingen, a city south-east of Stuttgart in southern Germany. The Company notarised the acquisition of the business park for €19.8 million (excluding acquisition costs) in February 2024. The business park is a multi-tenanted business park with a total lettable area of 35,132 sqm comprised of 31,700 sqm of industrial space, 3,100 sqm of office space and 332 sqm of space defined as "other" which in aggregate will initially generate around €1.8 million of annualised rental income at 87 per cent. occupancy. The acquired asset generated an annualised net operating income of €1.5 million at the time of acquisition, reflecting a gross yield of 8.3 per cent. (on total acquisition costs) and an EPRA net initial yield of 6.9 per cent. (on total acquisition costs).

In April 2024, the Company completed its acquisition of a business park in Klipphausen. The Company notarised the acquisition of the business park for €13.75 million (excluding acquisition costs) in February 2024. Klipphausen business park was built in 2009 and is located near Dresden, the capital of Saxony known as "Silicon Saxony". The acquired asset generated an annualised net operating income of €2.4 million at the time of acquisition, reflecting a gross yield of 16.4 per cent. (on total acquisition costs).

UK

On 2 October 2023 the Company acquired mixed-use properties Liverpool and Barnsley for £9.5 million (excluding acquisition costs), with a combined area of 71,957 sq ft (6,685 sqm) of predominantly workshop space. The purchase price represented a Net Initial Yield of 9.6 per cent. (on total acquisition costs) and a gross yield of 12.4 per cent. (on total acquisition costs).

In November 2023 the Company completed its purchase of three multi-let studio sites located in Islington and Camden in North London for £33.5 million (excluding acquisition costs), which represents a 7.3 per cent. net initial yield after costs and a gross yield of 7.8 per cent. (on total acquisition costs). The assets, with a combined area of 103,962 sq ft (9,658 sqm) were just under 70 per cent. let, providing opportunity for the Company to implement its asset management initiatives.

The acquisition of Vantage Point Business Park in Gloucestershire for £47.0 million (excluding acquisition costs) completed in April 2024 (contracts were exchanged in March 2024). It is situated on the edge of The Forest of Dean, and close to a number of major cities including Bristol, Gloucester and Cardiff. The park benefits from good transport networks and connectivity to the national motorway network via the A40 and M50. The acquisition reflects a gross yield of 10.2 per cent. (on total acquisition costs).

In June 2024 the Group also completed the acquisitions of two industrial assets in the UK, in Banbury, South East England, and Wembley, for just over £31 million (excluding acquisition costs), representing a 9.0 per cent. net initial yield (on total acquisition costs) and a gross yield of 9.3 per cent. (on total acquisition costs).

Factors Affecting Results of Operations

The Directors believe that the following factors materially contributed to the development of its business and results of operations and are expected to continue to have a material influence on the results of operations of the Group.

Organic and Acquisitive Growth

After a period of modest investment activity in the financial year ended 31 March 2023 in which the Company focused almost entirely on organic growth, i.e. growth derived not from acquisitions but from operational drivers, such as contractual rent increases, uplifts on renewals. the re-letting of space at higher rates and

an increase in service charge income, the Company returned to acquisitive growth after its oversubscribed equity fundraising of €165.3 million in November 2023. In the financial year ended 31 March 2024 the Company invested or committed to three acquisitions in Germany (two of which completed in April 2024) totalling €53.6 million (excluding acquisition costs), and committed to the purchase of an adjacent building in its existing Dresden asset for €1.0 million under its “Buy Your Neighbour” campaign. In the UK, in the financial year ended 31 March 2024 the Company invested or committed to six acquisitions (one of which completed on 8 April 2024) totalling £90.0 million (excluding acquisition costs). In addition to executing on its acquisition pipeline, the Company successfully disposed of some of its mature or non-core assets at or above book value in the period. Organic growth is driven by an increase in like for like rent roll. Acquisitions enable the Group to expand its existing property portfolio, increasing the total rent roll and providing opportunities to drive further organic growth.

In 2024, like-for-like annualised rent roll increased by 7.1 per cent. (31 March 2023: 7.3 per cent.) in Germany and 7.5 per cent. (31 March 2023: 8.7 per cent.) in the UK, which blends to 7.2 per cent. (31 March 2023: 7.7 per cent.) at Group level. These increases were supported by the Group growing its like-for-like occupancy by 1.6 per cent. to 85.5 per cent. (31 March 2023: 83.9 per cent.).

Portfolio size

The rental income of the Group is affected by the overall size of its real estate portfolio, which is measured by the number of properties, amount of lettable space, occupancy and rental rate area in square metres. The development of these measures is in turn, affected by acquisitions of new properties, on the one hand, and disposals on the other hand.

The table below shows the development of Sirius’ portfolio of owned investment properties as at the dates indicated:

	<i>as at 31 March</i>		
	<i>2024</i>	<i>2023</i>	<i>2022</i>
Number of properties	142	140	141
Lettable area (in square metres)	2,200,000	2,200,000	2,200,000
Book value of owned investment properties (incl. assets held for sale, adjusted for lease incentives) (in million Euros)	2,210.6	2,123.0	2,100.0

As at 31 March 2024, the Group also held seven additional investments via its 35 per cent. interest in the Titanium Venture. Each of the seven properties is held through an individual subsidiary in which the Group holds a 35 per cent. interest and the AXA Shareholder holds the remaining 65 per cent.

German and UK commercial and industrial real estate market development and developments of individual regions

Sirius generates its revenues from letting commercial and industrial properties in Germany and the UK. As a result, Sirius’ business success is dependent on the performance of the German and UK real estate market and, in particular, the commercial and industrial real estate market, demand for rental properties, rent levels, management costs, and property valuations. The German and UK real estate markets, in turn, are dependent on the performance of the overall economy, political and legislative developments, demographic trends, unemployment rates, interest rates, inflation and overall financing costs and foreign investment in Germany and the UK.

Macroeconomic indicators, such as the development of gross domestic product, unemployment rates, purchasing power and the development of the average household size, are expected to develop in a diverse manner across the different regions in which Sirius owns properties. An increase in national indebtedness or interest rates could impact private and institutional investors’ propensity to invest in real estate. Another relevant factor for demand has been the general tax environment, in particular tax incentives, such as incentives for real estate investments and refurbishments. Such tax incentives have been reduced considerably in the recent past.

Occupancy rate and rent levels

The occupancy rate within Sirius' property portfolio is a key factor affecting the Group's rental income. The occupancy rate is affected by numerous factors, such as the attractiveness of Sirius' properties to prospective tenants, regional economic conditions, changes in the economy, unemployment rates and the economic situation of its tenants. Renovation measures may also require temporary vacancies in order to improve a property's occupancy potential in the long term.

The Group's rental income is also affected by the level of rent it charges to tenants for its properties. The Group uses average contractually agreed rent (€/sqm/month or £/sq ft/month, as applicable) to measure the rent level of its portfolio. The average rent of the Group's portfolio is affected by many factors, such as the prevailing market rent in the areas where its properties are located, as well as the condition of individual properties. The Group seeks to increase the average rent of its existing portfolio by monitoring market rents where its properties are located and increasing rents in line with current market levels to the extent permitted by applicable laws and lease agreements. In addition, contracted escalations, uplifts on renewals and other asset management initiatives have an impact on the rent levels. In the year ended 31 March 2024, the Group recorded an increase in like-for-like annualised rent roll amounting to 7.2 per cent, which was supported by a combination of such initiatives.

The below table shows the development of Sirius' occupancy rate and average rent as well as net yield as at the dates indicated:

	<i>as at 31 March</i>		
	<i>2024</i>	<i>2023</i>	<i>2022</i>
Germany¹			
Like for like occupancy rate ²	85.2%	84.0%	87.4%
Average rent per square metre (in Euro) ³	7.24	6.86	6.31
Net Yield (in %) ⁴	6.8%	6.5%	6.2%
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
UK			
Like for like occupancy rate ²	87%	86.5%	90.5%
Average rent per square foot (in Pound Sterling) ⁵	14.86	13.39%	11.66%
Net Yield (in %) ⁴	9.9%	9.3%	8.0%
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

- (1) Germany includes the assets acquired during the financial year ended 31 March 2024 from the date of each such acquisitions.
- (2) Like for like occupancy rate is the percentage of total lettable space as at 31 March 2024, 2023 and 2022 for the German and UK portfolio and is adjusted to eliminate the effect of asset acquisitions and disposals occurring during the relevant period.
- (3) Average rent per square metre for the German portfolio is rental income per square meter expressed on an averaged monthly basis as at 31 March 2024, 2023 and 2022.
- (4) Net yield is the net operating income generated by a property expressed as a percentage of its value.
- (5) Average rent per square foot for the UK portfolio is rental income rate (including a service charge element) £ value on an annual basis.

Leveraging the potential for appreciation by means of transformation and modernisation

The Group's results of operations are further influenced by transformation and modernisation measures to maintain and improve the quality of its portfolio, especially in Germany. In order to leverage the potential for appreciation by means of maintenance and modernisation, the Group introduced a capex investment programme in 2015. Ongoing transformation and timely modernisation of portfolio properties, particularly in Germany, affect the achievable rent and Sirius' rental income. This programme continues to be one of the main drivers of rental income and valuation growth with respect to the Group's assets.

Capex investment programmes - Germany

Since 2015, the Group's capex investment programme on the German assets has been focused on the transformation of sub-optimal vacant space that is typically acquired at very low cost due to it being considered as structural vacancy by former owners. The transformation and take up of this sub-optimal vacant space has not only resulted in significant income and valuation improvements for the Company but has also yielded significant improvements in service charge cost recovery and therefore further increased net operating income. The programme started in 2015 and as at 31 March 2024, 445,864 sqm of space

has been fully transformed for an investment of €70.9 million. As at 31 March 2024, this space was generating €29.4 million in annualised rent roll (at 73 per cent. occupancy) plus the substantial improvement in the recovery of service charge costs. This transformed space has also been a major contributor towards the large valuation increases seen in the portfolio since 2015.

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

The detail of the capex investment programme on this vacant space is set out below:

Capex Programmes	Sqm	Investment budgeted €m	Actual spend €m	Annualised rent roll *		Occupancy**		Rate per sqm	
				Annualised rent roll* increase budgeted €m	Annualised rent roll* increase achieved to 31 March 2024 €m	Occupancy budgeted %	Occupancy achieved to 31 March 2024 %	Rate per sqm budgeted €	Rate per sqm achieved to 31 March 2024 €
Completed	445,864	76.5	70.9	24.4	29.4	82	73	5.59	7.56
In progress	998	0.0	0.0	0.1	–	100	–	7.50	–
To commence in next financial year	18,775	4.6	–	1.7	–	84	–	8.91	–
Total	465,636	81.1	70.9	26.2	29.4	82	73	5.73	–

* Annualised rent roll is the contracted rental income of a property at a specific reporting date expressed in annual terms.

** Occupancy is the percentage of total lettable space occupied as at 31 March 2024.

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

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

Vacancy analysis – March 2024

Total space (sqm)		1,751,598
Occupied space (sqm)		1,493,056
Vacant space (sqm)		258,543
Occupancy		85%
	<i>% of total space</i>	<i>Capex investment</i>
		<i>€000</i>
Structural vacancy	2%	43,354
Capex investment programme	1%	19,773
Recently vacated space	2%	38,214
Total space subject to investment	3%	57,987
Lettable vacancy:		
Smartspace vacancy	2%	32,953
Other vacancy	7%	124,249
Total lettable space	9%	157,202
Total vacancy	15%	258,543

The German portfolio's headline 85 per cent. occupancy rate (March 2023: 83 per cent.) means that in total 258,543 sqm (March 2023: 297,943 sqm) of space is vacant as at 31 March 2024. When excluding the vacancy which is subject to investment (3 per cent. of total space (March 2023: 5 per cent.)), and the structural vacancy which is not economically viable to develop (2 per cent. of total space (March 2023: 2 per cent.)), the Company's occupancy rate based on space that is readily lettable is approximately 90 per cent. (March 2023: approximately 90 per cent.).

Direct costs of property portfolio

Sirius' results of operations are affected by its ability to manage its property portfolio in a cost-efficient manner. Direct costs are all costs directly associated with the generation of rental income, including service charge costs relating to investment properties, costs relating to managed properties and non-recoverable maintenance costs. An increase in direct costs has a negative impact on net operating income.

The following table shows the development of the Group's direct costs in relation to both the Germany and UK assets during the periods indicated:

	<i>Financial year ended</i>		
	<i>31 March</i>		
	<i>2024</i>	<i>2023</i>	<i>2022</i>
	<i>(in € millions)</i>		
Service charge costs relating to investment properties	99.6	92.8	66.1
Costs relating to managed properties	16.3	17.4	17.0
Non-recoverable maintenance cost	7.1	6.5	4.6
Total costs	<u>123.0</u>	<u>116.7</u>	<u>87.7</u>

The Company's service charge costs relating to investment properties are prepaid monthly, with an annual reconciliation to follow, which must be completed within twelve months of the financial year-end. Through the effective operational management of its property portfolio, Sirius has succeeded in increasing the recovery of service charge costs through a combination of reducing vacancies and improvements in cost allocation.

Financing costs

Sirius' business is debt financed and accordingly, the terms and cost of Sirius' financing arrangements directly impacts its results, insofar as higher borrowing costs increase finance expenses, and reduce profit before tax and profit after tax, and vice-versa. As at 31 March 2024, the Group's owned investment property portfolio had a book value of €2,186.7 million (31 March 2023: €2,107.3 million; 31 March 2022: €2,088.7 million) with interest bearing loans and borrowings inclusive of unamortised borrowing costs of €955.4 million (31 March 2023: €975.1 million; 31 March 2022: €995.6 million). The Group had unrestricted cash of €214.5 million (31 March 2023: €99.2 million) and a Net LTV ratio of 33.9 per cent. (31 March 2023: 41.6 per cent.) and an interest cover at EBITDA level of 8.3x (31 March 2023: 8.6x). All covenants were complied with in full during the period. For a calculation of Net LTV, a non-IFRS measure, based on our audited financial statements, see *Non-IFRS Measures – Reconciliation of this Part XI*.

The Company's inaugural bond issuance in June 2021 followed the award of a BBB stable investment grade credit rating from Fitch in May 2021 (re-affirmed by Fitch, most recently, in October 2023). Unsecured bonds totalling €400.0 million were issued attracting a coupon of 1.125 per cent. with a maturity date of June 2026. In November 2021 the Company issued unsecured bonds amounting to €300.0 million attracting a coupon of 1.75 per cent. with a maturity date of November 2028. On 11 May 2024, the Company issued a further €59.9 million under this corporate bond priced in line with trading levels at the time of issue to a single existing institutional investor.

The debt structure of the Company remains such that 75 per cent. of its debt is unsecured (31 March 2023: 75 per cent.) allowing the Company to maintain flexibility over its financing structure. As at 31 March 2024, the Company has a weighted average debt expiry of 4.0 years. The Company does not currently have any hedging or derivative instruments in place.

The movement of loans and borrowings for the year comprised €248.1 million repayment of loans, loan drawdowns of €228.3 million and €0.4 million capitalisation of finance charges (2023: €20.4 million, €nil and €3.3 million respectively).

Results of Operations

The table below contains information from Sirius' consolidated statement of comprehensive income for the financial years ended 31 March 2024, 2023 and 2022.

	<i>Financial Year ended</i>		
	<i>31 March</i>		
	<i>2024</i>	<i>2023</i>	<i>2022</i>
	<i>(in € millions)</i>		
	<i>(audited)</i>		
Revenue	288.8	270.1	210.2
Direct costs	(123.0)	(116.7)	(87.7)
Net operating income	165.8	153.4	122.5
(Loss)/Gain on revaluation of investment properties	12.2	(9.8)	140.9
Gain/(loss) on disposal of properties	0.9	4.7	(0.6)
Movement in expected credit loss provision	0.9	(1.0)	(2.3)
Administrative expenses	(49.7)	(48.3)	(38.4)
Share of profit of associates	0.6	2.6	6.9
Operating profit	130.7	101.6	188.2
Finance income	6.6	2.8	3.0
Finance expense	(20.8)	(18.3)	(23.3)
Change in fair value of derivative financial instruments	(1.3)	0.9	1.0
Net finance costs	(15.5)	(14.6)	(19.3)
Profit before tax	115.2	87.0	168.9
Taxation	(7.3)	(7.3)	(20.9)
Profit for the year after tax	107.9	79.7	148.0

Explanation of income statement items

Revenue

Sirius is engaged in the business of investment in and development of commercial property to provide conventional and flexible workspace, in two geographical areas, Germany and the UK. All income is derived from operations in those geographies. The majority of the Group's investment properties are multi-tenanted and mixed use and, accordingly, cannot be evaluated according to separate segments.

Revenue relates to rental and other income from investment properties, service charge income from investment properties, fee income from the Titanium Venture and rental and other income from managed properties and service charge income from managed properties. Investment properties refers to those properties owned by the Group and managed properties refers to the properties held in the Titanium Venture.

The revenue generated from the Titanium Venture comprises:

- (a) a management services fee charged to the Titanium Venture for managing the properties in the Titanium Venture (which is reflected in "Revenue");
- (b) a 35 per cent. share of any profit generated by the Titanium Venture (which is reflected in "Share of profit from associates"); and
- (c) a fee in respect of loans made by the Group to the Titanium Venture (included in "Finance income").

Prior to the acquisition of Helix Investments Limited (i.e. the BizSpace Group) in November 2021, no rental income of the Group was attributable to UK properties. Revenue for the financial year ended 31 March 2022, therefore, only includes revenue attributable to the UK portfolio of properties for the period from the date of the acquisition (15 November 2021) to the financial year end, circa 4.5 months, whereas the financial years ended 31 March 2023 and 31 March 2024 include, respectively, a full year of revenue attributable to the UK portfolio of properties.

Direct Costs

Direct costs are all costs directly associated with the generation of rental income, including service charge costs relating to investment properties, costs relating to managed properties and non-recoverable maintenance costs.

Gain/(loss) on revaluation of investment properties

The fair value of the Group's investment properties is based on a valuation carried out, at the reporting date, by an independent valuer. Sirius re-measures the fair value of its investment properties in regular intervals twice a year through an independent valuer.

The real estate valuations which relate to Sirius' property portfolio at 31 March 2024 as well as the valuations that are carried out on an annual basis in connection with the preparation of the Company's consolidated financial statements and are performed in accordance with standards complying with the RICS Red Book and the conceptual framework that has been set by the IVSC.

Real estate valuations reflect the view of the independent appraiser who prepared the respective appraisal and are influenced by two main factors. The first factor is the expected cash flows arising from operational performance and the second is the discount and capitalisation rates. The expected cash flows arising from operational performance are mainly dependent on assumptions concerning current gross rental income per square metre and vacancy rate trends, total portfolio size, maintenance and administrative expenses (including service charge costs not borne by tenants) as well as operating expenses. The discount and capitalisation rates are influenced by market interest rates and risk premiums. If discount and capitalisation rates increase, the fair value of the portfolio will decrease and vice versa. Even small changes in one or more of these factors can have a considerable influence on the fair value of Sirius' investment properties and its net assets and results of operations.

In addition to affecting the Group's balance sheet, under IFRS, changes in property valuations also appear in the Group's consolidated income statements under the heading 'Gain/(loss) on revaluation of investment properties' which can significantly impact the Group's operating profit/loss.

The valuation surplus or deficit reflects the difference between the fair value of the Group's portfolio at the reporting date and its carrying value prior to re-measurement plus capital expenditures incurred during the period. This is a non-cash item and therefore such valuation changes do not have an impact on the Group's cash flow.

The valuation surplus of €140.9 million as at 31 March 2022 was preceded by valuation gains of €99.6 million in the financial year ended 31 March 2021 and €55.8 million in the financial year ended 31 March 2020. These three years coincided with a period of favourable macroeconomic (in particular a low interest rate environment) and geopolitical conditions. In the financial year ended 31 March 2023 there was a valuation deficit of €9.8 million. This significant decrease was primarily attributable to adverse geopolitical and macroeconomic conditions, in particular the commencement of the Ukraine-Russia conflict and related inflationary pressures in the UK and Germany, increases in interest rates throughout the year in both territories and a general downturn in the German and UK market for commercial real estate, leading to a fall in the market value of commercial real estate properties.

(Loss)/Gain on disposal of properties

Loss or gain on disposal of properties reflects the extent to which the Group has disposed of a property at a premium or discount to book value. This is a non-cash item.

Gain/(loss) on loss of control of subsidiaries

Gain on loss of control of subsidiaries reflects the extent to which the Group has disposed of a subsidiary at a premium or discount to net asset value. This is a non-cash item.

Movement in expected credit loss provision

This line item records the movement in the expected credit loss provision for impairment in respect of trade receivables for the year unless the Group believes that no recovery of the amount owing is possible. At that

point the amounts considered irrecoverable are written off against the trade receivables directly. This is a non-cash item.

Administrative expenses

Administrative expenses primarily consist of non-recurring items, corporate costs and costs of an administrative nature including external legal, audit and other professional fees. Administrative expenses also include transactions relating to the LTIP and associated costs and also any foreign exchange gains or losses. Foreign exchange gains or losses are calculated by reference to the methodology set out in note 2(f) to the Company's 2024 Financial Statements, which are incorporated by reference into this document as described in Part XVII (*Documents Incorporated by Reference*) of this document.

Goodwill impairment

Goodwill impairment reflects the derecognition of previously recognised goodwill where consideration was paid in excess of net assets acquired.

Of the goodwill impairment of €40.9 million recorded for the financial year ended 31 March 2022, €37.2 million relates to the acquisition of Helix Investments Limited in November 2021, with the balance of €3.7 million attributable to assets in Germany. Goodwill impairment for the financial years ended 31 March 2023 and 31 March 2024 was zero.

Share of profit of associates

Share of profit of associates reflects the share of profit attributable to the Group relating to its equity participation in the Titanium Venture. This is a non-cash item.

Finance income

The Group's finance income derives from bank interest earned on its cash deposits and finance income from the Titanium Venture.

Finance expense

Finance expenses include interest payable on bank loans and debt instruments as well as costs incurred in relation to financing or refinancing activity. Finance costs are recognised using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument or a shorter period where appropriate to the net carrying amount of the financial asset or financial liability.

Change in fair value of derivative financial instruments

Change in fair value of derivative financial instruments reflects the change in the period of the fair value of derivative financial instruments the Group was then party to. These instruments were used to hedge floating rate notes that have been repaid. The Company does not currently have any hedging or derivative instruments in place.

Taxation

Taxation relates to the tax attributable to the Group in the period.

Comparison of the financial years ended 31 March 2024 and 2023

Revenue

Total revenue, which comprises rent, fee income relating to Titanium, other ancillary income from investment properties and service charge income, increased by 6.9 per cent. from €270.1 million for the financial year ended 31 March 2023 year to €288.8 million for the financial year ended 31 March 2024. This increase was due primarily to organic growth, i.e. growth derived not from acquisitions but from operational drivers such as contractual rent increases, uplifts on renewals and the re-letting of space at higher rates and an increase in service charge income) and to a lesser extent to the impact of assets acquired in both Germany and the

UK. In Germany, revenue increased by 5.5 per cent. from €212.8 million for the financial year ended 31 March 2023 to €224.6 million for the financial year ended 31 March 2024. This increase was almost entirely due to organic growth. In the UK, revenue increased by 12.0 per cent. from €57.3 million for the financial year ended 31 March 2023 to €64.2 million for the financial year ended 31 March 2024. This increase was due to a combination of acquisitive and organic growth.

The detail of the €288.8 million increase in income is shown on the following table:

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

Direct costs

Direct costs increased in line with the revenues by €6.3 million, or 5.4 per cent., from €116.7 million in the financial year ended 31 March 2023 to €123.0 million in the financial year ended 31 March 2024. The increase in direct costs was primarily driven by inflationary pressures especially in relation to utility costs. The Group was party to a contract under which it had locked in the costs of utilities until December 2023. Up until that point it was therefore able to benefit from fixed rates for electricity and gas whilst utility costs in the market were increasing. Since that contract expired, utility costs for the Group have increased broadly in line with inflation.

The direct costs for the financial years ended 31 March 2024 and 31 March 2023, broken down as between Germany and the UK were as follows:

	Year ended 31 March 2024			Year ended 31 March 2023		
	Germany €m	UK €m	Total €m	Germany €m	UK €m	Total €m
Direct costs	(99.3)	(23.7)	(123.0)	(96.7)	(20.0)	(116.7)

Net operating income

As a result of the developments of revenue and direct costs, net operating income increased from €153.4 million in the financial year ended 31 March 2023 to €165.8 million in the financial year ended 31 March 2024, an increase of 8.1 per cent.

Gain/loss on revaluation of investment properties

Gain/loss on revaluation of investment properties increased by €22.0 million, or 224.5 per cent., from a loss of €9.8 million in the financial year ended 31 March 2023 and to a gain of €12.2 million in the financial year ended 31 March 2024. This increase was primarily due to the reduced impact in Germany, in the financial year ended 31 March 2024, of geopolitical (in particular the Ukraine-Russia conflict) and macroeconomic factors which had led, in the financial year ended 31 March 2023, to inflationary pressures in the UK and Germany, an increase in interest rates in both territories and a general downturn in the German and UK market for commercial real estate, leading to a fall in the market value of commercial real estate properties. In the UK geopolitical and macroeconomic factors continued to have a negative impact on the market value of commercial real estate properties in the financial year ended 31 March 2024.

Other than contracted capital expenditure for development and enhancements on existing properties of €20.9 million (2023: €14.9 million) and capital commitments amounting to €nil (2023: €nil) the Group is under no contractual obligation to purchase, construct or develop any investment property.

The gain/(loss) on revaluation of investment properties for the financial years ended 31 March 2024 and 31 March 2023, broken down as between Germany and the UK were as follows:

	Year ended 31 March 2024			Year ended 31 March 2023		
	Germany €m	UK €m	Total €m	Germany €m	UK €m	Total €m
Gain/(loss) on revaluation of investment properties	40.8	(28.6)	12.2	(3.9)	(5.9)	(9.8)

Gain/loss on disposal of properties

In connection with disposals during the financial year ended 31 March 2024, the Company had a gain from disposals amounting to €0.9 million (31 March 2023: €4.7 million).

Administrative expenses

Administrative expenses increased by 2.9 per cent., from €48.3 million in the financial year ended 31 March 2023 to €49.7 million in the financial year ended 31 March 2024. This increase was primarily inflation driven.

Within administrative expenses, other administration costs include net foreign exchange gains in amount of €3.4 million as a result of increasing British pound sterling (“**GBP**”) rates throughout the year (2023: €0.2 million loss as a result of declining GBP rates throughout the year). This is a non cash item. Foreign exchange gains or losses are calculated by reference to the methodology set out in note 2(f) to the Company’s 2024 Financial Statements, which are incorporated by reference into this document as described in Part XVII (*Documents Incorporated by Reference*) of this document.

Within administrative expenses, employee costs relate to costs which are not recovered through service charge. Included in the costs related to wages and salaries for the year are expenses of €5.0 million (2023: €5.5 million) relating to the granting or award of shares (see note 8 to the Company’s 2024 Financial Statements, which are incorporated by reference into this document as described in Part XVII (*Documents Incorporated by Reference*) of this document). The costs for all periods include those relating to Executive Directors. The increase in employee costs was driven partly by an increase in employee numbers and partly by inflationary pressures on employee costs (i.e., salaries) when recruiting for vacant positions.

The average number of people employed by the Group during the year was 428 (2023: 421), expressed in full-time equivalents. In addition, as at 31 March 2024, the Board of Directors consists of six Non-Executive Directors (2023: six) and two Executive Directors (2023: two).

Goodwill Impairment

Goodwill impairment for the financial years ended 31 March 2023 and 31 March 2024 was zero.

Share of profit of associates

Share of profit of associates decreased by 78.6 per cent. from €2.6 million for the financial year ended 31 March 2023 to €0.6 million for the financial year ended 31 March 2024. This decrease was primarily due to the stabilisation of property values and therefore valuation gains decreasing, compared to the financial year ended 31 March 2023, directly impacting share of profit from associates.

Operating Profit

As a result of the foregoing, the Group’s operating profit increased 28.6 per cent., from €101.6 million in the financial year ended 31 March 2023 to €130.7 million in the financial year ended 31 March 2024.

Net finance costs

Net finance costs increased by 6.2 per cent., from €14.6 million in the financial year ended 31 March 2023 to €15.5 million in the financial year ended 31 March 2024. This was primarily due to the net effect of the increase in debt and related refinancing costs incurred in the year.

Finance income increased by 135 per cent., from €2.8 million in the financial year ended 31 March 2023 to €6.6 million in the financial year ended 31 March 2024. This was primarily due to an increase in bank interest income from holding a larger amount of cash on deposit and from moving cash to deposit accounts paying higher rates of interest.

The change in fair value of derivative financial instruments in amount of €1.3 million (2023: €0.9 million) reflects the change in the mark to market valuation of these financial instruments (which ended on 31 December 2023).

The Group's weighted average cost of debt in the financial year ended 31 March 2024 increased to 2.1 per cent. (31 March 2023: 1.4 per cent.) post the refinancing of the Berlin Hyp AG and Deutsche Pfandbriefbank loans which, as a result of the high interest rate environment prevailing at the time, were both refinanced at a higher rate of interest than the interest rates applicable to the facilities being repaid.

Profit before tax

As a result of the foregoing, profit before tax of Sirius increased by 32.4 per cent., from €87.0 million in the financial year ended 31 March 2023 to €115.2 million in the financial year ended 31 March 2024.

Taxation

Although profit before tax increased from €87.0 million in the financial year ended 31 March 2023 to €115.2 million in the financial year ended 31 March 2024, the income tax charge reported in Sirius' consolidated income statement for the financial year ended 31 March 2024 was €7.3 million, the same figure as for the financial year ended 31 March 2023. The main reason for the income tax charge remaining the same despite profits increasing was that following the enactment of the Growth Opportunities Act on 27 March 2024 and by virtue of the merging of certain companies in the Group during the 2024 tax year, the Group could utilise €8.5 million of unrecognised tax losses to offset profits.

The German corporation tax rate of 15.825 per cent. is used in the tax reconciliation for the Group.

The Group is subject to taxation mainly in Germany. The Group is also subject to taxation in the UK (although as a UK REIT the Company is exempt from paying UK corporation tax on the profits (income and capital gains) derived from its Qualifying Property Rental Business). The effective income tax rate for the financial year ended 31 March 2024 differed from the standard rate of corporation tax in Germany of 15.825 per cent. (2022 and 2023: 15.825 per cent.). The effective income tax rate for the financial year ended 31 March 2024 was 6.3 per cent. and for the financial year ended 31 March 2023 was 8.4 per cent.

As at 31 March 2024, the Group had tax losses of €191.2 million in Germany (31 March 2023: €240.2 million) that are potentially available for an indefinite period of time for offset against future profits of its subsidiaries in which the losses arose under the restrictions of the minimum taxation rule. The Group has not recognised a deferred tax asset on these tax losses carried forward due to uncertainties over recovery.

Profit for the year after tax

As a result of the developments discussed above, the profit after tax of the Group increased by 35.4 per cent., from €79.7 million in the financial year ended 31 March 2023 to €107.9 million in the financial year ended 31 March 2024.

Comparison of the financial years ended 31 March 2023 and 31 March 2022

Revenue

Revenue increased by 28.5 per cent., from €210.2 million in the financial year ended 31 March 2022 to €270.1 million in the financial year ended 31 March 2023. This increase was primarily due to increases in

rental and other income from investment properties, which was due to a mixture of organic growth in both Germany and the UK and to the impact of assets acquired in Germany in the financial year ended 31 March 2023. The increase is also attributable to the addition of the UK portfolio of properties to the Group in November 2021 which was only reflected in the results for the year ended 31 March 2022 for the period from November 2021 to 31 March 2022 (circa 4.5 months), whereas the financial year ended 31 March 2023 records a full year of revenue attributable to the UK portfolio of properties.

Rental and other income from investment properties increased by 28.1 per cent., from €124 million in the financial year ended 31 March 2023 to €158.8 million in the financial year ended 31 March 2024. The increase is primarily attributable to the addition of the UK portfolio of properties to the Group in November 2021 which was only reflected in the results for the year ended 31 March 2022 for the period from November 2021 to 31 March 2022 (circa 4.5 months), whereas the financial year ended 31 March 2023 records a full year of rental and other income from investment properties attributable to the UK portfolio of properties. In addition, the increase is also driven by an increase in rent roll through lease renewals and uplifts, partially offset by reductions in occupancy (mainly in the UK).

Service charge income from investment properties increased by 49.3 per cent., from €60.7 million in the financial year ended 31 March 2022 to €90.6 million in the financial year ended 31 March 2023. The increase is primarily attributable to the addition of the UK portfolio of properties to the Group in November 2021 which was only reflected in the results for the year ended 31 March 2022 for the period from November 2021 to 31 March 2022 (circa 4.5 months), whereas the financial year ended 31 March 2023 records a full year of service charge income from investment properties attributable to the UK portfolio of properties.

The greater increase in service charge income reflects the fact that in the UK, where tenants are generally charged an all inclusive rate, a greater proportion of the fee is attributed to service charge income.

Other income relates primarily to income associated with conferencing and catering of €4.3 million (2022: €3.0 million) and fee income from managed properties of €5.3 million (2022: €4.1 million).

Direct costs

Direct costs increased in line with revenues by 33.1 per cent. from €87.7 million in the financial year ended 31 March 2022 to €116.7 million in the financial year ended 31 March 2023. This increase was primarily due to the direct costs attributable to the UK portfolio of properties which, in the financial year ended 31 March 2022, was only attributable to the period from the date of acquisition of Helix Investments Limited (i.e. the BizSpace Group) in November 2021 to 31 March 2022, but in the financial year ended 31 March 2023 covered the full year.

Within the direct costs, service charge costs increased from €66.1 million in the financial year ended 31 March 2022 to €92.8 million in the financial year ended 31 March 2023, an increase of €26.7 million, or 40.4 per cent. Costs relating to managed properties increased marginally by 2.4 per cent., from €17.0 million in the financial year ended 31 March 2022 to €17.4 million in the financial year ended 31 March 2023. Non-recoverable maintenance costs increased from €4.6 million in the financial year ended 31 March 2022 by € 1.9 million, or 41.3 per cent., to €6.5 million in the financial year ended 31 March 2023. The increases are primarily attributable to the addition of the UK portfolio of properties to the Group in November 2021, which was only reflected in the results for the year ended 31 March 2022 for the period from November 2021 to 31 March 2022 (circa 4.5 months), whereas the financial year ended 31 March 2023 records a full year of direct costs attributable to the UK portfolio of properties. Inflationary pressures in Germany also contributed to the increase in direct costs during this period.

Net operating income

As a result of the developments of revenue and direct costs, net operating income increased from €122.5 million in the financial year ended 31 March 2022 to €153.4 million in the financial year ended 31 March 2023, an increase of €30.9 million or 25.3 per cent.

Gain/loss on revaluation of investment properties

Gain on revaluation of investment properties decreased from €140.9 million in the financial year ended 31 March 2022 to a valuation deficit of €9.8 million in the financial year ended 31 March 2023. This significant decrease was primarily attributable to adverse geopolitical and macroeconomic conditions, in particular the

commencement of the Ukraine-Russia conflict and related inflationary pressures in the UK and Germany, increases in interest rates throughout the year in both territories and a general downturn in the German and UK market for commercial real estate, leading to a fall in the market value of commercial real estate properties. Conversely, the valuation surplus of €140.9 million as at 31 March 2022 was preceded by valuation gains of €99.6 million in the financial year ended 31 March 2021 and €55.8 million in the financial year ended 31 March 2020. These three years coincided with a period of favourable macroeconomic (in particular a low interest rate environment) and geopolitical conditions.

Included in the gain/loss on revaluation of investment properties (excluding the revaluation effects in respect of leased investment properties) for the financial year ended 31 March 2023 were gross gains of €39.2 million and gross losses of €49.0 million (31 March 2022: gross gains of €160.4 million and gross losses of €19.5 million).

(Loss)/Gain on disposal of properties

In the financial year ended 31 March 2023 a gain of €4.7 million was recorded on the disposal of properties against a small loss the previous year (2022: €0.6 million). Whether a gain or a loss is realised on disposal of properties will depend on actual losses and gains on the sale of properties which the Company engages in regularly as part its asset recycling programme.

Gain on loss of control of subsidiaries

In the financial year ended 31 March 2023, no gains on loss of control of subsidiaries were recorded (31 March 2022: €0.1 million).

Administrative expenses

Administrative expenses increased by 25.8 per cent., from €38.4 million in the financial year ended 31 March 2022 to €48.3 million in the financial year ended 31 March 2023. The increase is primarily attributable to the addition of the UK portfolio of properties to the Group in November 2021 which was only reflected in the results for the year ended 31 March 2022 for the period from November 2021 to 31 March 2022 (circa 4.5 months), whereas the financial year ended 31 March 2023 records a full year of administrative expenses attributable to the UK portfolio of properties. Employee costs also increased during this period as a result of the acquisition of the UK portfolio of properties.

Within administrative expenses, exceptional items related to: other fees for projects amounting to €2.4 million (2022: nil) which relate to capital management measures undertaken by the Group, legal case costs of €0.4 million (which differ from the cases the Group faced in the year ended 31 March 2022 which amounted to €0.9 million), a lease termination fee of €0.9 million (2022: €0.5 million) and a decrease in tax liabilities recognised on the acquisition of the Helix Investments Limited of €3.0 million. Of the €7.1 million of exceptional item costs incurred in the year ended 31 March 2022, €5.3 million related to the costs of legal advice and due diligence in connection with this acquisition.

Within administrative expenses, employee costs relate to costs which are not recovered through service charge.

The increase in employee costs for the financial year ended 31 March 2023 was mainly due to an increase in wages and salaries by 26.3 per cent., from €24.3 million in the financial year ended 31 March 2022 to €30.7 million in the financial year ended 31 March 2023. The increase is primarily attributable to the addition to the Group of the employees of the BizSpace Group following its acquisition of in November 2021 which, is only reflected in the results for the year ended 31 March 2022 for the period from November 2021 to 31 March 2022 (circa 4.5 months), whereas the financial year ended 31 March 2023 records a full year of employee costs attributable to the UK business. Inflationary pressures on salaries also contributed to the increase in employee costs during this period. In the financial year ended 31 March 2023, wages and salaries included €5.5 million (31 March 2022: €4.2 million) relating to the granting or award of shares under LTIPs and SIPs. The costs for all periods include those relating to Executive Directors. To the extent employee costs are recovered, they are accounted within the service charge which is included in “direct costs”, and the amount of “employee costs” shown in the statement of comprehensive income are reduced accordingly.

The average number of people employed by the Group during the financial year ended 31 March 2023 was 421 (31 March 2022: 416), expressed in full-time equivalents. In addition, the Board consisted of six (6)

Non-Executive Directors (31 March 2022: six (6)) and two (2) Executive Directors as at 31 March 2023 (31 March 2022: three).

Within employee costs, social security costs increased by 13.1 per cent. from €3.8 million in the financial year ended 31 March 2022 to €4.3 million in the financial year ended 31 March 2023 and pension costs increased by 25 per cent. from €0.4 million in the financial year ended 31 March 2022 to €0.5 million in the financial year ended 31 March 2023, in line with increases in wages and salaries during the same period.

Goodwill Impairment

Of the goodwill impairment of €40.9 million recorded for the financial year ended 31 March 2022, €37.2 million relates to the acquisition of Helix Investments Limited in November 2021, with the balance of €3.7 million attributable to assets in Germany. Goodwill impairment for the financial year ended 31 March 2023 was zero.

Share of profit of associates

Share of profit of associates decreased by 62.3 per cent. from €6.9 million for the financial year ended 31 March 2023 to €2.6 million for the financial year ended 31 March 2022. This decrease was primarily due to the stabilisation of property values and therefore valuation gains decreasing, compared to the financial year ended 31 March 2023, directly impacting share of profit from associates.

Operating profit

As a result of the foregoing, the Group's operating profit decreased by 46.1 per cent., from €188.2 million in the financial year ended 31 March 2022 to €101.6 million in the financial year ended 31 March 2023.

Net finance costs

Net finance costs decreased significantly by 24.4 per cent., from €19.3 million in the financial year ended 31 March 2022 to €14.6 million in the financial year ended 31 March 2023. This was primarily due to an amount of €6.9 million relating to refinancing costs, exit fees and prepayment penalties and an amount of €0.9 million relating to the restructuring of debt which arose in the financial year ended 31 March 2022 which did not arise again in the financial year ended 31 March 2023. Within net finance costs, other finance costs also decreased by 97.6 per cent. from €8.7 million in the financial year ended 31 March 2022 to €0.3 million in the financial year ended 31 March 2023. The reason for this were the costs associated with the financing transactions in the year ended 31 March 2022, in which the Company replaced its more expensive secured loans with two new corporate bonds, which were not replicated in the following year. In addition, finance income from associates decreased from €2.9 million in the financial year ended 31 March 2022 by €0.7 million, or a 24.1 per cent. decrease, to €2.2 million in the financial year ended 31 March 2023 due to the application of lower interest rates to such financing, following advice received by the Group on transfer pricing.

The change in fair value of derivative financial instruments in amount of €0.9 million (2022: €1.0 million) reflects the change in the mark to market valuation of these financial instruments (which ended on 31 December 2023).

The Group's weighted average cost of debt in the financial year ended 31 March 2023 remained stable at 1.4 per cent. (31 March 2022: 1.4 per cent.).

Profit before tax

As a result primarily of the increase in operating income being offset by the deficit on revaluation of investment properties, profit before tax of Sirius decreased by 48.5 per cent., from €168.9 million in the financial year ended 31 March 2022 to €87.0 million in the financial year ended 31 March 2023.

Taxation

As a consequence of the decreased profit before tax, the income tax charge reported in Sirius statement of comprehensive income decreased by 65.1 per cent., from €20.9 million in the financial year ended 31 March 2022 to €7.3 million in the financial year ended 31 March 2023.

For the financial years ended 31 March 2022 and 31 March 2023, the Group was mainly subject to taxation in Germany. The Group was also subject to taxation in the UK during this period, although, after qualifying for UK REIT status the Company became exempt from paying UK corporation tax on the profits (income and capital gains) derived from its Qualifying Property Rental Business.

The effective income tax rate for the financial years ended 31 March 2022 and 31 March 2023 differed from the standard rate of corporation tax in Germany of 15.825 per cent. The effective income tax rate for the financial year ended 31 March 2022 was 12.4 per cent. and for the financial year ended 31 March 2023 was 8.4 per cent.

This was, in particular, due to deductible interest on internal financing (-€4.4 million in the financial year ended 31 March 2023; -€5.4 million in the financial year ended 31 March 2022), tax exempt gains from selling of investments and dividends (-€0.4 million in the financial year ended 31 March 2023 and -€1.1 million in the financial year ended 31 March 2022) and utilised tax losses which decreased the effective income tax rate.

As at 31 March 2023, the Group had tax losses of €240.2 million in Germany (31 March 2022: €256.9 million) that are potentially available for an indefinite period of time for offset against future profits of its subsidiaries in which the losses arose under the restrictions of the minimum taxation rule. The Group has not recognised a deferred tax asset on these tax losses carried forward due to uncertainties over recovery.

Profit after tax

As a result of the developments discussed above, the profit after tax of the Group decreased by 46.1 per cent., from €148.0 million in the financial year ended 31 March 2022 to €79.7 million in the financial year ended 31 March 2023.

Real Estate Portfolio and Investments

Investment Properties

Overview

Investment properties are the largest item in the Group's consolidated balance sheet. Investment properties are properties that are either owned by the Group or held under a lease for long-term rental income and/or capital appreciation.

Investment properties owned by the Group are initially recognised at cost, including transaction costs, when the control of the property is transferred. At such point, the carrying amount includes subsequent costs to add to or replace part of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the statement of comprehensive income in the period in which they arise.

The fair value of the Group's owned investment properties as at 31 March 2022 through 31 March 2024 is based on valuations carried out at that date by C&W, an independent valuer, on the basis of highest and best use. The valuations are in accordance with standards complying with the Royal Institute of Chartered Surveyors' ("**RICS**") approval and the conceptual framework that has been set by the International Valuation Standards Committee.

The valuation is based upon assumptions, including future rental income, anticipated non-recoverable and maintenance costs, expected capital expenditure and an appropriate discount rate. The properties are valued on the basis of a discounted cash flow model using a range of ten to fourteen years supported by comparable evidence. The discounted cash flow calculation is a valuation of rental income considering non-recoverable costs and applying a discount rate for the current income risk over the measurement period. At the end of the period in which the cash flow is modelled, a determining residual value (exit scenario) is calculated. A capitalisation rate is applied to the more uncertain future income, discounted to present value. Each property is visited by the external valuer at least once every two years.

Investment properties relating to leased assets were initially recognised on 1 April 2019 in accordance with IFRS 16 (see note 2(k) to the Company's 2024 Financial Statements, which are incorporated by reference into this document as described in Part XVII (*Documents Incorporated by Reference*) of this document). Subsequent to initial recognition, investment properties relating to leased assets are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the statement of comprehensive income in the period in which they arise.

The fair value of investment properties relating to leased assets at 31 March 2024 has been arrived at on the basis of a valuation carried out at that date. The valuation is based upon assumptions including future rental income and expenditure in accordance with the conditions of the related lease agreements. The properties are valued on the basis of a discounted cash flow model with the measurement period equal to the term of the lease agreements.

Development of investment properties as at 31 March 2024 and 31 March 2023

The portfolio of owned assets was independently valued at €2,186.7 million by C&W at 31 March 2024 (31 March 2023: €2,103.2 million), which converts to a book value of €2,210.6 million after the inclusion of leased investment property. The movement in the book value of owned and leased investment property, excluding assets held for sale is as follows:

	<i>As of 31 March</i>	
	2024	2023
	<i>(in € millions)</i>	
Total investment properties at book value as at the beginning of the year	2,123.0	2,100.0
Additions – owned investment properties	74.1	44.7
Additions – leased investment properties	–	1.4
Capital expenditure and broker fees	37.7	29.9
Disposals	(48.9)	(17.1)
Reclassified as investment properties held for sale	–	(8.8)
Gain on revaluation above capex and broker fees	12.4	(7.7)
Adjustment in respect of lease incentives	0.7	(0.6)
Deficit on revaluation relating to leased investment properties	(0.9)	(1.5)
Currency effects	12.5	(17.3)
Total investment properties at book value¹	2,210.6	2,123.0

1 Excluding assets held for sale

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

	<i>As of 31 March</i>	
	2024	2023
	<i>(in € millions)</i>	
Owned investment properties at market value per valuer's report	2,190.6	2,103.1
Adjustment in respect of lease incentives	(3.9)	(4.6)
Leased investment property market value	23.9	24.5
Total investment properties at book value	2,210.6	2,123.0

The increase in the investment property book value of the portfolio of €87.6 million (4.1 per cent.) in the period is illustrated in the following table:

	<i>German Investment Property – Owned €m</i>	<i>German Investment Property – Leased €m</i>	<i>UK Investment Property – Owned €m</i>	<i>UK Investment Property – Owned €m</i>	<i>Investment Property Total €m</i>
Investment properties at book value as at 31 March 2023*	1,680.8	10.8	417.7	13.7	2,123.0
Additions relating to owned investment properties	21.4	–	52.7	–	74.1
Capex investment and capitalised broker fees	26.6	–	11.1	–	37.7
Disposal	(45.5)	–	(3.4)	–	(48.9)
Gain/(deficit) on revaluation above capex investment and broker fees	41.0	–	(28.6)	–	12.4
Deficit on revaluation relating to leased investment properties	–	(0.8)	–	(0.1)	(0.9)
Adjustment in respect of lease incentives	0.7	–	–	–	0.7
Currency effects	–	–	12.1	0.4	12.5
Investment properties at book value as at 31 March 2024*	1,725.0	10.0	461.6	14.0	2,210.6

* Excluding assets held for sale

The movement in owned investment property relating to the German portfolio of €44.4 million was made up of €21.4 million of asset acquisitions, €45.5 million of disposals, a €67.6 million valuation uplift which includes capital expenditure of €26.6 million and a €0.7 million adjustment in respect of lease incentives.

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

Portfolio valuation – Germany

Focusing on the like-for-like portfolio, the book value of these assets increased by 4.2 per cent. from €1,636.1 million to €1,704.1 million. This was driven by an increase in annualised rent roll of €8.5 million in the year which more than compensated for a gross yield expansion of approximately 20 bps.

The portfolio of owned properties comprised 68 assets as at 31 March 2024, and the reconciliation of book value to the independent C&W valuation is as follows:

	<i>31 March 2024 €m</i>	<i>31 March 2023 €m</i>
Investment properties at market value*	1,729.0	1,694.0
Adjustment in respect of lease incentives	(3.9)	(4.6)
Book value of investment properties**	1,725.0	1,680.8

* Excluding assets held for sale

** Excludes leased property

The 31 March 2024 book value of owned investment properties of €1,725.0 million represents an average gross yield of 7.5 per cent. (31 March 2023: 7.3 per cent.), which translates to a net yield of 6.8 per cent. (31 March 2023: 6.5 per cent.) and an EPRA net yield (including estimated purchaser costs) of 6.3 per cent. (31 March 2023: 6.2 per cent.).

Despite yields continuing to tighten, the average gross yield of the German portfolio of 7.5 per cent. still appears conservative when compared to transactions that have completed over the last year in the industrial, logistics and office sectors in Germany, but also in part reflects the work yet to be done in transforming more recently acquired assets.

As a result of acquisitive growth, 61 per cent. of the German portfolio represents value-add assets which, with average occupancy of 81.2 per cent. and valued at a gross yield of 8 per cent., provide significant opportunity for further earnings and value growth. The mature assets which make up 39 per cent. of the German portfolio have reached an occupancy level of 94.4 per cent. and, at a gross yield of 6.8 per cent. are valued at a yield that is 120 bps lower than the value-add assets. As the transformation of the value-add assets continues, the yield gap between the mature and value-add assets is expected to reduce.

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

* Excludes leased property

The average capital value per sqm of the entire portfolio of €950 (31 March 2023: €912) remains well below replacement cost and illustrates the excellent opportunity for further growth from upgrading and letting up the sub-optimal vacant space through the Company's capex investment programmes. This remains a major competitive advantage for Sirius and is one of the main reasons that its business model is able to produce higher returns with lower risk than the typical operator of light industrial and office business parks in Germany and the UK in all market conditions.

Portfolio valuation – UK

The book value of the UK portfolio has increased by 7.5 per cent. from £367.2 million to £394.7 million. Of the increase in book value, £41.6 million is attributable to the acquisition of 5 assets (£44.9 million) offset by the disposal of Stoke (£3.3 million) and yield expansion (£14.1 million) during the period.

The 31 March 2024 book value of owned properties of £394.7 million represents an average gross yield of 14.1 per cent. (31 March 2023: 13.2 per cent.), a net yield of 9.9 per cent. (31 March 2023: 9.3 per cent.), which translates to an EPRA net yield (including estimated purchaser costs) of 8.7 per cent.

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

* Excludes leased property

As set out above, the average capital value per sq ft of the UK portfolio remains below replacement cost at £91 per sq ft (31 March 2023: £88 per sq ft). Similarly, with 580,931 sq ft of vacant space and an undemanding average rate of £14.86 per sq ft a significant opportunity exists for the UK operating platform to increase rental and capital values further.

Investment Properties Held for Sale

Overview

Investment properties held for sale are separately disclosed at the asset's fair value. In order for an investment property held for sale to be recognised, the following conditions must be met:

- the asset must be available for immediate sale in its present condition and location;
- the asset is being actively marketed;
- the asset's sale is expected to be completed within twelve months of classification as held for sale;
- there must be no expectation that the plan for selling the asset will be withdrawn or changed significantly; and
- the successful sale of the asset must be highly probable.

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of a disposal group, excluding finance costs and income tax expense.

The criteria for held-for-sale classification is regarded as met only when the sale is highly probable and the disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset with the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

Development of investment properties held for sale as at 31 March 2024 and 31 March 2023

	<i>31 March 2024</i>	<i>31 March 2023</i>
	<i>€m</i>	<i>€m</i>
Wuppertal	–	8.8
Balance as at year end	–	8.8

During the year ended 31 March 2024 there were no investment properties held for sale. As at 31 March 2023, an amount of €8.8 million relating to the sale of the Wuppertal asset was received prior to the completion date of 1 April 2023 and was included in the cash at bank as per note 21 to the Company's 2024 Financial Statements, which are incorporated by reference into this document as described in Part XVII (*Documents Incorporated by Reference*) of this document. As a result, an equal and opposite position within other payables was recognised.

Investments

Sirius' main investments relate to the purchase of investment properties that typically provide long term secure cash flow or value add opportunity through the letting up of vacant space and selective investment into underutilised and space with a high value generation potential through the Company's capex investment programs.

Purchase of investment properties in the financial year ended 31 March 2024

In the financial year ended 31 March 2024, the Group completed investments of €71.0 million, an increase of 65.9 per cent., as compared to financial year ended 31 March 2023, when it completed investments of €42.8 million. The Company entered into acquisitive growth in the second half of the financial year as it saw significant opportunity in the market off the back of its €165.3 million equity financing in November 2023. In Germany, a business park in Köln (Cologne) was acquired for €20.0 million (excluding acquisition costs) in March 2024. The site offers a number of strong value add opportunities to drive rental growth. Additional acquisitions of assets in Göppingen, Klipphausen and Dresden were completed in April 2024, post the balance sheet date.

Similarly to Germany, in the UK, the Company realised its identified pipelines of target through the acquisition of five assets in the period. The assets acquired were in Liverpool and Barnsley for £9.5 million (excluding acquisition costs) on 2 October 2023 and Islington and Camden (comprising three assets) for £33.5 million (excluding acquisition costs) in November 2023. Sirius has identified a number of opportunities to drive value in these assets by utilising its asset management platform to improve occupancy, income and service charge recovery. An additional acquisition in Gloucestershire completed in April 2024, post the balance sheet date.

Capital expenditure in the financial year ended 31 March 2024

In the financial year ended 31 March 2024, capital expenditure increased to €39.5 million from €28.4 million in the financial year ended 31 March 2023. This increase primarily related to the upgrade of investment properties and investment into space with a high value generation potential or underutilised space in both the UK and Germany, with the UK seeing the biggest increase from €5.5 million in the financial year ended 31 March 2023 to €11.1 million in the financial year ended 31 March 2024.

Purchase of investment properties in the financial year ended 31 March 2023

In the financial year ended 31 March 2023, the Group completed investments of €42.8 million in the purchase of investment properties, a decrease of €120.0 million, or 73.7 per cent., as compared to financial year ended 31 March 2022, when it completed €162.8 million of investment. The decrease was primarily due to the fact that given the uncertainty around property values and occupier demand on the back of interest rate increases, changes in office working patterns and ESG, the Company decided to hold back on substantial acquisitive growth and focus on selective asset recycling. Three assets were acquired in Germany the financial year ended 31 March 2023 (Düsseldorf for €39.8 million in October 2022, Dreieich II for €3.9 million in October 2022 and Potsdam Villa for €0.9 million in May 2022), providing an attractive mix of stable income and value add opportunity.

Capital expenditure in the financial year ended 31 March 2023

In the financial year ended 31 March 2023, capital expenditure remained comparatively stable at €28.4 million after €23.8 million in the financial year ended 31 March 2022. These expenditures primarily related to the upgrade of investment properties in Germany and investment into space with a high value generation potential or underutilised space in Germany.

Liquidity and Capital Resources

Sources of Funds

The Group's principal source of funds has been cash generated from operating activities, primarily through rental income and proceeds from the sale of investment properties, as well as financing from banks, which is included in cash flows from financing activities.

Consolidated Statements of Cash Flows

The following table shows information from Sirius' consolidated statements of cash flows for the financial years ended 31 March 2024, 2023 and 2022:

	Financial Year ended 31 March		
	2024	2023	2022
	<i>(in € millions)</i>		
	<i>(audited)</i>		
Cash flows from operating activities	146.1	113.4	81.8
Cash flows used in investing activities	(66.3)	(41.8)	(429.5)
Cash flows from/(used in) financing activities	42.6	(98.6)	431.8
(Decrease)/Increase in cash and cash equivalents	122.4	(27.0)	84.0
Net exchange difference	(2.5)	0.3	1.3
Cash and cash equivalents at the beginning of the year	124.3	151.0	65.7
Cash and cash equivalents at the end of the year	244.2	124.3	151.0

Cash flows from operating activities

The Group's cash flows from operating activities increased to €146.1 million in the financial year ended 31 March 2024, after €113.4 million in the financial year ended 31 March 2023, an increase of 28.8 per cent. primarily due to an increase in the profit before tax for the year.

The Group's cash flows from operating activities increased to €113.4 million in the financial year ended 31 March 2023, from €81.8 million in the financial year ended 31 March 2022, an increase of €31.6 million, or 38.6 per cent. primarily due to the fact that the gain on revaluation of investment properties decreased by 107 per cent., from €140.9 million in the financial year ended 31 March 2022 to a loss of €9.8 million in the financial year ended 31 March 2023.

Cash flows from operating activities increased in the financial years ended 31 March 2023 and 31 March 2024 primarily due increased top line growth, vendor management and decreased finance expenses.

Cash flows used in investing activities

Cash flows used in investing activities increased from €41.8 million in the financial year ended 31 March 2023 to €66.3 million in the financial year ended 31 March 2024. This increase was primarily due to the Group returning to acquisitive growth in the second half of the financial year after its equity fundraising of €165.3 million in November 2023 and in the financial year ended 31 March 2024, the Group completed its acquisition of assets in Köln (Cologne) for €20.0 million (excluding acquisition costs), Liverpool and Barnsley for £9.5 million (excluding acquisition costs) and Islington and Camden (comprising three assets) for £33.5 million (excluding acquisition costs).

Cash flows used in investing activities decreased significantly from €429.5 million in the financial year ended 31 March 2022 by 90.3 per cent., to €41.8 million in the financial year ended 31 March 2023. This decrease was primarily due to a more conservative acquisition strategy in the financial year ended 31 March 2023 versus the financial year ended 2022 following the transformative acquisition of Helix Investments Limited in November 2021 for €242.8 million.

Cash flows from/(used in) financing activities

The Group's cash flows from/(used in) financing activities increased from a cash outflow of €98.6 million in the financial year ended 31 March 2023 to a cash inflow of €42.6 million in the financial year ended 31 March 2024. This increase was primarily due to the Group's equity fundraising of €165.3 million in November 2023.

This decreased cash outflow from financing activities caused an increase in cash and cash equivalents as at 31 March 2024 of €244.2 million, after €124.3 million as at 31 March 2023, an increase of €119.9 million.

The Group's cash flows from/(used in) financing activities also decreased significantly from a cash inflow of €431.8 million in the financial year ended 31 March 2022 by €530.4 million, or 122.8 per cent., to a cash outflow of €98.6 million in the financial year ended 31 March 2023. This strong decrease was primarily due to the net impact of lower proceeds from loans (€0.0 in the financial year ended 31 March 2023 (31 March 2022 €750.0 million)) and increased proceeds from the issue of shares (€0.0 in the financial year ended 31 March 2023 (31 March 2022 €159.9 million)).

This decrease in cash outflow from financing activities caused a reduction in cash and cash equivalents as at 31 March 2023 of €124.3 million after €151.0 million as at 31 March 2022, a decrease of €26.7 million, or 17.7 per cent.

Liabilities

Financial liabilities – Debt

The Group's principal financial liabilities comprise interest-bearing loans and borrowings. As at 31 March 2024, the Group had total borrowings of €955.4 million, comprising outstanding interest-bearing loans and borrowings of €945.1 million (marked in grey highlight in the table below) and unamortised borrowing costs of €10.3 million:

	Interest rate	Loan	At	At	At
	%	maturity date	31 March 2024	31 March 2023	31 March 2022
			€m	€m	€m
Current					
Berlin Hyp AG					
– fixed rate facility	1.48	31 October 2023	–	58.2	1.9
– fixed rate facility	0.90	31 October 2023	–	110.4	1.5
– fixed rate facility	4.26	31 October 2030	2.6	–	–
Saarbrücken Sparkasse					
– fixed rate facility	1.53	28 February 2025	13.5	0.7	0.8
Deutsche Pfandbriefbank AG					
– hedged floating rate facility	Hedged ⁽¹⁾	31 December 2023	–	51.1	1.1
– floating rate facility	Floating ⁽¹⁾	31 December 2023	–	6.2	0.1
– fixed rate facility	4.25	31 December 2030	1.3	–	–
Schuldschein					
– fixed rate facility	1.60	3 July 2023	–	20.0	–
– fixed rate facility	Floating ⁽²⁾	6 January 2025	5.0	–	–
– fixed rate facility	1.70	3 March 2025	10.0	–	–
– floating rate facility ⁽³⁾	Floating	5 December 2022	–	–	5.0
– floating rate facility ⁽³⁾	Floating	6 January 2023	–	–	10.0
Capitalised finance charges on all loans					
			2.8	(2.9)	(0.8)
			29.6	243.7	19.6

	<i>Interest rate</i>	<i>Loan</i>	<i>At</i>	<i>At</i>	<i>At</i>
	<i>%</i>	<i>maturity date</i>	<i>31 March</i>	<i>31 March</i>	<i>31 March</i>
			<i>2024</i>	<i>2023</i>	<i>2022</i>
			<i>€m</i>	<i>€m</i>	<i>€m</i>
Non-current					
Berlin Hyp AG					
– fixed rate facility ⁽³⁾	1.48	31 October 2023	–	–	58.2
– fixed rate facility ⁽³⁾	0.90	31 October 2023	–	–	110.4
– fixed rate facility	4.26	31 October 2030	166.3	–	–
Saarbrücken Sparkasse					
– fixed rate facility	1.53	28 February 2025	–	13.5	14.3
Deutsche Pfandbriefbank AG					
– hedging floating rate facility ⁽³⁾	Hedged	13 December 2023	–	–	51.1
– floating rate facility ⁽³⁾	Floating	13 December 2023	–	–	6.2
– fixed rate facility	4.25	31 December 2030	56.7	–	–
Schuldschein					
– floating rate facility	Floating ⁽²⁾	6 January 2025	–	5.0	5.0
– fixed rate facility	1.70	3 March 2025	–	10.0	10.0
– fixed rate facility ⁽³⁾	1.60	3 July 2023	–	–	20.0
Corporate bond I					
– fixed rate	1.125	22 June 2026	400.0	400.0	400.0
Corporate bond II					
– fixed rate	1.75	24 November 2028	300.0	300.0	300.0
Capitalised finance charges on all loans					
			(7.5)	(7.8)	(13.3)
			915.5	720.7	961.9
Total					
			945.1	964.4	981.5

(1) These facilities are no longer in place. The Company does not currently have any derivative instruments in place.

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

(3) These facilities are no longer in place but were for the financial year ended 31 March 2022 and/or so have been included for the purposes of comparison.

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

Between 31 March 2023 and 31 March 2024, total debt, inclusive of unamortised borrowing costs, decreased by €19.7 million, totalling €955.4 million (2023: €975.1 million).

As at 31 March 2024, the Group had pledged 15 (31 March 2023: 15; 31 March 2022: 15) owned investment properties to secure several separate interest-bearing debt facilities granted to the Group by Berlin Hyp AG, Saarbrücken Sparkasse and Deutsche Pfandbriefbank AG (total secured borrowings of €240.4 million). The 15 pledged owned properties had a combined valuation of €528.3 million as at the financial year ended 31 March 2024 (31 March 2023: €510.7 million (15 properties); 31 March 2022: €504.7 million (15 properties)). The corporate bonds and the facilities with Schuldschein are unsecured (total unsecured borrowings of €700.0 million).

The following table sets out an overview of the Group's borrowings outstanding as of the dates indicated below:

	<i>As at 31 March</i>		
	<i>2024</i>	<i>2023</i>	<i>2022</i>
	<i>(in € millions)</i>		
On demand or within one year	32.4	246.6	20.4
In the second year	4.0	28.5	246.7
In the third to tenth years inclusive	919.0	700.0	728.5
Total	955.4	975.1	995.6

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

	<i>31 March</i> 2024 €m	<i>31 March</i> 2023 €m	<i>31 March</i> 2022 €m
Carrying amount of interest-bearing loans and borrowings	945.1	964.4	981.5
Unamortised borrowing costs	10.3	10.7	14.1
Book value of owned investment properties*	2,186.7	2,107.3	2,088.7
Gross loan to value ratio	43.7%	46.3%	47.7%

* Includes assets held for sale.

Banking covenants vary according to each loan agreement and typically include loan to value and income related covenants.

During financial year ended 31 March 2024, the Group did not breach any of its loan covenants, nor did it default on any of its obligations under its loan agreements.

The Group does not currently have any hedging or derivative instruments in place.

Financial liabilities – capital investment and capital commitments

As at 31 March 2024, the Group had contracted capital expenditure for development and enhancements on existing properties of €20.9 million (2023: €14.9 million) and capital commitments amounting to €0 million (2023: €0 million).

Disclosure About Risk

See note 24 to the Company's 2024 Financial Statements, which are incorporated by reference into this document as described in Part XVII (*Documents Incorporated by Reference*) of this document.

Significant Accounting Policies

For further information on the Group's significant accounting policies please see note 2 to the Company's 2024 Financial Statements, which are incorporated by reference into this document as described in Part XVII (*Documents Incorporated by Reference*) of this document.

Exchange Rates

For the financial year ended 31 March 2024, the Company chose to disclose certain Group rental income figures utilising a constant foreign currency exchange rate of GBP:EUR 1.1695 being the closing exchange rate as at 31 March 2024. For the financial year ended 31 March 2023, the Company chose to disclose certain Group rental income figures utilising a constant foreign currency exchange rate of GBP:EUR 1.1374, being the closing exchange rate as at 31 March 2023.

Key Financial Performance Indicators

The table below sets out the Group's key financial performance indicators (or alternative performance measures) for the periods indicated:

	<i>For financial year ended 31 March</i>		
	2024	2023	2022
Adjusted profit before tax (€ millions)	110.0	96.0	77.1
EPRA earnings per share (cents)	8.21	7.55	6.44
Dividend per share (cents)	6.05	5.68	4.41
Property valuation – owned properties (€ millions) ¹	2,186.7	2,107.3	2,088.7
EPRA NTA per share (cents)	109.82	108.11	107.28
Funds from operation (€ millions)	110.2	102.1	74.6

(1) The book value excludes lease incentives and includes properties that are categorised as held for sale as provided by the independent valuation performed by Cushman & Wakefield LLP.

The table above present certain non-IFRS financial measures, which are not liquidity or performance measures under IFRS, and which the Group considers to be key performance indicators. These KPIs are prepared in addition to the figures that are prepared in accordance with IFRS and are not audited. The Group uses KPIs to provide additional information to investors and to enhance their understanding of its results. The KPIs should be viewed as complementary to, rather than a substitute for, the figures determined according to IFRS. Moreover, these metrics may be defined or calculated differently by other companies, and, as a result, they may not be comparable to similar metrics calculated by the Group's peers.

Adjusted profit before tax is included in order to provide an alternative indication of the Group's underlying business performance. Accordingly, it adjusts for the effect of the gains/losses on revaluation of investment properties, gains/losses on revaluation relating to leased investment properties, gains/losses on disposal of properties, gains/losses on revaluation of investment property from associates and related tax, other adjusting items and change in fair value of derivative financial instruments.

EPRA earnings per share EPRA earnings are included in order to assist in comparisons with similar businesses in the real estate sector. EPRA earnings is a definition of earnings as set out by the European Public Real Estate Association. EPRA earnings represents earnings after adjusting for (where applicable) gains/losses on revaluation of investment properties, gains/losses on disposal of properties (net of related tax), recoveries from prior disposals of subsidiaries (net of related tax), refinancing costs, exit fees and prepayment penalties, goodwill impairment, acquisition costs in relation to business combinations, changes in fair value of derivative financial instruments (collectively, the "EPRA earnings adjustments"), deferred tax in respect of the EPRA earnings adjustments, NCI relating to revaluation (net of related tax), gains/losses on revaluation of investment property relating to associates and the related tax thereon.

Dividend per share is included in order to assist in comparisons with similar businesses in the real estate sector and is the total dividend for the reporting period which is calculated as a percentage of FFO.

Property valuation – owned properties is included in order to assist in comparisons with similar businesses in the real estate sector and is the book value of owned investment property in both Germany and the UK including that categorised as held for sale as derived from an independent valuation performed by Cushman & Wakefield LLP.

EPRA NTA per share is included in order to assist in comparisons with similar businesses in the real estate sector. EPRA NTA is a definition of net tangible assets as set out by the European Public Real Estate Association. EPRA NTA represents net assets after adjusting for derivative financial instruments and deferred tax relating to valuation movements, goodwill and intangible assets. EPRA NTA per share also takes into account the effect of the granting of shares relating to long-term incentive plans.

FFO is included in order to assist in comparisons with similar businesses and to facilitate the Group's dividend policy which is derived from adjusted profit before tax. FFO is defined as is adjusted profit before tax adjusted for depreciation and amortisation (excluding depreciation relating to IFRS 16), amortisation of financing fees, net foreign exchange differences, adjustment in respect of IFRS 16 and current tax excluding tax on disposals.

Non-IFRS measures – Reconciliation

The Directors have chosen to disclose EPRA earnings, EPRA net asset value metrics and EPRA loan to value, which are widely used alternative metrics to their IFRS equivalents. The following table shows the reconciliation of basic and diluted earnings to EPRA earnings.

	<i>Year ended</i> <i>31 March</i> <i>2024</i> <i>€m</i>	<i>Year ended</i> <i>31 March</i> <i>2023</i> <i>€m</i>
Basic and diluted earnings attributable to owners of the Company	107.8	79.6
(Deduct gain)/add loss on revaluation of investment properties	(12.2)	9.8
Add loss/(deduct gain) on disposal of properties (net of related tax)	0.1	(4.7)

	<i>Year ended</i> 31 March 2024 €m	<i>Year ended</i> 31 March 2023 €m
Change in fair value of derivative financial instruments	1.3	(0.9)
Deferred tax in respect of EPRA earnings adjustments	2.5	4.3
NCI relating to revaluation (net of related tax)	0.0	–
NCI relating to gain on disposal of properties (net of related tax)	0.0	–
Add loss on revaluation of investment property relating to associates	1.6	0.5
Tax in relation to the revaluation gains/losses on investment property relating to associates	(0.0)	(0.4)
EPRA earnings	<u>101.1</u>	<u>88.2</u>

The following table includes a reconciliation of net assets to EPRA net asset value metrics.

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

* The Group intends to hold and does not intend in the long term to sell any of the investment properties and has excluded such deferred taxes for the whole portfolio as at year end.

EPRA net reinstatement value (“**EPRA NRV**”) is a definition of net asset value as set out by the European Public Real Estate Association. EPRA NRV represents net asset value after adjusting for derivative financial instruments at fair value, deferred tax relating to valuation movements and derivative financial instruments and real estate transfer tax presented in the Valuation Certificate (for the entire consolidated Group including wholly owned entities and investment in associates). EPRA NRV is included in order to assist in comparisons with similar businesses in the real estate sector.

EPRA net disposal value (“**EPRA NDV**”) is a definition of net asset value as set out by the European Public Real Estate Association. EPRA NDV represents net asset value after adjusting for (where applicable) goodwill and the fair value of fixed interest rate debt (for the entire consolidated Group including wholly owned entities and investment in associates). EPRA NDV is included in order to assist in comparisons with similar businesses in the real estate sector.

	<i>EPRA NRV</i> €m	<i>EPRA NTA</i> €m	<i>EPRA NDV</i> €m
<i>31 March 2023</i>			
Net asset value as at year end (basic)	<u>1,197.1</u>	<u>1,197.1</u>	<u>1,197.1</u>
Diluted EPRA net asset value at fair value	<u>1,197.1</u>	<u>1,197.1</u>	<u>1,197.1</u>

31 March 2023	EPRA NRV €m	EPRA NTA €m	EPRA NDV €m
Group			
Derivative financial instruments at fair value	(1.3)	(1.3)	n/a
Deferred tax in respect of EPRA fair value movements on investment properties	80.2	80.1*	n/a
Intangibles	n/a	(4.1)	n/a
Fair value of fixed interest rate debt	n/a	n/a	99.2
Real estate transfer tax	164.4	n/a	n/a
Investment in associate			
Deferred tax in respect of EPRA fair value movements on investment properties	7.0	7.0*	n/a
Fair value of fixed interest rate debt	n/a	n/a	9.9
Real estate transfer tax	9.3	n/a	n/a
Total EPRA NRV, NTA and NDV	1,456.7	1,278.8	1,306.2

The following table shows a calculation of EPRA loan to value ratio.

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

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

EPRA loan to value (“**EPRA LTV**”) is a definition of loan to value ratio as set out by the European Public Real Estate Association. EPRA LTV represents net debt to total property value as defined in note 23 to the Company’s 2024 Financial Statements, which are incorporated by reference into this document as described in Part XVII (*Documents Incorporated by Reference*) of this document. It includes all capital which is not equity as debt, irrespective of its IFRS classification, and is based upon proportional consolidation, therefore including the Group’s share in the net debt and net assets of associates. Assets are included at fair value, net debt at nominal value. EPRA LTV is included in order to assist in comparisons with similar businesses in the real estate sector.

The following table shows a calculation of Net LTV:

	<i>31 March</i> 2024	<i>31 March</i> 2023	<i>31 March</i> 2022
	€m	€m	€m
<i>Net Loan To Value*</i>			
Carrying amount of interest-bearing loans and borrowings	945.1	964.4	981.5
Unamortised borrowing costs	10.3	10.7	14.1
Book value of owned investment properties	2,186.7	2,107.3	2,089.0
Gross loan to value ration (%)	43.7%	46.3%	47.7%
Free Cash	214.5	99.2	127.3
Net LTV	33.9%	41.6%	41.6%

* Net LTV = (Carrying value loans plus unamortised borrowing costs – free cash)/Book value of owned investment property

Net LTV is equal to the carrying value of loans plus unamortised borrowing costs, less cash; divided by the book value of owned investment property. Net LTV is included in order to assist in comparisons with similar businesses in the real estate sector.

The Directors are required, as part of the JSE Limited Listing Requirements, to disclose headline earnings; accordingly, headline earnings are calculated using basic earnings adjusted for revaluation gain net of related tax, gain/loss on sale of properties net of related tax, recoveries from prior disposals of subsidiaries net of related tax, NCI relating to revaluation and revaluation gain/loss on investment property relating to associates net of related tax. The following table shows a reconciliation between IFRS and headline earnings.

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

The Directors have chosen to disclose adjusted earnings in order to provide an alternative indication of the Group’s underlying business performance; accordingly, it excludes the effect of adjusting items net of related tax. The following table shows a reconciliation of adjusting items included within adjusted earnings, with certain adjusting items stated within administrative expenses in note 6 to the Company’s 2024 Financial Statements, which are incorporated by reference into this document as described in Part XVII (*Documents Incorporated by Reference*) of this document and certain finance costs in note 9 to the Company’s 2024 Financial Statements, which are incorporated by reference into this document as described in Part XVII (*Documents Incorporated by Reference*) of this document.

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

The Directors have chosen to disclose adjusted profit before tax and funds from operations in order to provide an alternative indication of the Group's underlying business performance and to facilitate the calculation of its dividend pool. The following table shows a reconciliation between profit before tax and funds from operations. Within adjusted profit before tax are adjusting items as described above gross of related tax.

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

(1) Includes the effect of other expenses not included in FFO and share awards.

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

PART XII

CAPITALISATION AND INDEBTEDNESS

The tables below set out the capitalisation and the indebtedness of the Group as at 31 May 2024 and as such do not reflect the impact of the Capital Raising. Presented amounts have been derived from the unaudited consolidated management accounts of the Group as at 31 May 2024 and should be read in conjunction with, and are qualified with reference to, Part XI (*Operating and Financial Review of the Group*).

There has been no material change to the Group's total capitalisation or total indebtedness since 31 May 2024.

Capitalisation

The following table sets out the Group's capitalisation as at 31 May 2024. Amounts presented have been extracted without material adjustment from the Group's unaudited consolidated management accounts as at 31 May 2024.

	<i>As at 31 May 2024</i> <i>(unaudited)</i> <i>(€'000)</i>
Current debt (including current portion of non-current debt)	37,860
– Guaranteed	–
– Secured ^{(1) (2) (3)}	22,860
– Unguaranteed/unsecured	15,000
Non-current debt (excluding current portion of non-current debt)	1,014,311
– Guaranteed	–
– Secured ^{(1) (2) (3)}	254,411
– Unguaranteed/unsecured	759,900
Shareholder equity (Excluding retained earnings)	612,954
– Share capital	–
– Legal reserve(s)	–
– Other reserves ⁽⁴⁾	612,954
Total Capitalisation	<u>1,665,125</u>

Notes:

- (1) Secured debt as at 31 May 2024 includes current lease liabilities of €5.6m and non-current lease liabilities of €31.9m.
- (2) The Group has pledged 15 investment properties to secure several separate interest-bearing facilities granted to the Group amounting to current liabilities of €17.2m and non-current liabilities amounting to €222.6m.
- (3) Total Non-current debt excludes capitalised finance costs of €6.985m.
- (4) Other reserves includes €605.9m of other distributable reserves and €7.1m of own shares held. Shareholder equity does not include the Group's accumulated profits and foreign currency translation reserves in accordance with ESMA Guidelines.

Indebtedness

The following table sets out the net indebtedness of the Group as at 31 May 2024, being a date within 90 days of the date of this Prospectus. Amounts presented have been extracted without material adjustment from the Group's unaudited consolidated management accounts as at 31 May 2024.

	<i>As at 31 May 2024</i> <i>(unaudited)</i> <i>(€'000)</i>
A Cash and cash equivalents ⁽¹⁾	185,083
B Other current financial assets ⁽²⁾	8,392
C Liquidity (A + B)	193,475
D Current financial debt (including debt instruments, but excluding current portion of non-financial debt) ⁽⁴⁾	32,240
E Current portion of non-current financial debt ⁽³⁾	5,620

	<i>As at 31 May 2024</i> <i>(unaudited)</i> <i>(€'000)</i>
F Current financial indebtedness (D + E)	37,860
G Net current financial indebtedness/(liquidity) (F – C)	(155,615)
H Non-current financial debt (excluding current portion and debt instruments) ^{(3) (4)}	31,865
I Debt instruments	982,446
J Non-current trade and other payables	10,943
K Non-current financial indebtedness (H + I + J)	1,025,254
L Net financial indebtedness (G + K)	869,639

Notes:

- (1) Cash and cash equivalents consist of short-term investments as at 31 May 2024 in Money Market Funds of €89.8m and cash restricted under contractual terms of €30.5m.
- (2) Other financial assets as at 31 May 2024 include trade debtors net of bad debt provision.
- (3) Secured debt as at 31 May 2024 includes current lease liabilities of €5.6m and non-current lease liabilities of €31.9m.
- (4) Current financial debt does not include capitalised finance costs of €2.8m. non-current financial debt does not include capitalised finance costs of €7m.

Indirect and Contingent Indebtedness

The Group has no capital commitments or contingent liabilities as at 31 May 2024.

PART XIII

THE UK REIT REGIME, TAXATION AND EXCHANGE CONTROL

SECTION A: THE UK REIT REGIME AND UK TAXATION

The following sections are intended only as a general guide to current UK tax law and the published practice of HMRC (which is not a statement of law and which may not be binding on HMRC) as at the date of this document, either of which is subject to change at any time (possibly with retrospective effect). Furthermore, they relate only to the UK REIT regime and certain limited aspects of the UK tax consequences for Shareholders of holding or disposing of New Ordinary Shares (and in the case of Part B, Section 4 (Stamp Duty and SDRT) of this Part XIII, acquiring or subscribing for New Ordinary Shares). Except where expressly stated otherwise, the sections below are intended to apply only to Shareholders: (a) who are for UK tax purposes resident and (in the case of individuals) domiciled or deemed domiciled in (and only in) the UK; (b) to whom split-year treatment does not apply; (c) who are the absolute beneficial owners of their New Ordinary Shares and any dividends paid in respect of them; and (d) who hold their New Ordinary Shares as investments (other than through an individual savings account, self-invested personal pension or as carried interest and not as securities to be realised in the course of a trade). The sections below may not apply to certain classes of Shareholders such as charities, dealers in securities, trustees, broker dealers, market makers, insurance companies and collective investment schemes, pension schemes, persons subject to UK taxation on the remittance basis, persons who are otherwise exempt from UK taxation and persons who have (or who are deemed to have) acquired their New Ordinary Shares by virtue of an office or employment or persons who are treated as holding their New Ordinary Shares as carried interest. Such Shareholders may be subject to special rules.

All references to taxes that follow are to UK taxes except where the context otherwise requires. This summary does not address the non-UK tax consequences for Shareholders.

The material below does not constitute tax advice.

Any person who is in any doubt as to its or their UK tax position or who is or may be subject to tax in any jurisdiction other than the UK should consult an appropriate professional tax adviser as soon as possible. Shareholders should be aware that the tax legislation of their own jurisdiction and/or the tax legislation of the UK may affect the tax treatment of their participation in the Capital Raising, and that the tax laws of their own country and the country in which the Company is incorporated or resident, and the countries in which the Group operates, may affect Shareholders' post-tax income from their New Ordinary Shares. A summary of certain UK tax issues is set out below.

PART A: THE UK REIT REGIME

Qualification as a UK REIT

Subject to meeting a number of conditions, a company may become a UK REIT by serving notice on HMRC that it is a UK REIT from a date specified in that notice. The Company made such an election (as the principal company for the REIT Group) with effect from 1 April 2022. The property rental business of each UK tax resident company in the Group and the UK property rental business of each non-UK tax resident company in the Group was deemed to cease at the point of entry to the UK REIT regime. Such property rental business carried on by the REIT Group subsequently was deemed to be a new business, established and commenced at the date of entry into the UK REIT regime. and a new accounting period began at such date.

In order to continue to qualify as the principal company of a group UK REIT, the Company must satisfy certain conditions throughout each accounting period in which it is to be treated as a UK REIT. A non-exhaustive summary of the material conditions is set out below.

Company conditions

A company must be solely resident in the UK for tax purposes, it must not be an open-ended investment company and either: (i) its ordinary shares must be admitted to trading on a recognised stock exchange, such as the London Stock Exchange, and either listed on the exchange or traded on it; or (ii) at least 70 per cent. of its ordinary shares must be owned by one or more “institutional investors” (as defined for the purposes of the UK’s REIT regime). The company must also not be a “close company” for UK tax purposes, which generally means it must not be controlled (through the holding of in excess of 50 per cent. of share capital/voting rights etc.) by five or fewer persons or, broadly, shares in the company carrying more than 35 per cent. of voting power in the company must be held by the public. There is an exception however for this condition for the first three years following entry into the UK REIT regime. For the purposes of this close company test the holdings of certain types of institutional investors are not taken into account.

Share capital restrictions

There must only be one class of ordinary share in issue and the only other shares a company may issue are “non-voting restricted preference shares”.

Restrictions on loans

A company, as a debtor, must not be party to any loan where, broadly, the lender is entitled to: (i) interest which depends on the company’s business or on the value of any of its assets; (ii) interest which exceeds a reasonable commercial return on the consideration lent; or (iii) repayment on an amount which exceeds the consideration lent.

Business Restrictions

- (i) The group UK REIT’s Qualifying Property Rental Business must throughout each accounting period involve either at least: (i) three properties and have no one property representing more than 40 per cent. of the total value of all the properties involved in the business; or (ii) one property, the value of which is at least £20 million and is designed, fitted, or equipped for the purpose of being rented, and is rented or available for rent, as a commercial unit.
- (ii) The income profits of the Qualifying Property Rental Business must represent at least 75 per cent. of the total profits of the group UK REIT for the accounting period. Such profits are calculated in accordance with International Accounting Standards, before deduction of tax and excluding, broadly, gains and losses on the disposal of property and revaluation of properties, and certain exceptional items.
- (iii) At the beginning of the accounting period the gross fair value of the assets in the Qualifying Property Rental Business (including cash held on deposit and shares in another UK REIT) must represent at least 75 per cent. of the total fair value of assets held by the group UK REIT.

Distribution condition

- (iv) The Company is required to distribute to shareholders (subject to the availability of sufficient distributable Reserves) 100 per cent. of the income profits arising in each accounting period which are derived from distributions of profits or gains of the Qualifying Property Rental Business of another UK REIT (broadly, disregarding distributions derived from non-UK source profits of a non-UK member of the distributing UK REIT) and at least 90 per cent. of the income profits arising from the group UK REIT’s Qualifying Property Rental Business derived from other sources in each accounting period (broadly, calculated using normal tax rules and disregarding non-UK source profits of a non-UK member of the UK REIT. Such distributions will be in the form of a PID and must generally be made on or before the filing date for the tax return for the accounting period.

Effects of UK REIT status

Tax exemption

A UK REIT generally should not suffer UK corporation tax on the profits (income and capital gains) derived from its Qualifying Property Rental Business. UK corporation tax will still apply in the normal way in respect of any income and gains of any Residual Business.

The 10 per cent. Rule/holders of excessive rights

A UK REIT may become subject to an additional tax charge if it pays a distribution to a corporate shareholder that holds at least 10 per cent. of the principal company of the group UK REIT's share capital or voting rights and/or is entitled to at least 10 per cent. of distributions and which is not entitled to gross distributions of PIDs, as to which, see paragraph headed "Withholding Tax" below. This tax charge should not be incurred if the UK REIT has taken reasonable steps to avoid making distributions to such a shareholder in line with HMRC guidance.

Distributions – obligations to withhold tax

Subject to certain exceptions, a UK REIT is required to withhold income tax at source at the basic rate (currently 20 per cent.) from PIDs. A UK REIT must also provide shareholders with a certificate setting out the amount of tax withheld. Tax is not required to be deducted when distributions are paid to certain types of shareholder including UK corporate and UK tax-exempt bodies (such as SIPPs and ISAs). Where distributions are made to shareholders resident in a country with a double taxation treaty with the UK, tax should be withheld and the shareholder may seek a refund of the tax where the treaty withholding tax rate is lower.

Interest cover ratio

A tax charge will arise if, in respect of any accounting period, the ratio of the income profits (before capital allowances) to the financing costs incurred in respect of the Qualifying Property Rental Business is less than 1.25. The amount (if any) by which the financing costs exceeds the amount of those costs which would cause that ratio to equal 1.25 is chargeable to corporation tax up to a maximum of 20 per cent. of the income profits of the Qualifying Property Rental Business.

Exit from the UK REIT regime

After joining the UK REIT regime, a UK REIT can give notice to HMRC that it wishes to leave the UK REIT regime at any time.

It is important to note that the Company gives no guarantee as to the continued compliance with all the conditions and the UK REIT regime may cease to apply in certain circumstances. Broadly, HMRC may require the Company and the other members of the REIT Group to exit the UK REIT regime if:

- (a) any breach of the conditions relating to the Qualifying Property Rental Business, or an attempt to avoid tax, is considered sufficiently serious;
- (b) a certain number of minor or inadvertent breaches, by the Company or members of the REIT Group, of the conditions occur in a specified period; or
- (c) HMRC has issued two cancellation of tax advantage notices to the Company or members of the REIT Group within a 10 year period of the first notice having been given.

PART B: UK TAXATION

1. TAXATION OF CHARGEABLE GAINS

Disposals of Ordinary Shares

UK resident individual Shareholders

For UK individual Shareholders within the charge to UK capital gains tax, a disposal or deemed disposal of Ordinary Shares may, depending on the circumstances and subject to any available exemption or relief, give rise to a chargeable gain (or an allowable loss) for the purposes of UK capital gains tax. A capital gains tax annual exemption (which is £3,000 for individuals in the 2024/2025 tax year) may, however, be available to the extent it has not already been utilised by the individual.

The rate of capital gains tax on share disposals (after taking advantage of the annual exemption and deducting any allowable capital losses) is currently 10 per cent. to the extent that individuals are subject to

income tax at the basic rate and any chargeable gain does not exceed the unused part of their basic rate income tax band. Where an individual is subject to income tax at the basic rate but any chargeable gain exceeds the unused part of their basic rate income tax band, the rate of capital gains tax on the excess is 20 per cent. The rate of capital gains tax is also 20 per cent. for individuals who are subject to income tax at the higher or additional rates.

Non-UK resident individual Shareholders

Individuals who are temporarily not resident in the UK may, in certain circumstances, be subject to tax in respect of gains realised while they are not resident in the UK. An individual Shareholder who has been resident for tax purposes in the UK but who ceases to be so resident or becomes treated as non-resident pursuant to a relevant double tax treaty for a period of five years or less and who disposes of all or part of his or her Ordinary Shares during that period of non-residence may be liable to capital gains tax in respect of such disposal on his or her return to the UK (such that the individual Shareholder becomes UK tax resident), subject to any available exemptions or reliefs. Non-UK resident individual Shareholders may be subject to UK capital gains tax if 75 per cent. or more of the Company's assets derive from UK land.

UK resident corporate Shareholders

Where a corporate Shareholder is within the charge to UK corporation tax, a disposal of Ordinary Shares may, depending on the circumstances and subject to any available exemption or relief, give rise to a chargeable gain for the purposes of corporation tax at the rate of corporation tax applicable to that Shareholder (the main rate of corporation tax (for companies with profits over £250,000) being 25 per cent. for the 2024/25 tax year) or an allowable loss.

2. TAXATION OF DIVIDENDS

A UK REIT may distribute property income distribution ("**PID**") dividends and non-property income distribution ("**Non-PID**") dividends. The tax treatment may vary in each case.

PID Dividends

Withholding tax

Subject to certain exceptions summarised below, the Company is required to withhold UK income tax at source at the basic rate (20 per cent. for the 2024/25 tax year) from its PIDs unless the Company has reasonable belief that the recipient is entitled to receive such distributions gross. The Company will provide Shareholders with a certificate setting out the amount of tax withheld.

Tax is not required to be deducted when distributions are paid to certain types of Shareholder including, but not limited to, UK corporate bodies (such as open-ended investment companies) and certain UK tax-exempt bodies (such as individual savings accounts and self-invested personal pension plan). The Company will also not be required to withhold UK income tax at source from a PID where the Company reasonably believes that the body beneficially entitled to the PID is a partnership each member of which is either a body described in the paragraph above. Since July 2023, the Company may also be able to make partial gross payments to Shareholders which are partnerships where, broadly, the Company reasonably believes that arrangements exist that will result in each partner's share reflecting whether or not tax is withheld in relation to that partner.

In order to pay a PID without withholding tax, the Company will need to be satisfied that the Shareholder concerned is entitled to that treatment. For that purpose, the Company will require such Shareholders to submit a valid claim form (copies of which may be obtained on request from the Registrars).

For Shareholders resident for tax purposes in the UK, where UK income tax has been withheld at source, Shareholders who are individuals may, depending on their individual circumstances, either be liable to further tax on their PID at their applicable marginal rate, or be entitled to claim repayment of some or all of the tax withheld on their PID. Shareholders who are corporates may, depending on their individual circumstances, be liable to pay UK corporation tax on their PID but they should note that, where UK income tax is withheld at source, the tax withheld can typically be set against the Shareholder's liability to UK corporation tax in the accounting period in which the PID is received.

For Shareholders who are not resident for tax purposes in the UK, it is not possible for a Shareholder to make a claim under a double taxation treaty for a PID to be paid by the Company gross or at a reduced rate. The right of a Shareholder to claim repayment of any part of the tax withheld from a PID will depend on the existence and terms of any double tax treaty between the UK and the country in which the Shareholder is resident for tax purposes.

Individual Shareholders within the charge to UK income tax

Subject to certain exceptions, a PID will generally be treated in the hands of Shareholders who are individuals as, together with any other property income distribution from a UK REIT, the profit of a single UK property business (as defined in section 264 of the Income Tax (Trading and Other Income) Act 2005), treated as a separate UK property business from any other UK property business (a “**different UK property business**”) carried on by the relevant Shareholder. This means that surplus expenses from a Shareholder’s different UK property business cannot be offset against a PID as part of a single calculation of the profits of the Shareholder’s UK property business.

A Shareholder who is subject to income tax at the basic rate will be liable to pay income tax at 20 per cent. on a PID. Higher rate taxpayers will be subject to tax at 40 per cent. and additional rate taxpayers at 45 per cent. on a PID. Credit will be available in respect of any basic rate tax withheld by the Company on the PID.

Corporate Shareholders within the charge to UK corporation tax

Subject to certain exceptions, a PID will generally be treated in the hands of Shareholders who are within the charge to UK corporation tax as profits of a UK property business. This means that, subject to the availability of any exemptions or reliefs, such Shareholders should be liable to UK corporation tax on the entire amount of their PID. A PID is, together with any property income distribution from UK REIT, treated as a separate business for the purposes of Part 4 of the Corporation Tax Act 2009 from any other Part 4 business (a “different Part 4 business”) carried on by the relevant Shareholder. This means that any surplus expenses from a Shareholder’s different Part 4 business cannot be offset against a PID as part of a single calculation of the Shareholder’s Part 4 profits.

Shareholders not resident in the UK for tax purposes

Where a Shareholder who is resident outside the UK receives a PID, the PID will generally be chargeable to UK income tax as profit of a UK property business and this tax will generally be collected by way of a withholding, although additional tax may be payable depending on the Shareholder’s specific circumstances.

Non-PID Dividends

The Company is not required to withhold tax at source from Non-PID dividend payments it makes.

Individual Shareholders within the charge to UK income tax

The general tax treatment of dividends paid by the Company to Shareholders who are individuals is as follows:

- i. Non-PID dividends received by an individual Shareholder from the Company (along with any dividends received from other sources) will, except to the extent that they are earned through an individual savings account, self-invested personal pension plan or other regime which exempts the Non-PID dividends from tax, form part of that Shareholder’s total income for income tax purposes;
- ii. a nil rate of income tax applies to the first £500 (2024/2025 allowance) of taxable dividend income (including any Non-PID dividends) received by an individual Shareholder in a tax year (the “**Nil Rate Amount**”), regardless of what tax rate would otherwise apply to that dividend income; and
- iii. any taxable dividend income (including any Non-PID dividends) received by an individual Shareholder in a tax year in excess of the Nil Rate Amount is taxed at the rates set out below.

Where an individual Shareholder's taxable dividend income (including any Non-PID dividends) for a tax year exceeds the Nil Rate Amount, the excess amount (the "**Relevant Dividend Income**") will, subject to the availability of any income tax personal allowance, be subject to income tax at the following rates for the 2024/2025 tax year:

- (i) 8.75 per cent. to the extent that the Relevant Dividend Income falls below the threshold for the higher rate of income tax;
- (ii) 33.75 per cent. to the extent that the Relevant Dividend Income falls above the threshold for the higher rate of income tax but below the threshold for the additional rate of income tax; and
- (iii) 39.35 per cent. to the extent that the Relevant Dividend Income falls above the threshold for the additional rate of income tax.

In determining whether and, if so, to what extent the Relevant Dividend Income falls above or below the threshold for the higher rate of income tax or, as the case may be, the additional rate of income tax, the Shareholder's total taxable dividend income (including any Non-PID dividends) for the tax year in question (including the part within the Nil Rate Amount) will be treated as the highest part of the Shareholder's total income for income tax purposes.

Corporate Shareholders within the charge to UK corporation tax

Shareholders within the charge to UK corporation tax which are "small companies" (for the purposes of UK taxation of dividends) will not generally be subject to UK corporation tax on dividends from the Company, provided certain conditions are met.

Other Shareholders within the charge to UK corporation tax will not be subject to UK corporation tax on Non-PID dividends from the Company so long as the Non-PID Dividends fall within an exemption within Part 9A of the Corporation Tax Act 2009.

3. STAMP DUTY AND SDRT

The following statements are intended as a general and non-exhaustive guide to the current UK stamp duty and Stamp Duty Reserve Tax ("**SDRT**") position and apply regardless of whether or not a holder, acquirer or subscriber of New Ordinary Shares is resident in the UK. Certain categories of person, including market makers, intermediaries, brokers, dealers and persons connected with clearance services and depositary receipt systems, may not be liable to stamp duty or SDRT or may be liable at a higher rate. Furthermore, such persons may, although not primarily liable for the tax, be required to notify and account for it under the Stamp Duty Reserve Tax Regulations 1986.

Issue of New Ordinary Shares and issue or crediting of New Ordinary Shares

No stamp duty or SDRT is generally payable on the issue of New Ordinary Shares by the Company (whether in certificated form outside CREST or credited in uncertificated form to an account in CREST).

Subsequent dealings in New Ordinary Shares

No SDRT should generally be chargeable in respect of an agreement to transfer New Ordinary Shares provided that the New Ordinary Shares are not registered in any register kept in the UK by or on behalf of the Company and that the New Ordinary Shares are not paired with any shares issued by a company incorporated in the UK. As at the date of this document, the Company does not maintain a share register in the UK.

Subject to an exemption for certain low value transactions where the aggregate consideration is certified as being £1,000 or less, UK stamp duty (generally, at the rate of 0.5 per cent. of the value of the consideration, rounded up where necessary to the nearest £5) is in principle chargeable in respect of any instrument transferring New Ordinary Shares which is executed in the UK or which relates to any matter or thing done or to be done in the UK. As a practical matter, however, it may not be necessary to pay UK stamp duty in respect of such an instrument of transfer unless and until the instrument is required to be adduced in evidence before the UK courts in civil proceedings or used for any other official purpose in the UK. Shareholders should seek professional tax advice as to the consequences of not stamping an instrument of transfer in these circumstances, including as to potential liabilities to interest and penalties should the

instrument subsequently need to be stamped for any reason. Where a transfer is executed in pursuance of the agreement (which gave rise to the SDRT) and the document is duly stamped within six years of the date of the agreement, the SDRT charge should be cancelled and any SDRT paid should be repaid.

Stamp duty or SDRT is usually paid or borne by the purchaser.

SECTION B: SOUTH AFRICA TAXATION

This summary is based on the current provisions of the South African Income Tax Act No. 58 of 1962 (as amended from time to time) (the “SA Income Tax Act”) and the (South African) Securities Transfer Tax Act No. 25 of 2007 (the “SA STT Act”), and the prevailing practice adopted by the South African Revenue Service (“SARS”), published in writing prior to the date hereof. This summary does not consider legislative proposals to amend the SA Income Tax Act or the SA STT Act.

This summary is of a general nature only and is not intended to be legal or tax advice to any particular shareholder. This summary is not exhaustive of all South African income tax and STT considerations. Accordingly, shareholders should consult their own tax advisors as to the tax consequences under the tax laws of South Africa and the country of which they are resident or otherwise subject to tax.

The tax position of a Shareholder is dependent upon such Shareholder’s individual circumstances, specifically the purpose with which Ordinary Shares in the Company are held. The tax consequences differ based on whether the Shareholder holds the Ordinary Shares as capital assets or on revenue account from a South African tax perspective.

The statements of law set forth below are subject to any changes in South African law (which may be applied retrospectively) or in the interpretation thereof by the South African Revenue Service, or changes in an applicable Treaty or any multilateral instrument which finds application to the relevant Treaty, occurring after the date hereof.

1. GENERAL

As concerns income tax, South Africa follows a residency-based tax system, and accordingly South African tax considerations are attendant upon the tax residency status of the relevant person(s) in question as determined by the SA Income Tax Act.

South African income tax is payable through withholding tax, normal tax or a combination thereof. A person who is a tax resident of South Africa for purposes of the SA Income Tax Act (“**resident**”) is subject to South African income tax on their worldwide income. A person who is not a tax resident of South Africa for purposes of the SA Income Tax Act (“**non-resident**”) is subject to South African income tax on their income which is of South African source.

Where a double taxation agreement has been entered into between South Africa and the jurisdiction of the non-resident recipient of South African source income (“**SA Treaty**”) and, provided that in terms of the provisions of the relevant SA Treaty such non-resident may rely on the SA Treaty and the relevant article of the SA Treaty in context of the income, this could potentially reduce the withholding tax rate or normal tax on such income, or could deny South Africa with the taxing rights to such income (depending on the relevant relief provisions provided by the specific SA Treaty).

The meaning of the concept of a resident is different for individuals and corporations. In the event of conflict, the SA Treaty, which contains a tiebreaker clause, will prevail.

Per the SA Income Tax Act, a resident is defined as –

- (i) in the case of a natural person, someone who is ordinarily resident in South Africa or who meets the so-called physical presence test (being present in South Africa for a period or periods exceeding 91 days in aggregate during the relevant year of assessment as well as for a period or periods exceeding 91 days in aggregate during each of the five years of assessment preceding such year of assessment and for a period or period exceeding 915 days in aggregate during those five preceding years of assessment); and

- (ii) in every other case, a person which is incorporated, established or formed in South Africa or which has its place of effective management in South Africa.

Per the definition for purposes of the SA Income Tax Act, any person who is deemed to be exclusively a resident of another country for the purposes of the application of the relevant SA Treaty will not be a “resident”.

2. THE TAX POSITION OF THE COMPANY

South African REITs enjoy a favourable tax dispensation from a South African perspective.

The Company is unable to benefit from the South African REIT tax legislation given the fact that it is not a South African tax resident and that is one of the requirements for it to enjoy the status of a South African REIT.

The Company is a non-resident for South African income tax purposes. The Company is thus a foreign company as defined in section 1 of the SA Income Tax Act.

3. TAXATION OF GAINS ON THE SALE OR OTHER DISPOSITION OF SHARES IN THE COMPANY

The proceeds from the disposal of shares will be subject to either income tax (in the case of share dealers) or capital gains tax (in the case of capital investors).

The subscription price for Ordinary Shares in the Company or the acquisition price of in-issue Ordinary Shares forms the base cost for Capital Gains Tax (“**CGT**”) (in the case of capital investors) or the deductible expenditure (for revenue investors) The difference between the subscription price / acquisition price and the amount for which the Ordinary Shares are disposed of (together with ancillary costs such as brokerage or other fees directly related to the subscription or disposal of the Ordinary Shares), will be taxable in a South African context as described below.

Note that CGT is not a separate tax to income tax. Instead, the taxable gain (being a taxpayer’s net capital gain multiplied by a certain percentage) is included in the taxable income of the taxpayer, which is then taxed at the normal income tax rate. The percentage inclusion will depend on the legal nature of the taxpayer (individual, company, etc.).

Residents

Residents are subject to tax on their worldwide income, and the disposal of Sirius Ordinary Shares will be a taxable event for such shareholder irrespective of whether such shares are held on the LSE or JSE.

Where a natural person or trust holds Ordinary Shares on the JSE and such security is transferred to the LSE, such person will be treated as having disposed of and reacquired such security at market value on the day on which such share is listed on the LSE.

Non-residents

Non-residents are only subject to the South African CGT provisions in respect of:

- (a) the disposal of immovable property or any interest or right of whatever nature to or in immovable property situated in South Africa (as defined by the relevant part of the SA Income Tax Act); or
- (b) any asset that is effectively connected to a permanent establishment situated in South Africa through which that non-resident carries on a business.

In the instance of a shareholder holding shares in any company, an interest in immovable property situated in South Africa includes equity shares held by a person in the company, if, as determined at the time of disposal:

- (i) 80 per cent. of more of the market value of those equity shares is attributable directly or indirectly to immovable property situated in South Africa or any interest or right of whatever nature to or in immovable property situated in South Africa (as defined by the relevant part of the SA Income Tax Act); and

- (ii) that person (whether alone or together with any connected person in relation to that person), directly or indirectly, holds at least 20 per cent. of the equity shares in that company.

4. TAXATION OF DIVIDENDS

South Africa imposes tax on dividends and certain foreign dividends at a statutory rate of 20 per cent. (“**Dividends Tax**”).

Dividends Tax is leviable on -

- (i) all dividends paid by a company, other than a headquarter company (which carries a specific definition) which is a tax resident of South Africa, irrespective of the listing status of the company declaring the dividend or the location(s) of exchanges where shares of the company are listed; and
- (ii) foreign dividends paid in respect of a share listed on the JSE by a company which is not a tax resident of South Africa.

Dividends declared by the Company will be foreign dividends as defined for purposes of the SA Income Tax Act, provided that such distributions are treated as a dividend or similar payment by the Company for the purposes of the laws relating to tax on income on companies of the country in which that foreign company has its place of effective management (i.e. the UK income tax laws) and such dividend does not constitute a share in the Company.

Accordingly, and as concerns foreign dividends declared by the Company on Ordinary Shares listed on the JSE:

- (i) a dividend *in specie* will not be subject to Dividends Tax; and
- (ii) Dividends Tax will find application to cash dividends.

Dividends Tax will not apply to dividends declared by the Company as relates to Ordinary Shares listed on the LSE.

Residents

Dividends Tax at 20 per cent. will be withheld on any cash dividends declared and paid by the Company to resident shareholders holding Company Ordinary Shares listed on the JSE, subject to exemptions from Dividends Tax which may apply. For example, dividends paid to a resident company, a South African pension fund or a South African portfolio for collective investment scheme in securities will be exempt from Dividends Tax.

An exemption from Dividends Tax is subject to the making of prescribed written declarations and undertakings prior to the payment of the dividend, to the regulated intermediary which will pay the dividend. In certain circumstances, such declarations and undertakings must be renewed every five years.

Cash dividends received on Ordinary Shares held on the JSE will benefit from an exemption from income tax.

No Dividends Tax will be withheld on any cash dividends declared and paid by the Company to South African resident shareholders holding Company Ordinary Shares listed on the LSE. Such dividends will be subject to income tax in South Africa in the hands of the resident shareholder, unless a relevant exemption applies.

Non-residents

Dividends paid by the Company in respect of Ordinary Shares held by a non-resident on the JSE will benefit from an exemption from Dividends Tax.

Further, such dividends will not constitute South African source income for purposes of income tax.

5. SECURITIES TRANSFER TAX

No Securities Transfer Tax (“**STT**”) is payable in South Africa with respect to the issue of a security.

STT arises, *inter alia*, on the transfer of beneficial ownership in a share in a company that is established outside of South Africa provided that such share being transferred is listed on the JSE. The trading in Company Ordinary Shares which are not listed on the JSE is thus not subject to STT.

Trading in Company Ordinary Shares which are listed on the JSE is subject to STT at the rate of 0.25 per cent. of the greater of the consideration for transfer of the security declared by the transferee or the closing price of that security as traded on the JSE on the date of transfer.

In the case of a listed security the member or the participant holding the security in custody is liable for the STT, but has a right of recovery of such STT from the person to whom such share is transferred.

SECTION C: GUERNSEY TAXATION

Guernsey currently does not impose stamp duty or similar tax on the transfer of shares other than where the shares confer a significant benefit in real property in Guernsey (subject to certain exceptions) nor (save as noted) is there a similar tax chargeable in Guernsey on the issue, transfer or redemption of Ordinary Shares in the Company.

The “significant benefit in real property in Guernsey” issue is referred to for completeness. The Company does not own property in Guernsey so the issue of the New Ordinary Shares does not confer any benefit in property in Guernsey.

SECTION D: UNITED STATES TAXATION

This section describes the material U.S. federal income tax consequences of acquiring, holding and disposing of New Ordinary Shares. It applies only to a U.S. Shareholder who acquires its New Ordinary Shares in this offering at the offering price and holds such New Ordinary Shares as capital assets for U.S. federal income tax purposes. This section does not describe the U.S. federal income tax consequences of owning New Ordinary Shares for a Shareholder who is a member of a special class of Shareholders subject to special rules, including:

- a dealer in securities;
- a trader in securities that elects to use a mark-to-market method of accounting for securities holdings;
- a tax-exempt organization;
- a life insurance company;
- a regulated investment company, real estate investment trust, S corporation or other entity taxed as a financial conduit for U.S. federal income tax purposes;
- a bank or other financial institution;
- a U.S. tax deferred account, including an “individual retirement account” or “Roth IRA”;
- a person that actually or constructively owns 10 per cent. or more of the voting power or value of the Company’s stock;
- a person that holds New Ordinary Shares as part of a straddle or a hedging or conversion transaction;
- a U.S. Shareholder (as defined below) whose functional currency is not the U.S. dollar; or
- a former citizen or long-term resident of the United States.

This section is based on the U.S. Internal Revenue Code of 1986, as amended, its legislative history, final, temporary and proposed U.S. Treasury regulations (together, the “**Regulations**”), published rulings and court decisions, as well as the Convention Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital Gains, (together with a Protocol, the “**Treaty**”), all of which are subject to change, possibly on a retroactive basis.

No ruling will be sought from the U.S. tax authority in any respect of this discussion, and no assurance can be given that the U.S. tax authority will not assert a position different to that expressed herein.

A Shareholder is a “U.S. Shareholder” if such Shareholder is a beneficial owner of New Ordinary Shares and such Shareholder is:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation) created or organised in or under the laws of the United States, any state thereof, or the District of Columbia;
- an estate whose income is subject to U.S. federal income tax regardless of its source; or
- a trust, if a U.S. court can exercise primary supervision over the trust’s administration and one or more U.S. persons are authorised to control all substantial decisions of the trust, or if such trust has a valid election in effect under applicable Regulations to be treated as a U.S. person.

This disclosure does not apply to any Shareholder that is not a U.S. Shareholder. If you are not a U.S. Shareholder, please consult your own tax advisors as to the consequences of acquiring, holding and disposing of New Ordinary Shares.

The U.S. federal income tax treatment of a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) which is the beneficial owner of New Ordinary Shares, will depend upon the status of the partner and the activities of the partnership. A beneficial owner of New Ordinary Shares that is a partnership (including the partners in such partnership), should consult its own tax advisors regarding the U.S. federal income and other tax consequences of acquiring, holding and disposing of the New Ordinary Shares.

This discussion addresses only U.S. federal income taxation. Shareholders should consult their own tax advisors as to potential application of U.S. state and local tax laws, as well as any other U.S. tax laws (such as the estate, gift or alternative minimum tax) or other U.S. laws, as well as the laws of the United Kingdom and other non-U.S. laws.

SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE U.S. FEDERAL, STATE AND LOCAL AND OTHER TAX CONSEQUENCES OF ACQUIRING, HOLDING AND DISPOSING OF NEW ORDINARY SHARES IN THEIR PARTICULAR CIRCUMSTANCES.

1. TAXATION OF DIVIDENDS

Subject to the passive foreign investment company (“PFIC”) rules discussed below, the gross amount of any dividend the Company pays out of its current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) will be subject to U.S. federal income taxation for U.S. Shareholders. Dividends are taxable to a U.S. Shareholder when such dividends are received, actually or constructively.

Distributions in excess of current and accumulated earnings and profits, as determined for U.S. federal income tax purposes, generally will be treated as a non-taxable return of capital to the extent of the U.S. Shareholder’s basis in the New Ordinary Shares and thereafter as capital gain; however, since the Company does not intend to maintain books and records in accordance with U.S. tax principles, a U.S. Shareholder will effectively be required to treat all amounts the Company distributes as dividends for U.S. federal income tax purposes. Dividends paid to a noncorporate U.S. Shareholder that constitute “qualified dividend income” will be taxable to the noncorporate U.S. Shareholder at a preferential rate of taxation provided that the New Ordinary Shares are held for the requisite holding period, unless the noncorporate U.S. Shareholder takes the dividend income into account as investment income.

In order for the dividends paid by the Company to be treated as qualified dividend income, the Company must be eligible for the benefits of a comprehensive income tax treaty with the United States which the U.S. Internal Revenue Service (“IRS”) has determined is satisfactory and which includes an exchange of information program. The IRS has determined that the Treaty satisfies these requirements. The Company expects to be eligible for the benefits of the Treaty by virtue of the New Ordinary Shares being substantially and regularly traded on the London Stock Exchange, and as a result, the Company expects that dividends paid will be treated as qualified dividend income for eligible noncorporate U.S. Shareholders. However, if the New Ordinary Shares cease to trade, or are not treated as substantially and regularly traded on the London

Stock Exchange, the Company would have to qualify for the benefits of the Treaty under some other provision of the limitation on benefits article of the Treaty in order for the paid dividends to continue to be eligible for treatment as qualified dividend income.

U.S. Shareholders should consult their own tax advisors as to the qualification of dividends paid by the Company as qualified dividend income.

A U.S. Shareholder must include UK tax withheld, if any, from any dividend payment received in the gross amount of such dividend even though the U.S. Shareholder does not in fact receive it. Such dividends will not be eligible for the deduction generally allowed to U.S. corporations in respect of dividends received from other U.S. corporations. The amount of a dividend distribution that a U.S. Shareholder must include as income will be the U.S. dollar value of the sterling payments made, determined at the spot sterling/U.S. dollar rate on the date the dividend distribution is includible in U.S. taxable income, regardless of whether the payment is in fact converted into U.S. dollars at this time. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date a dividend is included in U.S. taxable income to the date the sterling received is converted into U.S. dollars will be treated as ordinary income or loss, will not be eligible for the special tax rate applicable to qualified dividend income. The currency gain or loss generally will be income or loss from sources within the United States for foreign tax credit limitation purposes. If dividends received in sterling are converted into U.S. dollars on the day they are received, a U.S. Shareholder generally will not be required to recognize foreign currency gain or loss in respect of the dividend income.

Subject to certain limitations, UK tax withheld from dividends on New Ordinary Shares at a rate not exceeding any applicable rate under the Treaty generally will be creditable or deductible against the U.S. Shareholder's U.S. federal income tax liability, except to the extent refundable by the United Kingdom. To the extent a refund of the tax withheld is available to a U.S. Shareholder under UK law or under the Treaty, the amount of tax withheld that is refundable will not be eligible for credit against its U.S. federal income tax liability. Dividends generally will be income from sources outside the United States, and dividends paid will, depending on a U.S. Shareholder's circumstances, be "passive" or "general" income which, in either case, is treated separately from other types of income for purposes of computing the allowable foreign tax credit.

The rules governing foreign tax credits are complex and, therefore, U.S. Shareholders are encouraged to consult their own tax advisors regarding the credibility of foreign taxes based on their particular circumstances.

2. TAXATION OF CAPITAL GAINS

Subject to the PFIC rules discussed below, if a U.S. Shareholder sells or otherwise disposes of its New Ordinary Shares, it generally will recognize capital gain or loss for U.S. federal income tax purposes equal to the difference between the U.S. dollar value of the amount that it realizes and its tax basis, determined in U.S. dollars, in its New Ordinary Shares. Capital gain of a noncorporate U.S. Shareholder is generally taxed at a preferential rate of taxation where the U.S. Shareholder has a holding period greater than one year. Such gain or loss will generally be income or loss from sources within the United States for foreign tax credit limitation purposes. The deductibility of capital losses is subject to certain limitations.

3. PASSIVE FOREIGN INVESTMENT COMPANY ("PFIC") CONSIDERATIONS

The Company does not believe that it is currently a PFIC or that it will be a PFIC following the date of this offering; however, this conclusion is a factual determination that is made annually and thus may be subject to change. The Company's status as a PFIC is dependent upon, among other things, the composition and relative value of its gross receipts and assets, including the manner in which the Company holds such assets (through various subsidiaries) and otherwise conducts its business.

In general, the Company will be a PFIC with respect to a U.S. Shareholder if for any taxable year in which a U.S. Shareholder holds New Ordinary Shares:

- at least 75 per cent. of the Company's gross income for the taxable year is passive income within the meaning of the PFIC rules; or

- at least 50 per cent. of the value, determined on the basis of a quarterly average, of the Company's assets is attributable to assets that produce or are held for the production of passive income within the meaning of the PFIC rules.

For purposes of the PFIC rules, passive income generally includes dividends, interest, royalties, rents (other than certain rents and royalties derived in the active conduct of a trade or business), annuities and gains from assets that produce passive income. Cash is generally treated as an asset which produces passive income. If a non-U.S. corporation owns at least 25 per cent. by value of the stock of another corporation, the non-U.S. corporation is treated for purposes of the PFIC tests as owning its proportionate share of the assets of the other corporation, and as receiving directly its proportionate share of the other corporation's income.

If the Company is treated as a PFIC, and a U.S. Shareholder does not make one of certain mitigating elections (which may or may not be available based on circumstances not entirely within the Company's control) , a direct and, in certain cases, indirect U.S. Shareholder would be subject to special rules with respect to (i) any gain realised on the sale or other disposition of such New Ordinary Shares and (ii) any "excess distribution" by the Company to the U.S. Shareholder in respect of its New Ordinary Shares (generally, any distributions during a single taxable year that are greater than 125 per cent. of the average annual distributions received by such U.S. Shareholder in respect of its New Ordinary Shares during the three (3) preceding taxable years or, if shorter, such U.S. Shareholder's holding period for its New Ordinary Shares). Under these rules, any gain realised on the sale or other disposition of a U.S. Shareholder's New Ordinary Shares in general, would not be treated as capital gain. Instead, such U.S. Shareholder would be treated as if it had realised such gain and certain "excess distributions" ratably over its holding period for the New Ordinary Shares, and such U.S. Shareholder would be taxed at the highest tax rate in effect for each such year to which the gain was allocated, together with an interest charge in respect of the tax attributable to each such year. With certain exceptions, New Ordinary Shares will be treated as stock in a PFIC if the Company were a PFIC at any time during a U.S. Shareholder's holding period in its New Ordinary Shares. If the Company is treated as a PFIC with respect to a U.S. Shareholder, dividends received will not be eligible for the preferential tax rates applicable to qualified dividend income either in the taxable year of the distribution or the preceding taxable year, but instead will be taxable at rates applicable to ordinary income.

If the Company were to be treated as a PFIC for any taxable year, a U.S. Shareholder would be required to file an annual report for that taxable year on IRS Form 8621 "Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund." U.S. Shareholders are urged to consult their own tax advisors concerning the filing of IRS Form 8621 "Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund."

U.S. Shareholders should consult their own tax advisors concerning the Company's PFIC status, the consequences to them if the Company were a PFIC for any taxable year, and the availability of any mitigating elections.

4. NET INVESTMENT INCOME TAX

Subject to certain limitations, an additional 3.8 per cent. tax is imposed on the "net investment income" of certain noncorporate U.S. Shareholders who are citizens and resident aliens, and on the undistributed "net investment income" of certain estates and trusts. Among other items, "net investment income" generally would include dividends paid on the New Ordinary Shares and certain net gain from the sale or other taxable disposition of the New Ordinary Shares, less certain deductions. This tax applies whether or not the Company is a PFIC.

U.S. Shareholders should consult their own tax advisors concerning the potential effect, if any, of this tax on holding its New Ordinary Shares in its particular circumstances.

5. BACKUP WITHHOLDING AND INFORMATION REPORTING

For noncorporate U.S. Shareholders, information reporting requirements, on Internal Revenue Service Form 1099, generally will apply to:

- dividend payments or other taxable distributions made to the noncorporate U.S. Shareholder within the United States or by a U.S. payor; and
- the payment of proceeds to the noncorporate U.S. Shareholder from the sale of New Ordinary Shares effected at a U.S. office of a broker.

Additionally, backup withholding may apply to such payments if a noncorporate U.S. Shareholder fails to provide an accurate taxpayer identification number, is notified by the IRS that such noncorporate U.S. Shareholder has failed to report all interest and dividends required to be shown on its federal income tax returns, or in certain circumstances, fails to comply with applicable certification requirements. Certain U.S. Shareholders (including, among others, corporations) are not subject to backup withholding.

Backup withholding is not an additional tax. A noncorporate U.S. Shareholder generally may obtain a refund of any amounts withheld under the backup withholding rules that exceed its income tax liability by timely filing a refund claim with the IRS.

6. DISCLOSURE OF INFORMATION WITH RESPECT TO FOREIGN FINANCIAL ASSETS

Certain U.S. Shareholders who hold any interest in “specified foreign financial assets,” including the New Ordinary Shares, during such Shareholder’s taxable year must attach to the U.S. federal income tax return for such year certain information with respect to each asset if the aggregate value of all of such assets exceeds \$50,000 on the last day of the tax year or more than \$75,000 at any time during the tax year (or a higher dollar amount prescribed by the Internal Revenue Service). For this purpose, a “specified foreign financial asset” includes any depository, custodial or other financial account maintained by a foreign financial institution, and certain assets that are not held in an account maintained by a financial institution, including any stock or security issued by a person other than a U.S. person. Penalties apply for failure to furnish the required information.

U.S. Shareholders should consult their own tax advisors concerning any obligation that they may have to furnish information to the IRS as a result of holding the New Ordinary Shares.

7. AUTOMATIC EXCHANGE OF INFORMATION

The United Kingdom has entered into international agreements with a number of jurisdictions which provide for the exchange of information in order to combat tax evasion and improve tax compliance. These include, but are not limited to, an Inter-governmental Agreement with the United States in relation to FATCA, the OECD’s Multilateral Competent Authority Agreement for the Common Reporting Standard, the European Council Directive on administrative cooperation in the field of taxation and International Tax Compliance Agreements with Guernsey, Jersey, the Isle of Man and Gibraltar. In connection with such international agreements the Company may, among other things, be required to collect and report to HMRC certain information regarding Shareholders and other account holders of the Company and HMRC may pass this information on to tax authorities in other jurisdictions in accordance with the relevant international agreements.

The above discussion is not intended to constitute a complete analysis of all tax consequences relating to the acquisition, holding and disposition of the New Ordinary Shares.

SECTION E: EXCHANGE CONTROL

The information below is not intended as legal advice and it does not purport to describe all of the considerations that may be relevant to the SA Placing and the holding on the JSE of such shares obtained in the Company by South African Eligible Investors.

South African Eligible Investors are urged to seek further professional advice in regard to their exchange control obligations as concerns the SA Placing Shares.

General

South Africa's Exchange Control Regulations, 1961, promulgated in terms of the Currency and Exchanges Act No. 9 of 1993 (and all directives and rulings issued thereunder), (the "**Exchange Control Regulations**") regulate all flows of capital between "residents" and "non-residents," in order to prevent the loss of foreign currency resources.

The Exchange Control Regulations are administered by the Financial Surveillance Department of the South African Reserve Bank ("**FinSurv**") and "Authorised Dealers" (commercial banks) appointed by FinSurv. In the exercise of the Exchange Control Regulations, FinSurv has a wide discretion subject to a set of norms and to the policy guidelines laid down by the Minister of Finance, Director General National Treasury, and the South African Reserve Bank. From time to time, FinSurv issues "rulings" and circulars to provide further guidance regarding the implementation of the Exchange Control Regulations. In this document, the Exchange Control Regulations, Currency and Exchanges Manual for Authorised Dealers and circulars issued by FinSurv are collectively referred to as "**Excon Rules**".

A "resident" is any person (i.e., a natural person or legal entity) who has taken up permanent residence, is domiciled or registered in SA. A "non-resident" is a person whose normal place of residence, domicile or registration is outside the Common Monetary Area (consisting of Lesotho, Namibia, South Africa, and eSwatini).

Non-resident corporates which inward list on the JSE an instrument referencing foreign assets are subject to certain provisions of the Excon Rules as concerns the JSE inward listing and the inwardly listed instruments.

Currency and shares are not freely transferable from South Africa to any jurisdiction outside of the Common Monetary Area. These transfers must comply with the Excon Rules.

The Company

As Sirius is dual-listed on the JSE and the LSE, it is subject to certain provisions of the Excon Rules as concerns the JSE inward listing and the inwardly listed instruments.

The SA Placing, forming part of the Capital Raising comprises approximately R512,085,099 and is subject to the specific prior approval of FinSurv.

Residents

South African corporates, trusts, partnerships and South African tax resident private individuals may invest in JSE listed Ordinary Shares of the Company without restriction. South African institutional investors and Authorised Dealers are allowed to invest in JSE listed Ordinary Shares of the Company without affecting respectively their permissible foreign portfolio investment allowance or their macroprudential limit as the listing evidences shares that are on the South African section of the share register.

South African brokers are allowed to purchase Ordinary Shares of the Company offshore and to transfer such shares to the South African section of the register as a book-building exercise, provided that brokers warehouse such shares for a maximum period of 30 (thirty) days only.

Residents or offshore subsidiaries of a resident that hold shares in Sirius, are required to hold their listed shares on the JSE and those shares may not be moved to the LSE or removed from the South African section of the register unless specific approval has been obtained the FinSurv. However, private individuals may, as part of their single discretionary allowance and/or foreign capital allowance export these dual-listed shares in Sirius to the LSE, subject to tax compliance and reporting to the SARB through an Authorised Dealer. Should an institutional investor or Authorised Dealer purchase the shares of Sirius on the LSE in terms of the prudential limit of institutional investors and macro-prudential limit of Authorised Dealers, the investment is deemed as foreign.

Trade and settlement of shares listed on the JSE may only take place at market-related prices and in Rand.

Should a rights offer be made in future by the Company, it is noted that South African investors holding Ordinary Shares on the JSE may exercise their rights in terms of a rights offer without restriction.

Non-residents

Non-residents may subscribe for SA Placing Shares (i.e. listed on the JSE) or acquire Ordinary Shares of the Company listed on the JSE, provided that payment is received from a non-resident account at market-related prices. All payments in respect of subscriptions for or purchases of Ordinary Shares listed on the JSE by non-residents must be made through an Authorised Dealer.

Such non-residents should seek advice as to whether any governmental and/ or other legal consent is required and/or whether any other formality must be observed to subscribe for or purchase such shares.

Any share certificates issued to non-resident shareholders as concerns Ordinary Shares listed on the JSE will be endorsed 'Non-Resident' in accordance with the Excon Rules. Uncertificated holders of Ordinary Shares listed and trading on the JSE will have their statements endorsed 'Non-Resident' and their accounts at their CSDP or broker annotated accordingly.

Provided that the relevant share certificate is endorsed 'Non-Resident' or the relevant account of the shareholder's CSDP or broker is annotated accordingly, there is no restriction under the Excon Rules on the payment to a non-resident shareholder of cash dividends from the distributable profits of Sirius in proportion to the shareholder's percentage holding of the Sirius Ordinary Shares held on the JSE. Payment to non-resident shareholders of distributions (including special dividends, dividends *in specie* and capitalisation issues) require the consent of FinSurv.

Non-residents may sell Sirius Ordinary Shares listed on the JSE on the market and transfer the proceeds offshore without restriction.

Special Excon Rules apply to non-residents who are "emigrants" (i.e. a former resident of South Africa, being an individual, who has emigrated). It is recommended that emigrants seek professional advice in regard to their exchange control obligations as concerns the SA Placing Shares. In the case of an emigrant, the assets of such emigrant will be controlled by an Authorised Dealer. CSDPs must account for the relevant securities held by their clients in the relevant emigrant platform. In the case of materialised shares Authorised Dealers must place an endorsement on the securities purchased with funds received in foreign currency or for which payment is made from a non-resident account, including funds received from an emigrant's capital account. Such endorsement will consist of the word "*non-resident*" and will be authenticated by the stamp of the Authorised Dealer. Should one wish to switch the interest in Sirius for another listed or unlisted security, the Authorised Dealer must cancel the endorsement and place a non-resident endorsement on the security purchased. This will only be done against confirmation of brokers' notes confirming the value of its securities or auditors' certificates confirming the value of unlisted securities.

In the case of raising of capital by Sirius, the following requirements must be met:

- a former resident of the of the common monetary area (comprising South Africa, the Republic of Namibia, the Kingdom of Lesotho and the Kingdom of Eswatini), who has emigrated, may use funds in the emigrant capital account to subscribe for shares;
- all payments in respect of subscriptions for shares by an emigrant using funds from the emigrant's capital account, must be made through the Authorised Dealer controlling the remaining assets;
- any shares issued pursuant to the use of funds from an emigrant's capital account, will be credited to their share accounts at the CSDP controlling their remaining portfolios;
- shares subsequently re-materialised and issued in certificated form, will be endorsed non-resident and will be sent to the Authorised Dealer through whom the payment was made; and
- if applicable, refund monies payable in respect of unsuccessful applications or partly successful applications for the subscription of shares emanating from an emigrant capital account, will be returned to the Authorised Dealer through whom the payments were made, for credit to such emigrant's capital account.

PART XIV

**PROPERTY VALUATION REPORT PREPARED BY CUSHMAN & WAKEFIELD IN
RELATION TO CERTAIN ASSETS IN THE PORTFOLIO**



Valuation of:
Sirius Real Estate Portfolios
(Germany and UK)

Prepared for:

Sirius Real Estate Limited
Joh. Berenberg, Gossler & Co.
KG, London Branch
Peel Hunt LLP

Valuation Date:

31 March 2024

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C & W (U.K.) LLP German Branch
Bleidenstraße 6
60311 Frankfurt am Main
Germany

www.cushmanwakefield.com

Strictly Confidential – For Addressee Only

VALUATION RECORD

To:

The Directors
Sirius Real Estate Limited (the “Company”, “Client” or “you”)
Plaza House
Fifth Floor
Admiral Park
St Peter Port
Guernsey
GY1 2HU
Channel Islands

Joh. Berenberg, Gossler & Co. KG, London Branch (in its capacity as sponsor, joint global coordinator and joint bookrunner to the Company)
60 Threadneedle Street
London
EC2R 8HP
United Kingdom

Peel Hunt LLP (in its capacity as joint global coordinator and joint bookrunner to the Company)
7th Floor
100 Liverpool Street
London
EC2M 2AT
United Kingdom
(collectively, the “**Addressees**”)

Properties: The address, tenure and property type of each of the properties (“**Properties**”) which is included in Appendix B.

Report date: 11 July 2024

Valuation date: 31 March 2024 (“**Valuation Date**”)

1. Instructions

1.1. Appointment

We are pleased to submit our report and valuation (the "**Valuation Report**"), which has been prepared in accordance with the Valuation Services Schedule and our Terms of Business (the "**Engagement**") dated 28 June 2024. The Engagement forms an integral part of this Valuation Report.

Included in the Engagement is the Valuation Services Schedule. It is essential to understand that the contents of this Valuation Report are subject to the various matters we have assumed, which are referred to and confirmed as Assumptions in the Valuation Services Schedule (which forms part of the Engagement). Where Assumptions detailed in the Valuation Services Schedule are also referred to within this Valuation Report they are referred to as an "assumption" or "assumptions". Unless otherwise defined, all capitalised terms herein shall be as defined in the Engagement.

We have valued the property interest in each of the Properties as at the Valuation Date.

A list of the addresses of each of the Properties within the UK and German element of the property portfolio together with a note of their tenure is included in Appendix B.

The German element of the portfolio is spread amongst Germany's seven largest cities and a selection of key border towns; it is dominated by traditional mixed-use industrial business parks, modern mixed-use business parks and other office buildings. The UK element of the property is spread across England and Wales and provides a combination of industrial sites, mixed-use properties and offices in many key regional centres.

1.2. Compliance with RICS Valuation – Global Standards

We confirm that the valuation and Valuation Report have been prepared in accordance with the RICS Valuation – Global Standards, which incorporate the International Valuation Standards ("**IVS**") and the RICS UK National Supplement (the "**RICS Red Book**"), edition current at the Valuation Date. It follows that the valuations are compliant with IVS.

1.3. Compliance with the Prospectus Regulation Rules and TN 619.1

The valuation and the Valuation Report comply with Rule 5.4.5G of the Prospectus Regulation Rules and Part III.1. of the Financial Conduct Authority's technical note 'Primary Market TN 619.1' ("**TN 619.1**").

1.4. Status of Valuer and Conflicts of Interest

We confirm that all valuers who have contributed to the valuation have complied with the requirements of PS1 of the RICS Red Book. We confirm that we have sufficient current knowledge of the relevant markets, and the skills and understanding to undertake the valuation competently. The Valuation is the responsibility of Martin Belik MRICS and Michael J. Störrlein MRICS who are in a position to provide an objective and unbiased Valuation, and who will act as "**External Valuer**" (as defined in the RICS Red Book) qualified for the Purpose of Valuation.

C&W have been undertaking various instructions in providing property advice to Sirius Real Estate Limited for a number of years. C&W have current, anticipated and previous recent involvement with the Properties in that they are the incumbent valuers to Company and provide biannual valuations of the Properties for inclusion in the Company's accounts ("**Portfolio Valuation Reports**"). We confirm that these factors have been discussed with the Company who has agreed that, notwithstanding our previous involvement, we may proceed with the valuation. C&W has had no other previous, recent or current involvement with the Properties and C&W does

not anticipate any future fee earning relationship with the Properties. Therefore, C&W does not consider that any conflict arises in preparing the Valuation requested.

Since 30 September 2019 C&W is additionally valuing the AXA/Sirius Joint Venture "Titanium-Joint Venture" on a quarterly basis for the client. The portfolio is currently consisting of in total 7 Business Parks throughout Germany. The Client is partial owner of 35%. For the avoidance of doubt, these properties are not part of this instruction.

1.5. Purpose of Valuation

You have informed us that the Properties are categorised as investments.

The Company has instructed C&W to:

- a. Provide a valuation report in the format referred to in the 'Scope of Services' section below for inclusion in a prospectus and/or any supplementary prospectus to be published by the Company (the "**Prospectus**") in connection with a proposed capital raising (the "**Transaction**") of new ordinary shares for cash, as a result of which new ordinary shares of the Company will be admitted to:
 - The premium listing segment of the Official List of the Financial Conduct Authority and trading on the main market for listed securities on the London Stock Exchange; and
 - To the Main Board of the Johannesburg Stock Exchange;
- b. Establish whether a material change has occurred in the valuation of the Properties between the Valuation Date and the date of the Prospectus;

(the "**Purpose of Valuation**").

Therefore, in accordance with PS 2.5 and UK VPS 3 we have made certain disclosures in connection with this valuation instruction and our relationship with you. These are included in item 1.6 below.

1.6. Disclosures required under the provisions of PS 2.5 and UK VPS 3

Time as Signatory

Martin Belik MRICS and Michael J. Störrlein MRICS has been the signatory of Valuation Reports provided to the Client in respect of the Properties for a variety of purposes for a continuous period since November 2013.

Cushman & Wakefield have been carrying out this instruction for the Client in respect of the German Properties since November 2013 and for the UK properties since December 2018.

C&W's relationship with the Client

C&W have been undertaking various instructions for the Company for a number of years and we consider that we have current and anticipated and previous recent involvement with the Properties. We confirm that this factor has been discussed with the Company who have agreed for C&W to act in such capacity.

We confirm that there is no other fee-earning relationship between Cushman & Wakefield and the Client other than this valuation instruction.

Fee income from the Client

Cushman & Wakefield's financial year end is 31 December. We confirm that the proportion of fees payable by the Client to C&W in the financial year to 2023 was less than 5%. We anticipate that the proportion of fees for the financial year to 31 December 2024 will remain at less than 5%.

C&W involvement in the Properties in the previous 12 months

C&W have not received an introductory fee within the last 12 months and we have not been involved with the purchase of any of the assets during this time.

1.7. Inspection

The Properties have been revalued without reinspection for the majority of the properties for the purpose of this Valuation Report.

All the Properties located in the UK have been inspected externally and internally between 9 May 2023 and 20 October 2023 and we undertake a rolling programme of internal inspections each year.

The German properties were inspected in the course of their respective acquisitions and for the portfolio valuation between 3 May 2022 and 22 March 2024. We undertake a rolling inspection programme whereby each Property is subject to internal inspection once every two years.

In accordance with paragraph 130(ii) of TN 619.1, Part III.1, the date the Properties were last inspected is included in the Property Schedule in Appendix B to this Valuation Report. The Company has not advised us of any material changes to the physical attributes of the Properties or the area in which they are situated and, therefore, as agreed, we have made an Assumption that there are none.

1.8. Departures

We have made no Departures from the RICS Red Book.

1.9. Limitations

The valuation is not subject to any limitations.

1.10. Floor Areas

Unless specified otherwise, floor areas and analysis in this report are based on the following bases of measurement, as defined in RICS Property Measurement and RICS Code of Measuring Practice (the edition current at the Valuation Date):

Office NIA

Industrial GIA

1.11. Measurement

The Company or its advisers have provided us with the floor areas of the Properties that are relevant to our valuation. As instructed, we have relied on these areas, but we can confirm that these have been supported by check measurements on site.

We have made an Assumption that the floor areas supplied to us have been calculated in accordance with the RICS Property Measurement (the edition current at the Valuation Date).

1.12. Sustainability and ESG

ESG is an increasingly important factor in the European real estate market. The European Union and the UK have committed to net zero carbon by 2050, with legislation already in place to reduce CO2 emissions from buildings. We consider it likely that further legislation and regulations will be introduced in coming years. Alongside this, occupiers and investors in some sectors are becoming more particular in the ESG aspects of the buildings they choose to occupy or purchase.

The existence of a green premium for the more environmentally sustainable buildings is a matter of ongoing market monitoring, investigation and debate. Appropriate levels of market evidence have yet to be established to demonstrate fully whether additional value can be ascribed to such buildings.

However, it should be noted that the market is evolving due to the focus from both occupiers and investors on a property's sustainability credentials. We expect that awareness of sustainability matters will increase throughout all sectors of the property market.

However, where there is explicit income from renewable energy sources, such as solar panels, or there are explicit costs provided to us by the client to ensure that the Property meets certain ESG legal requirements, then these income/costs are reflected in the valuation. This is in line with the latest guidance from the RICS.

The Client may be liable for the costs of removal, investigation or remediation of hazardous or toxic substances (including asbestos) located on, under or in a property currently or formerly owned by the Group, whether or not caused or known by the Client. Furthermore, the Client may also be deemed to be responsible for latent or historic risks from unknown contamination or may incur greater liability or costs than originally anticipated. The costs of remediation, investigation or defending against claims can be substantial, and they may not be covered by warranties and indemnities from the seller of the affected land plot or property or by the Client insurance policies, or may prove unenforceable.

Moreover, and as a consequence of the most recent ruling of the Federal Constitutional Court on 24 March 2021 regarding the provisions of the Climate Protection Act of 12 December 2019 (the "Climate Protection Act") on national climate protection targets and the annual emission levels permitted until 2030 being incompatible with constitutional rights, the German Government (Bundesregierung) has resolved to implement stricter provisions under the Climate Protection Act pursuant to which landlords are to bear half of the costs for the CO₂ emission prices on oil and gas that has been in force since 1 January 2020 without being able to pass such costs on the tenants, which would result in increased operating expenses for the Client.

1.13. Sources of Information

In addition to information established by us, we have relied on the information obtained from you and others listed in this Valuation Report.

We have made the assumptions that the information provided by you and your respective professional advisers in respect of the Properties we have valued is both full and correct. We have made the further assumption that details of all matters relevant to value within your and their collective knowledge, such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions, have been made available to us, and that such information is up to date.

We confirm that the valuation has been undertaken bringing the required levels of independence and objectivity to bear on the instruction, applying professional scepticism to information and data where it is provided and relied on as evidence.

1.14. General Comment

All valuations are professional opinions on a stated basis, coupled with any appropriate assumptions or Special Assumptions. A valuation is not a fact, it is an estimate. The degree of subjectivity involved will inevitably vary from case to case, as will the degree of certainty, or probability, that the valuer's opinion of value would exactly coincide with the price achieved were there an actual sale at the Valuation Date.

Property values can change substantially, even over short periods of time, and so our opinion of value could differ significantly if the date of valuation were to change. If you wish to rely on our valuation as being valid on any other date you should consult us first.

Should you contemplate a sale, we strongly recommend that the Properties are given proper exposure to the market.

A copy of this Valuation Report should be provided to your solicitors and they should be asked to inform us if they are aware of any aspect which is different, or in addition, to that we have set out; in which case we will be pleased to reconsider our opinion of value in the light of their advice and/or opinions.

2. Taxation and costs

The opinion of value which C&W will attribute to the Properties will be the figure C&W considers would appear in a contract for sale, subject to the appropriate assumptions for the Basis of Value reported. Costs associated with the transaction, including any taxes, legal fees and other expenses, would be payable by the purchaser in addition to the figure reported.

No adjustment will be made by C&W to reflect any liability to taxation that may arise on disposal, or development of the Properties nor for any costs associated with disposal incurred by the owner. Furthermore, no allowance will be made by C&W to reflect any liability to repay any government or other grants, taxation allowance or lottery funding that may arise on disposal.

C&W's valuation figure for the Properties will be that receivable by a willing seller excluding VAT, if applicable.

3. VAT

You have advised us that you have not exercised your option to tax in respect of the Properties.

The valuation and rent included in this Valuation Report are net of value added tax at the prevailing rate.

4. Property Information

4.1. Enquiries

We have undertaken and completed the various matters referred to in the "Scope of Services" section of the Engagement. The results of our enquiries and inspections do not contradict the Assumptions which we have made and are referred to in the Engagement.

5. Basis of Valuation

The basis of value for this Valuation Report is Market Value and therefore these valuations have been prepared on a Market Value basis.

The value of the Properties has been assessed in accordance with the relevant parts of the current RICS Red Book. In particular, we have assessed Market Value as referred to in VPS 4 item 4 of the RICS Red Book and applying the conceptual framework which is set out in IVS 104. Under these provisions, the term "Market Value" means "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

Our valuation as at 31 March 2024 addressed to the Company for financial reporting purposes was on the basis of Fair Value – IFRS. However, the references in the IFRS 13 definition to market

participants and a sale make it clear that for most practical purposes the concept of Fair Value is consistent with that of Market Value and so there would be no difference between them in terms of the valuation figure reported.

The references in the IFRS 13 to market participants and a sale make it clear that for most practical purposes the concept of Fair Value is consistent with that of Market Value and so there would be no difference between them in terms of the valuation figure reported.

5.1. Definitions

Market Value

Market Value as referred to in VPS4, Item 4 of the current edition of the RICS Valuation - Global Standards which incorporate the International Valuation Standards ("**IVS**") and the RICS UK national supplement (the "**RICS Red Book**"), and applying the conceptual framework which is set out in IVS104:

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

6. Assumptions and Special Assumptions

The Glossary in the RICS Red Book refers to an Assumption as a "supposition taken to be true". In this context, Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. A Special Assumption is referred to in the Glossary in the RICS Red Book as an Assumption that "either assumes facts that differ from the actual facts existing at the valuation date, or that would not be made by a typical market participant in a transaction on the valuation date". We confirm that no special assumptions have been made in undertaking our valuation.

7. Valuation

Having regard to the foregoing, we are of the opinion that the aggregate of the Market Values ("**Aggregate Value**") as at the Valuation Date, of each of the freehold and leasehold property interest owned by the Company and their apportioned share of the freehold and leasehold interests in the Property subject to the Assumptions and comments in our Report and Appendices was:

£1,873,244,063

(One Billion Eight Hundred Seventy-Three Million Two Hundred Forty-Four Thousand Sixty-Three Pounds Sterling)

In arriving at our opinion of Market Value of the aggregate of the interests of the above properties of the portfolio, we have valued each property individually. As such, we have assumed that the properties would be marketed in an orderly way and not all placed on the market at the same time.

Values are reported in Pounds Sterling (£). Valuation of Property undertaken in Euros (Germany) have been converted to Pounds Sterling adopting an exchange rate of 1 Euro = 0.85510 GBP (as at 28 March 2024, 02 April 2024).

There are no negative values to report.

TN 619.1 III.1 130 (vi) requires us to comment on any differences between the valuation figure in this Valuation Report and the valuation figure included in the Company's latest published annual

accounts, which were published for the year ended 31 March 2024. We confirm there are no differences between the published valuation figure as at 31 March 2024 and the present valuation.

Aggregate Value Apportionment

In the UK and Germany, we have apportioned the total property values between freehold, long leasehold (over / under 50 years) and part freehold/leasehold and our opinion of the aggregate Market Value of each of the various property interests, as at the Valuation Date, subject to the Assumptions and comments in this Valuation Report was:

Tenure	No Properties	Aggregate Market Value (£)
Freehold	123	£ 1,746,197,423
Long Leasehold (over 50 years)	15	£ 71,320,000
Long Leasehold (under 50 years)	2	£ 26,672,590
Part Freehold / Part Long Leasehold	3	£ 29,054,050
Total Aggregate	143	£ 1,873,244,063

The figures quoted above for the assets are aggregated figures of the individual Market Value for each property interest in the portfolio. If the portfolio were to be sold as a single lot or in groups of properties, the total values could differ significantly.

7.1. Properties with an individual value of more than 5% of the Company's total aggregate valuation

We have set out below the Properties included in the Aggregate Value where the Company owns a property with a value of more than 5% of the Company's total aggregate valuation.

Germany

- Ref. ID 6: D-81249 München-Neuaußing, Brunhamstraße 21:
£127,837,450 Market Value as at 31 March 2024 (6.8% of the total aggregate Market Value)

8. Responsibility

For the purposes of Prospectus Rule 5.3.2R(2)(f), we are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that to the best of our knowledge, the information contained in this Valuation Report is in accordance with the facts and makes no omission likely to affect its import. This Valuation Report complies with Rule 5.4.5G of the Prospectus Regulation Rules and TN 619.1.

Material Difference

We confirm that, in our opinion, there is no material difference between the values stated in this Valuation Report and the values that would be stated were the Valuation Date be at the date of the Prospectus.

Consent

C&W has given and has not withdrawn its consent to the inclusion of this Valuation Report in the Prospectus published by Sirius Real Estate Limited in the form and context in which it is included.

9. Disclosure

Except in connection with the Purpose of the Valuation set out above or as expressly contemplated in the Engagement Letter you must not disclose the contents of this Valuation Report to a third party in any way, including where we are not referred to by name or if the Valuation Report is to be combined with other reports, documents or information, without first obtaining our written approval to the form and context of the proposed disclosure in accordance with the terms of the Engagement. We will not approve any disclosure that does not refer adequately to the terms of the Engagement and any Special Assumptions or Departures that we have made.

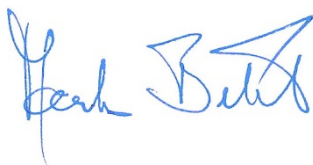
This Valuation Report or any part of it may not be modified, altered (including altering the context in which the Valuation Report is displayed) or reproduced without our prior written consent. Any person who breaches this provision shall indemnify us against all claims, costs, losses and expenses that we may suffer as a result of such breach.

10. Reliance

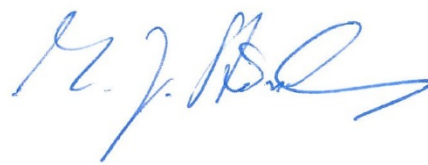
No reliance may be placed upon the contents of this Valuation Report by any party for any purpose other than in connection with the Purpose of Valuation.

Save for any responsibility to any person arising under Prospectus Regulation Rule 5.3.2R(2)(f) as and to the extent there provided and save as otherwise provided for in the terms of Engagement, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any person other than the Addressees for any loss suffered by any such other person as a result of, arising out of, or in connection with this Valuation Report or our statement, required by and given solely for the purposes of complying with Annex 3 item 1.2 and Annex 12 item 1.2 of the Prospectus Regulation (EU) no. 2019/980 (which forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended).

Signed for and on behalf of C & W (U.K.) LLP German Branch



Dipl.-Ing. Martin Belik MRICS
International Partner
RICS Registered Valuer



Dipl.-Wirt.-Ing. Michael J. Störrlein MRICS
Partner
RICS Registered Valuer

APPENDIX A: ENGAGEMENT

Services Schedule – Valuation & Advisory

Type of Instructions:	Valuation and Advisory
Property Details:	Appendix B of the Prospectus Valuation Report (defined below) includes the address and tenure of the property or each of the properties (" Property ") to be valued (" Property Schedule ").
Client Instructions:	<p>Sirius Real Estate Limited, a non-cellular company limited by shares, incorporated under the laws of Guernsey ("Client", "Company") has instructed Cushman & Wakefield (UK) LLP German Branch ("C&W") to:</p> <ul style="list-style-type: none"> (i) Undertake a valuation of the Property described in the Property Schedule ("Valuation") as at 31 March 2024 ("Valuation Date") and provide a valuation report in the format referred to in the 'Scope of Services' section below ("Prospectus Valuation Report") for the following purpose of valuation ("Purpose of Valuation") for inclusion in a prospectus or any supplementary prospectus to be published by the Company (the "Prospectus") in connection with a proposed capital raising by the issue of new ordinary shares for cash, as a result of which the new ordinary shares of the Company will be admitted to the premium segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities on the London Stock Exchange and the Main Board of the Johannesburg Stock Exchange ("Transaction"). (ii) Establish whether a material change has occurred in the Valuation of the Property since the Valuation Date and the date of the Prospectus Valuation Report (or the Prospectus).
Addressees:	<p>The Prospectus Valuation Report will be addressed to:</p> <ul style="list-style-type: none"> (i) the Client: <ul style="list-style-type: none"> Sirius Real Estate Limited (the "Company", "Client" or "you") Plaza House Fifth Floor Admiral Park St Peter Port Guernsey GY1 2HU Channel Islands (ii) the following addressees (together, the "Addressees" and each an "Addressee"): <ul style="list-style-type: none"> Joh. Berenberg, Gossler & Co. KG, London Branch 60 Threadneedle Street London EC2R 8HP

	<p>United Kingdom (in its capacity as sponsor, joint global coordinator and joint bookrunner to the Company)</p> <p>Peel Hunt LLP 100 Liverpool Street London EC2M 2AT United Kingdom (in its capacity as joint global coordinator and joint bookrunner to the Company)</p> <p>It is acknowledged that no Addressee is a "Client" for the purposes of the Terms of Business. The Client and each Addressee may each enforce the provisions of this Engagement and pursue those same rights under it in their own name, whether separately or together, subject in each case to the terms of the Engagement.</p> <p>C&W shall not owe or have any greater obligations or liability, whether in scope, duration or indemnity, to the Client and the Addressees collectively than C&W has to the Client and C&W shall be entitled to rely on any limitation in this Engagement and to raise the equivalent rights in defence of liability or indemnity to each Addressee (both jointly and severally) as are available to C&W against the Client.</p> <p>We acknowledge that the Prospectus Valuation Report will be publicly available in the Prospectus. In providing the Services, C&W are assuming that there are not any existing conflicts between the Client and/or each Addressee's interests that would interfere with C&W's provision of the Services.</p> <p>The Client and the Addressees shall each be entitled to rely on the Prospectus Valuation Report, subject always to the terms of the Engagement. In viewing and relying upon the Report, the Client and the Addressees shall each be deemed to have accepted the terms of such reliance.</p>
Timetable:	C&W will provide the draft Prospectus Valuation Report by 05 July 2024. The delivery of the final Prospectus Valuation Report will follow shortly after the delivery and discussion with the client of the draft Prospectus Valuation Report.
Period of Appointment:	N/A
Scope of Services:	<p>Included in the Services are:</p> <p>a. Prospectus Valuation Report</p> <p>Providing a Prospectus Valuation Report to be included in the Prospectus, that will be prepared in English. C&W will provide one electronic copy of the Report and, if requested, one signed hard copy.</p> <p>b. Currency</p> <p>The combined value will be reported in Sterling, with the German assets being subject to a conversion rate at the date of the valuation report is issued.</p> <p>c. Inspections</p> <p>The Property will be revalued without reinspection for the majority of the Property for the purposes of the Prospectus Valuation Report.</p>

d. Floor Areas

Adopting floor areas provided to us (and that C&W has relied on) by the Client based on the maximum lettable areas (MLA's) and current lettable areas (CLA's) of the facilities.

e. Tenancies & Leasing

We have understood that the accommodation at each Property is occupied under standard agreements. The Client provided C&W with summary details of any leases or tenancies of space that is not occupied under standard licence agreements, as appropriate.

f. Environmental Matters (including Flooding)

We have not undertaken reviews of Local Authority websites regarding environmental matters, including contamination and flooding (subject to the provisions of item 5 of the Assumptions). For the avoidance of doubt, C&W will not undertake an environmental assessment or prepared a land quality statement, which would be the responsibility of an environmental consultant or chartered environmental surveyor. In this respect, C&W had regard to any environmental reports provided to C&W (subject to the provisions of item 5 of the Assumptions).

g. Title

Where provided to C&W, reading a Certificate of Title and reflecting its contents in the Valuation (subject to the provisions of item 7 of the Assumptions).

C&W will not inspect the title deeds of the Property.

Unless agreed in writing in advance with the Client, C&W will not obtain information from the Land Registry, or its local equivalent.

h. Condition of Structure & Services, Deleterious Materials and Ground Conditions

Taking into account the general condition of the Property as observed from the inspection (subject to item 8 of the Assumptions). Where a separate condition or structural survey has been undertaken and made available to C&W, C&W will reflect the contents of the survey or condition report in the Prospectus Valuation Report but may need to discuss the survey or condition report with the originating surveyor.

i. Statutory Requirements and Planning

If appropriate, making verbal or electronic enquiries of the relevant planning authorities as to the possibility of highway proposals, comprehensive development schemes and other ancillary planning matters that could affect property values. C&W also sought to ascertain whether any outstanding planning applications exist which may affect the Property, and whether the Property is listed or included in a Conservation Area. C&W will also attempt to verify the existing permitted use of the Property, and endeavour to have sight of any copies of planning permissions, where appropriate. For the avoidance of doubt, C&W will not undertake formal searches.

Valuation Model

The valuations of the German properties (please refer to Appendix B of the Prospectus Valuation Report) have been prepared in a bespoke valuation cashflow model in Excel for the specific purpose of the Prospectus Valuation Report. The valuations of the UK properties have been prepared as traditional valuation in the bespoke real estate software, called Argus Enterprise ("AE").

Basis of Appointment:

C&W confirms that:

a. The Prospectus Valuation Report will be prepared in accordance with the appropriate sections of the current edition of the RICS Valuation – Global Standards which incorporate the International Valuation Standards ("**IVS**"). In this context "current edition" means the version in force at the Valuation Date.

b. The valuation of the German properties will be the responsibility of Martin Belik and Michael J. Störrlein, who are in a position to provide an objective and unbiased Valuation.

The valuation of the UK properties will be the responsibility of Toby Stevenson, who is in a position to provide an objective and unbiased Valuation.

Martin Belik and Michael J. Störrlein will sign the Prospectus Valuation Report to confirm the valuations of the properties and the Company's engagement is with C&W (U.K.) LLP German Branch.

The Prospectus Valuation Report will be undertaken by suitably qualified valuers, who have the knowledge, skills and understanding to undertake the Valuation competently and who have acted as "**External Valuer(s)**" (as defined in the RICS Red Book) qualified for the Purpose of Valuation.

C&W has not (and any affiliates of C&W do not) acted as external valuers as defined under the Alternative Investment Fund Manager's Directive ("**AIFMD**") legislation. C&W expressly disclaims any responsibility or obligations under AIFMD and/or its equivalent unless expressly agreed in writing in advance by C&W.

c. As you are aware, we have been instructed by Sirius Real Estate Limited to provide a valuation of the properties for your financial statements as at 31 March 2024 and have also been providing ongoing advice around potential acquisitions.

Prior to this, C&W has valued the German portfolio on a bi-annual basis for accounting purposes, as well as initial valuations for acquisition purposes, for the first time as at 30 September 2013.

Prior to this the UK assets have been valued on an ad hoc basis since 2016. We have also prepared the year end valuations for accounting purposes since 2018.

Otherwise, to our knowledge, this Company and any of its Partners, Directors and employees have no recent or foreseeable fee earning relationship concerning the Property or the Company apart from the service pertaining to this instruction and the associated fee.

We are not aware of any conflict of interest in relation to this instruction. In the event of any conflict arising, we would advise you immediately.

- d. The proposed Valuation Report is a “**Regulated Purpose Valuation**” (as defined in RICS UK national supplement (“**UKNS**”) UK VPS 3). C&W confirms that for the properties, as stated in **Appendix B** of the Prospectus Valuation Report, C&W has not received an introductory fee or negotiated the purchase on behalf of the Client for any of the other assets which have more recently been acquired and added to the portfolio within the 12 months preceding the Valuation Date.

In terms of any future acquisitions, C&W would be unable to undertake a valuation of a property acquired by a C&W client within the twelve months preceding the Valuation Date if, in relation to that property, C&W received an introductory fee or negotiated the purchase on behalf of that client unless another firm, unconnected with C&W, has provided a valuation of that property for the client at the time of or since the transaction was agreed.

In accordance with the Red Book, the Prospectus Valuation Report will set out the length of time the principal valuers have been the signatory to valuations provided to the Client, the length of time C&W has continuously been carrying out that valuation instruction for the Client, and the extent and duration of C&W's relationship with the Client. C&W will require these disclosures to be made in any published references to the Prospectus Valuation Report.

C&W ensured there have been no potential conflicts of interest arising not only from C&W's involvement with the Property and with the Client but also any related parties to the Client. Accordingly, the Client must advise C&W of any relevant parties connected to the Client's organisation.

- e. The Prospectus Valuation Report will comply with Rule 5.4.5G of the FCA's Prospectus Regulation Rules, paragraphs 128 to 130 of Part III 1. of the Financial Conduct Authority's technical note 'Primary Market TN 619.1'.

Inclusion in a Prospectus:

- a. The Prospectus Valuation Report is required for inclusion in the Prospectus connection with the Transaction.
- b. C&W understands that the Prospectus, containing the final Prospectus Valuation Report, will be approved by the Financial Conduct Authority (“**FCA**”). C&W will therefore provide a final copy of the Prospectus Valuation Report to be incorporated into the Prospectus, together with a consent letter (in the form set out in Part A of Appendix 2) by which C&W consents to the inclusion of the Prospectus Valuation Report within the Prospectus and any supplementary prospectus provided that:
- (i) C&W has first approved the form in which the Prospectus Valuation Report is to appear within the Prospectus; and
 - (ii) the consent letter is factually correct.
- c. In addition, if required, C&W will provide a bringdown letter in the form set out in Part B of Appendix 2 (the “**Bringdown Letter**”), on:
- (i) the date of publication of each of the Prospectus and any supplementary prospectus; and
 - (ii) the date of admission of the new ordinary shares to the Official List of the Financial Conduct Authority and to trading on the main market for listed securities on the London Stock Exchange and the Main Board of the Johannesburg Stock Exchange,
- such dates to be notified to C&W by the Client and address it to the Client and Addressees and any person who we have allowed to rely on the Prospectus

Valuation Report for the Purpose of Valuation (excluding members of the general public). If necessary, and subject to agreement as to any additional fees, C&W will update and re-issue the Prospectus Valuation Report.

- d. C&W will include the following confirmation in the Prospectus Valuation Report substantially in the following form:
- "For the purposes of item 1.2 of Annex 3 and item 1.2 of Annex 12 of Commission Delegated Regulation (EU) No 980/2019 implementing the Prospectus Directive (as now applicable to the Prospectus Regulation (EU) 2017/ 1129 which forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended) (ESMA/2013/319), as well as the Listings Requirements of the JSE and the South African Companies Act, 71 of 2008 ("South African Companies Act"), as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, we are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that to the best of our knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Valuation Report is in accordance with the facts and contains no omissions likely to affect its import. This Report complies with Rule 5.4.5G of the Prospectus Regulation Rules and paragraphs 128 to 130 of Part III 1. of the Financial Conduct Authority's technical note 'Primary Market TN 619.1'."*
- e. In addition to reproduction of the full text, other sections of the Prospectus may contain certain information extracted from the Prospectus Valuation Report. If so, C&W will confirm in a letter whether such information has been properly and accurately extracted or computed from the Prospectus Valuation Report (in the form set out in Part C of Appendix 2, the "**Correct Extraction Letter**").
- f. C&W understands that the Company intends to distribute a draft of the Prospectus to prospective investors (the "**Preliminary Prospectus**") prior to the publication of the final Prospectus. Accordingly, we confirm that, subject to C&W providing its prior written consent (which may be by way of email and may not be unreasonably withheld or delayed), our draft Prospectus Valuation Report may be included in the Preliminary Prospectus and be forwarded to prospective investors provided that C&W accepts no responsibility for the content of such draft report.
- g. C&W also understands that the Client intends to distribute and publish announcements, presentations and other documents in connection with the Transaction both before and after the publication of the final Prospectus, which may include information extracted from the Prospectus Valuation Report. Accordingly, we confirm that such information may be included in such presentations without our prior written consent, save that, where such announcement, presentation or other document refers to C&W, the information may be included only with C&W's prior written consent (which may be by way of email) and with agreed non reliance disclaimer, which will not be unreasonably withheld or delayed.
- h. Except for any responsibility arising to any person under Prospectus Regulation Rule 5.3.2R(2)(f) or the Listings Requirements of the JSE or the South African Companies Act, and save as otherwise set out in the Engagement Letter, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any person other than the Client and each Addressee for any loss suffered by any such other person as a result of, arising out of, or in connection with the Prospectus Valuation Report or our statement set out above required by and given solely for the purposes of complying with Annex 3, item 1.2 and Annex 12, item 1.2 of the

	<p>Commission Delegated Regulation (EU) no. 2019/980, 2019 implementing the Prospectus Directive (as now applicable to the Prospectus Regulation (EU) 2017/1129 which forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended) (ESMA/2013/319) the Listings Requirements of the JSE or the South African Companies Act.</p>
Anticipated Expenses:	<p>As previously agreed, expenses are to be confirmed, as incurred.</p>
Special and Additional Terms:	<ol style="list-style-type: none"> 1. Bases of Valuation <p>In accordance with the Client's instructions, C&W will prepare the Prospectus Valuation Report on the following bases:</p> <ul style="list-style-type: none"> • Market Value, subject to any existing leases and otherwise assuming vacant possession <p>The definitions of the above bases are set out in Appendix 1 (the "Definitions Schedule").</p> 2. Use of Prospectus Valuation Report <p>The Prospectus Valuation Report may be used only for the Purpose of Valuation referred to under the section 'Client Instructions' in this Services Schedule.</p> 3. Areas <p>Where C&W measures and calculates the floor areas, measurement will be in accordance with the current edition of the RICS Professional Statement RICS Property Measurement.</p> <p>The areas C&W report have been appropriate for the Purpose of the Valuation but should not be relied upon for any other purpose.</p> <p>C&W will not measure any floor areas.</p> 4. Immature Properties: Value Uncertainty and Prudent Lotting <p>C&W will assess the value of each Property individually. However, for those properties in the portfolio (if any) that are relatively immature and have negative or low initial cashflow there is greater uncertainty in our valuation. We have endeavoured to reflect the nature of the cashflow profile for the immature properties in our valuation, and the higher associated risks relating to the as yet unproven future cashflow, by adjustment to the capitalisation rates and discount rates adopted. However, immature low cashflow properties of this nature are rarely, if ever, traded individually in the market, unless as part of a distressed sale or similar situation. Although, there is more evidence of immature low cashflow properties being traded as part of a group or portfolio transaction.</p> <p>With regard to lotting, in practice, if an actual sale of the properties were to be contemplated then any immature low cashflow property would normally be presented to the market for sale lotted or grouped with other more mature assets owned by the same entity, in order to alleviate the issue of negative or low short term cashflow. This approach would enhance the marketability of the group of assets and assist in achieving the best price available in the market by diluting the cashflow risk.</p>

To clarify, we have not adjusted our opinion of Fair Value to reflect such a grouping of the immature assets with other properties in the portfolio and all properties have been valued individually. However, we highlight the matter to alert you to the manner in which the properties might be grouped or lotted in order to maximise their attractiveness to the market place, in a sale situation.

We do not consider this approach to be a Special Assumption, as defined above.

C&W will not assume that the entire portfolio of properties owned by the Company would be sold as a single lot and the value for the whole portfolio in the context of a sale as a single lot may differ significantly (either higher or lower) from the aggregate of the individual values for each Property in the portfolio, reflecting the lotting assumption as described above.

5. Limitations

N/A

6. Age of Building

If C&W states the age of a building in the Prospectus Valuation Report, this has will be an estimate and for guidance only.

7. Condition of Structure, Foundations, Soil & Services

It is a condition of C&W or any related entity, or any qualified employee, providing advice and opinions as to value, that the Client and/or third parties (whether notified to C&W or not) accept that the Prospectus Valuation Report in no way relates to, or gives warranties as to, the condition of the structure, foundations, soil and services.

8. Plant & Machinery

No allowance will be made by C&W for any items of plant or machinery not forming part of the service installations of the building(s). C&W will specifically exclude all items of plant, machinery and equipment installed wholly or primarily in connection with any of the occupants' businesses. C&W also excludes furniture and furnishings, fixtures, fittings, vehicles, stock and loose tools, except where such items would ordinarily transfer to a prospective purchaser in the sale of a trading business as a going concern in accordance with the RICS Red Book.

9. Goodwill

No account have been taken by C&W in the Valuation of any business goodwill that may arise from the present occupation of the Property, except where such business goodwill (excluding any personal goodwill) would ordinarily transfer to a prospective purchaser in the sale of a trading business as a going concern in accordance with the RICS Red Book.

10. Statutory Requirements & Planning

Please note the fact that employees of town planning departments now always give information on the basis that it should not be relied upon and that formal searches should be made if more certain information is required. Where a Client needs to rely upon the information given about town planning matters, the Client's legal advisers must be instructed to institute such formal searches. C&W recommends that the Client requests C&W to review its comments and Valuation in light of any resultant findings.

11. Legal Issues

Legal issues, and in particular the interpretation of matters relating to title and leases, may have a significant bearing on the value of an interest in property. No responsibility or liability will be accepted by C&W for the true interpretation of the legal position of the Client or any other parties in respect of the Valuation. Where C&W expresses an opinion on legal issues affecting the Valuation, then such opinion is subject to verification by the Client with a suitable qualified legal adviser.

12. Deduction of Notional Purchaser's Costs

The opinion of value which C&W attributes to the Property will be the figure C&W considers would appear in a contract for sale, subject to the appropriate assumptions for the Basis of Value reported. Where appropriate, C&W will make an allowance in respect of stamp duty and purchaser's costs.

13. Taxation & Disposal Costs

No adjustment will be made by C&W to reflect any liability to taxation that may arise on disposal, or development of the Property nor for any costs associated with disposal incurred by the Owner. Furthermore, no allowance will be made by C&W to reflect any liability to repay any government or other grants, taxation allowance or lottery funding that may arise on disposal.

C&W's valuation figure for the Property will be that receivable by a willing seller excluding VAT, if applicable.

14. Properties to be Developed or in the Course of Development or Requiring Repair / Refurbishment and Recently Completed Developments

Unless specifically agreed in writing to the contrary, C&W's fee assumes that C&W will be provided with a specification and floor plans of the proposed / ongoing development as well as information relating to construction and associated costs in respect of both the work completed and the work necessary for completion, together with a completion date or dates. Normally such figures, dates and information will be provided by the professional advisers involved in the construction programme. Unless specifically instructed to the contrary in writing, C&W will rely on such figures, dates and information and the Client should make this fact known to such advisers. Alternatively, on request, C&W can arrange for independent quantity surveyors to provide an assessment of costs and dates at an additional fee charge. If the Valuation is for lending purposes, the Client is advised to seek independent advice and to consider the appointment of a project monitoring surveyor.

15. **Monitoring**

The compliance of the valuations undertaken in accordance with the RICS Red Book may be subject to monitoring by the RICS under its conduct and disciplinary regulations.

16. **Valuation Components**

The components of C&W's valuation calculations (such as future rental values, cost allowances, or void periods) may only be appropriate as part of the valuation calculations and should not be taken as a forecast or prediction of a future outcome. The Client should not rely on any component of the valuation calculations for any other purpose.

17. **Trade Related Property**

Valuation Practice Guidance Application (VPGA) of the RICS Red Book sets out examples of properties that are normally bought and sold on the basis of their trading potential. The essential characteristics of such a property is that it has been designed or adapted for a specific use and the value of that property reflects its trading potential. VPGA relates only to the valuation of an individual property that is valued on the basis of trading potential. Where C&W is instructed to value a trade related property or business, C&W will apply the principles of VPGA unless explicitly instructed to do otherwise and confirmed as appropriate in the Prospectus Valuation Report.

Assumptions:

1. **Assumptions**

The RICS Red Book contains a glossary that defines various terms used in the RICS Red Book that have a special or restricted meaning. One such term is an assumption which is defined as "A supposition taken to be true" ("**Assumption**"). Accordingly in this context, C&W will make certain Assumptions in relation to facts, conditions or situations affecting the subject of, or approach to, the Valuation that C&W will not verify as part of the valuation process but rather, in accordance with the definition in the RICS Red Book, will treat as true because it is agreed that specific investigation by C&W is not required. In the event that any of these Assumptions prove to be incorrect then the Valuation will need to be reviewed.

2. **Confirmation of Assumptions**

The Client's counter-signature of the Engagement Letter represents confirmation that all of the Assumptions referenced below, are correct.

The Client must promptly notify C&W in writing if any of the Assumptions are incorrect. Should any amendment to the Assumptions set out in the Services Schedule result in an increase in the scope of the Engagement this may result in an appropriate increase in C&W's fees and expenses due under the Engagement.

Where the Property is subject to a revaluation without re-inspection, unless the Client advises C&W in writing in advance, C&W will make an Assumption that no material changes to the physical attributes of the Property and the areas in which the Property is situated have occurred since the Property was last inspected by C&W.

In respect of regular valuations, where additional properties are added to the portfolio after the Engagement has been entered into, then C&W will make the Assumptions referred to in this Services Schedule in respect of the additional property/ies and the

client's counter-signature of the Engagement Letter represents confirmation that this is agreed, unless the Client otherwise advises to C&W when the additional property/ies is/are added to the Engagement.

3. Areas

Where C&W has been provided with floor areas, C&W will make an Assumption that the areas have been measured and calculated in accordance with the current edition of RICS Professional Statement RICS Property Measurement.

4. Tenancies and Leasing

C&W's opinion of the Market Value or Fair Value will be subject to existing leases of which the Client or its advisors have made C&W aware but otherwise will reflect an Assumption of vacant possession. Where C&W has undertaken to read the leases and related documents provided to it, C&W will make an Assumption that copies of all relevant documents will be sent to C&W and that they are complete and up to date.

Where C&W relies on tenancy and lease information provided to it, unless such information reveals otherwise, C&W will make the Assumption that all occupational leases are on full repairing and insuring terms, with no unusual or onerous provisions or covenants that would affect value.

C&W will make an Assumption that vacant possession can be given of all accommodation which is unlet or occupied by the entity/borrower or its employees on service tenancies. C&W will not take account of any leases between subsidiaries unless C&W states otherwise in the Services Schedule.

C&W will not undertake investigations into the financial strength of any tenants unless otherwise referred to in the Prospectus Valuation Report. Unless C&W becomes aware by general knowledge, or is specifically advised to the contrary, C&W will make an Assumption that:

- a. where a Property is occupied under leases then the tenants are financially in a position to meet their obligations, and
- b. there are no material arrears of rent or service charges, breaches of covenant, current or anticipated tenant disputes.

However, the Valuation will reflect a potential purchaser's likely opinion of the credit worthiness of the type of tenants actually in occupation or responsible for meeting lease commitments, or likely to be in occupation.

C&W will take into account any information the Client or its advisors provide concerning tenants' improvements. Otherwise, if the extent of tenants' alterations or improvements cannot be confirmed, C&W will make an Assumption that the Property was let with all alterations and improvements evident during C&W's inspection (or, in the case of a Valuation without internal inspection, as described within the information provided by the Client).

C&W will also make an Assumption that wherever rent reviews or lease renewals are pending or impending, with anticipated reversionary changes, all notices have been served validly within the appropriate time limits.

5. Environmental Matters

If C&W's enquiries or any reports supplied to C&W indicate the existence of environmental problems without providing method statements and costings for remedial works, then C&W may not be able to issue a Prospectus Valuation Report except on the Special Assumption that the subject property is assumed **NOT** to be affected by such environmental matters. In certain circumstances, the making of such a Special Assumption may be unrealistic and may be a Departure from the requirements of the RICS Red Book. In these circumstances, the Prospectus Valuation Report may include a recommendation that an investigation should be undertaken to quantify the costs and that subsequently the Valuation should be reviewed.

Where C&W's enquiries lead C&W to believe that the Property is unaffected by contamination or other adverse environmental problems, including the risk of flooding, then, unless the Client instructs C&W otherwise, the Valuation was based on an Assumption that no contamination or other adverse environmental matters exist in relation to the Property sufficient to affect value.

If the Property lies within or close to a flood plain, or has a history of flooding, C&W will make the Assumption that building insurance is in place and available to be renewed to the current or any subsequent owner of the Property, without payment of an excessive premium or excess.

Depending on the nature of the investigations made and the information revealed, the Prospectus Valuation Report may include a statement that, in practice, a purchaser might undertake further investigations and that if these revealed contamination or other adverse environmental problems, then this might reduce the value reported.

6. Mineral Rights

C&W will make an Assumption that any mineral rights are excluded from the Property.

7. Title

Save as disclosed either in any Certificate of Title or unless specifically advised to the contrary by the Client or its legal advisers, C&W will make the Assumption that there is good and marketable title in all cases and that the Property is free from rights of way or easements, restrictive covenants, disputes or onerous or unusual outgoings. C&W will also make an assumption that the Property is free from mortgages, charges or other encumbrances.

C&W will make the Assumption that roads and sewers serving the Property have been adopted and that the Property has all necessary rights of access over common estate roads, paths, corridors and stairways, and rights to use common parking areas, loading areas and other facilities.

In addition, similarly, where the title is leasehold, C&W will make the Assumption that both landlord and tenant have abided by the terms of the lease and that the layout of the accommodation is in accordance with that permitted in the lease. C&W will make a further Assumption that the lease contains no option for the landlord to obtain possession of the Property if they intend to redevelop the Property or a substantial

part of the premises in which the Property is situated.

8. Condition of Structure and Services, Deleterious Materials and Ground Conditions

Due regard will be paid by C&W to the apparent general state of repair and condition of the Property, but a condition or structural survey will not be undertaken, nor was woodwork or other parts of the structure which are covered, unexposed or inaccessible, be inspected. Therefore, C&W will be unable to report that the Property is structurally sound or is free from any defects. C&W will make an Assumption that the Property is free from any rot, infestation, adverse toxic chemical treatments, and structural, design or any other defects other than such as may be mentioned in the Prospectus Valuation Report.

C&W will not arrange for investigations to be made to determine whether any deleterious, hazardous or harmful materials (including but not limited to high alumina cement concrete or calcium chloride additive) have been used in the construction or any alterations, and therefore C&W is not able to confirm that the Property is free from risk in this regard. For the purposes of the Valuation, C&W will make an Assumption that any such investigation would not reveal the presence of such materials in any adverse condition.

C&W will not carry out an asbestos inspection and has not acted as an asbestos inspector in completing the valuation inspection of Property. C&W will not make an enquiry of an existence of an Asbestos Register or of any plan for the management of asbestos to be made. Where relevant, C&W will make an Assumption that there is a duty holder, and that a Register of Asbestos and Effective Management Plan is in place, which does not require any immediate expenditure, or pose a significant risk to health, or breach the HSE regulations. C&W recommends that such enquiries be undertaken by the Client's legal advisers during normal pre-contract or pre-loan enquiries.

No mining, geological or other investigations have been undertaken by C&W to certify that the sites are free from any defect as to foundations. C&W will make an Assumption that all buildings have been constructed having appropriate regard to existing ground conditions or that these would have no unusual or adverse effect on building costs, property values or viability of any development or existing buildings.

C&W will make the Assumptions that there are no services on, or crossing the site in a position which would inhibit development or make it unduly expensive, and that the site has no archaeological significance, which might adversely affect the present or future occupation, development or value of the Property.

No tests have been carried out by C&W as to electrical, electronic, heating, plant and machinery equipment or any other services nor will the drains be tested. However, C&W will make an Assumption that all building services (including, but not limited to lifts, electrical, electronic, gas, plumbing, heating, drainage, sprinklers, ventilation, air conditioning and security systems) and property services (such as incoming mains, waste, drains, utility supplies etc.) are in good working order and without any defect whatsoever.

9. Statutory Requirements and Planning

Save as disclosed in a Certificate of Title, or unless otherwise advised, C&W will make the Assumption that all of the buildings have been constructed in full compliance with valid town planning and building regulations approvals and that where necessary, they have the benefit of current Fire Risk Assessments. Similarly, C&W also made the Assumption that the Property is not subject to any outstanding statutory notices as to construction, use or occupation and that all existing uses of the Property are duly authorised or established and that no adverse planning conditions or restrictions apply.

C&W will make the Assumption that the Property complies with all relevant statutory requirements.

Where the Property is a trading entity C&W will make the Assumption that all of the necessary licences, registrations and permits required for its ongoing operation are in place and valid unless expressly stated otherwise.

Energy Performance Certificates ("**Energieausweise**") must be made available for all properties, when bought or sold, subject to certain exemptions. If the Property is not exempt from the requirements of this Directive C&W will make an Assumption that an Energieausweis has been made available, free of charge, to a purchaser of all the interests which are the subject of the Valuation.

In any instance where C&W is to value Property with the benefit of a recently granted planning consent, or on the Special Assumption that planning consent is granted, C&W will make an Assumption that it is not be challenged under Judicial Review.

If a planning consent is subject to Judicial Review, the Client must inform C&W and request C&W to reconsider its opinion of value. Advice would be required from the Client's legal advisers and a town planner, to obtain their opinion of the potential outcomes of such a Judicial Review, which C&W will reflect in its reconsideration of value.

10. Information

Notwithstanding the Terms of Business, C&W will make an Assumption that the information provided by the Client and/or its professional advisers and/or by the Borrower and/or its professional advisers in respect of the Property to be valued is both full and correct. C&W will make an Assumption that details of all matters relevant to value within their collective knowledge, including but not limited to matters such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions, have been made available to it, and that such information is up to date.

If the Prospectus Valuation Report is required for the purpose of purchase, loan security or other financial transaction, the Client accepts that full investigation of the legal title and any leases is the responsibility of its legal advisers.

	<p>11. Properties to be Developed or in the Course of Development or Requiring Repair / Refurbishment and Recently Completed Developments</p> <p>Where C&W undertake a Valuation of the completed Property this will be based on an Assumption that all works of construction have been satisfactorily carried out in accordance with the building contract and specification, current German Standards and any relevant codes of practice. C&W will also make an Assumption that a duty of care and all appropriate warranties will be available from the professional team and contractors, which will be assignable to third parties.</p> <p>12. Trade Related Property</p> <p>The valuation approach for a trade related property as a fully equipped operational entity necessarily requires an Assumption that on the sale or letting of the property the trade inventory, licenses etc. required to continue trading are available. C&W's valuation will be provided on this basis unless agreed to the contrary and referred to as appropriate within our Prospectus Valuation Report.</p>
Information requested from Client:	As previously agreed.

C & W (U.K.) LLP German Branch
**Dipl.-Ing. Martin Belik MRICS
International Partner**
**i. A. Dipl.-Wirt.-Ing. Michael J. Störrlein MRICS
Partner**
Enclosure: Appendix 3, Terms of Business

Accepted and agreed on this

____ day of _____ 2024 by:

Client:

(Name and position)

Appendix 1 - Definitions Schedule

1. Bases of Valuation:

Market Value	<p>Market Value as referred to in VPS4, Item 4 of the current edition of the RICS Valuation - Global Standards which incorporate the International Valuation Standards ("IVS") and the RICS UK national supplement (the "RICS Red Book"), and applying the conceptual framework which is set out in IVS104:</p> <p><i>"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"</i></p>
Fair Value - IFRS	<p>Fair Value is referred to in the RICS Red Book. Under these provisions, the term Fair Value means the definition adopted by the International Accounting Standards Board ("IASB") in IFRS 13, the term "Fair Value" means:</p> <p><i>"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".</i></p>
Fair Value – US GAAP	<p>Fair Value in accordance with RICS Valuation Standard ("UKVS") 1. Under these provisions, the term "Fair Value" means:</p> <p><i>"The amount for which an asset could be exchanged, a liability settled, or an equity instrument granted between knowledgeable, willing parties in an arm's length transaction."</i></p>
Market Rent	<p>Market Rent as referred to in the RICS Red Book. The term "Market Rent" is defined as: "The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".</p> <p>Whenever Market Rent is provided the "appropriate lease terms" which it reflects should also be stated.</p> <p>The commentary from the RICS Red Book is reproduced below:</p> <p><i>"5.1 Market rent will vary significantly according to the terms of the assumed lease contract. The appropriate lease terms will normally reflect current practice in the market in which the property is situated, although for certain purposes unusual terms may need to be stipulated. Matters such as the duration of the lease, the frequency of rent reviews and the responsibilities of the parties for maintenance and outgoings will all impact the market rent. In certain countries or states, statutory factors may either restrict the terms</i></p>

	<p>that may be agreed, or influence the impact of terms in the contract. These need to be taken into account where appropriate.</p> <p>5.2. Market rent will normally be used to indicate the amount for which a vacant property may be let, or for which a let property may be re-let when the existing lease terminates. Market rent is not a suitable basis for settling the amount of rent payable under a rent review provision in a lease, where the definitions and assumptions specified in the lease have to be used.</p> <p>5.3 Valuers must therefore take care to set out clearly the principal lease terms that are assumed when providing an opinion of market rent. If it is the market norm for lettings to include a payment or concession by one party to the other as an incentive to enter into a lease, and this is reflected in the general level of rents agreed, the market rent should also be expressed on this basis. The nature of the incentive assumed must be stated by the valuer, along with the assumed lease terms."</p>
Existing Use Value	<p>Existing Use Value as defined in RICS Valuation Standard. The term "Existing Use Value" is defined as follows:</p> <p><i>"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing where the parties had acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the asset required by the business, and disregarding potential alternative uses and any other characteristics of the asset that would cause its market value to differ from that needed to replace the remaining service potential at least cost".</i></p>
Projected Market Value of residential property	<p>Projected Market Value (PMV) as defined in RICS Valuation Standard. The term "Projected Market Value" means: "The estimated amount for which an asset is expected to exchange at a date, after the valuation date and specified by the valuer, between a willing buyer and a willing seller, in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."</p> <p>The commentary from the RICS Red Book is reproduced below:</p> <ol style="list-style-type: none"> 1. <i>The date specified by the valuer must be stated clearly whenever a PMV is provided. It should reflect the period that the valuer considers will be necessary for adequate marketing and the completion of negotiations.</i> 2. <i>This basis should be used to provide clients with an estimated valuation in respect of a future exchange, assuming that marketing begins on the date that the valuation is prepared.</i> 3. <i>The definition of PMV is based on market value, save for the stipulation that the valuer's estimate should reflect what the amount is forecast to be at a future, specified date. The IVS Framework, paragraphs 30-35, should therefore apply, with the exception that the phrase 'on the valuation date' is modified as follows:</i>

	<p>'... at a date, after the valuation date and specified by the valuer ...'</p> <p><i>The valuation date is the date on which the estimate is given, but represents the valuer's opinion of anticipated market changes during the period up to the specified date. It reflects facts, market sentiment and public forecasts existing at the valuation date. The PMV is therefore time-specific, as of a given date and, because markets and market conditions may change, may be incorrect or inappropriate at another time. The definition also assumes simultaneous exchange and completion of the contract for sale without any variation in price that might otherwise occur.</i></p> <p>4. <i>PMV is designed to provide residential mortgage lenders with a simple numeric indication of the valuer's opinion of short-term market trends, and it must be used only for this purpose. It recognises that most reports for this purpose are based on a simple pro-forma, and that the degree of market analysis and commentary required in commercial lending situations is inappropriate.</i></p> <p>5. <i>The purpose of PMV is simply to illustrate the valuer's opinion of whether the market is likely to fall, rise or remain static in the period that it is anticipated will be necessary to complete the sale. Values can change rapidly due to unpredictable events, thus an earlier provision of a PMV is not a substitute for a current market value."</i></p>
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2. Special Assumptions:

Special Assumptions	<p>The Glossary of the RICS Red Book states that an Assumption <i>"that either assumes facts that differ from the actual facts existing at the valuation date, or that would not be made by a typical market participant in a transaction on the valuation date"</i> is a Special Assumption.</p>
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3. Trade Related Property:

Valuation Practice Guidance Application 4	<p>VPGA4 defines certain terms in accordance with the valuation of trade related property. The definitions are referred to below:</p>
Adjusted Net Profit	<p>This is the valuer's assessment of the actual net profit of a currently trading operational entity. It is the net profit that is shown from the accounts once adjustments for abnormal and non-recurring expenditure, finance costs and depreciation relating to the property itself, as well as rent where appropriate, have been made. It relates to the existing operational entity and gives the valuer guidance when assessing the fair maintainable operating profit (FMOP).</p>
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	<p>This term relates to the actual operating entity and may be different from the valuer's estimated FMOP.</p>

Fair maintainable operating profit (FMOP)	This is the level of profit, stated prior to depreciation and finance costs relating to the asset itself (and rent if leasehold), that the reasonably efficient operator (REO) would expect to derive from the fair maintainable turnover (FMT) based on an assessment of the market's perception of the potential earnings of the property. It should reflect all costs and outgoings of the REO, as well as an appropriate annual allowance for periodic expenditure, such as decoration, refurbishment and renewal of the trade inventory.
Fair maintainable turnover (FMT)	This is the level of trade than a REO would expect to achieve on the assumption that the property is properly equipped, repaired, maintained and decorated.
Market Rent	This is the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. Whenever market rent is provided the 'appropriate lease terms' that it reflects should also be stated.
Market Value	This is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.
Operational entity	<p>An operational entity usually includes:</p> <ul style="list-style-type: none"> • the legal interest in the land and buildings • the trade inventory, usually comprising all trade fixtures, fittings, furnishings and equipment, and • the market's perception of the trading potential, together with an assumed ability to obtain/renew existing licences, consents, certificates and permits <p>Consumables and stock in trade are normally excluded.</p>
Personal goodwill (of the current operator)	This is the value of profit generated over and above market expectations that would be extinguished upon sale of the trade related property, together with financial factors related specifically to the current operator of the business, such as taxation, depreciation policy, borrowing costs and the capital invested in the business.
Reasonably efficient operator (REO)	This is a concept where the valuer assumes that the market participants are competent operators, acting in an efficient manner, of a business conducted on the premises. It involves estimating the trading potential rather than adopting the actual level of trade under the existing ownership, and it excludes personal goodwill.
Tenant's capital	This may include, for example, all consumables, purchase of the inventory, stock and working capital.
Trade related property	This is any type of real property designed for a specific type of business where the property value reflects the trading potential for that business.
Trading potential	This is the future profit, in the context of a valuation of the property, which an REO would expect to be able to realise from occupation of the property. This could be above or below the recent trading history of the property. It reflects a range of factors (such as the location, design and character, level of adaptation and trading history of the property within the market conditions prevailing) that are inherent to the property asset.

APPENDIX B: THE PROPERTIES

Ref	Address	Tenure	Type	Country	Inspection Date
102	Camberwell - Lomond, SE5 7HN	Freehold	Investment	UK	16/08/2023
203	Gateshead - Felling Business Centre, NE10 0 QH	Freehold	Investment	UK	18/08/2023
207	Lombard Business Park, 8 Lombard Road, Wimbledon, London SW19 3TZ	Freehold	Investment	UK	18/08/2023
212	Nottingham - Roden House Business Centre, NG3 1JH	Freehold	Investment	UK	09/08/2023
215	Altrincham - Atlantic Business Centre, WA14 5NQ	Freehold	Investment	UK	09/06/2023
220	Rochdale - Moss Mill Industrial Estate, OL16 5LB	Freehold	Investment	UK	15/08/2023
223	Wolverhampton Willenhall - Planetary Business Park, WV13 3SW	Freehold& Leasehold	Investment	UK	22/07/2023
224	Barnsley - Oaks Business Park, S71 1HT	Freehold	Investment	UK	15/08/2023
226	Manchester Trafford Park - Astra Business Park, M17 1SD	Freehold	Investment	UK	22/08/2023
229	Birmingham Tyseley - BizSpace Business Park, B11 2AL	Freehold	Investment	UK	09/05/2023
231	Linthwaite Business Centre, Manchester Road, Huddersfield, HD7 5QS	Freehold	Investment	UK	14/08/2023
233	Manchester Newton Heath - Wilsons Park, M40 8WN	Leasehold	Investment	UK	15/08/2023
234	Perivale - BizSpace Business Centre, UB6 7JJ	Freehold	Investment	UK	08/06/2023
235	Sheffield - Cricket Inn Industrial Estate, S2 5BN	Freehold	Investment	UK	14/08/2023
238	New Addington Croydon - Addington Business Centre, CR0 9UG	Freehold	Investment	UK	25/07/2023
239	Gloucester - Morelands Trading Estate, GL1 5RZ	Freehold	Investment	UK	09/08/2023
240	Rotherham - Bradmarsh Business Centre, S60 1BY	Freehold	Investment	UK	14/08/2023
241	Dinnington - Dinnington Business Centre, S25 3QX	Freehold	Investment	UK	14/08/2023
242	Park View Court, St Paul's Road, Shipley, West Yorkshire BD18 3DZ	Leasehold	Investment	UK	17/08/2023
245	Rochdale - Fieldhouse Industrial Estate, OL12 0AA	Freehold	Investment	UK	15/08/2023
246	Manchester Old Trafford - Empress Business Centre, M16 9EA	Freehold	Investment	UK	09/06/2023
247	Warrington - Craven Court, WA2 8QU	Freehold	Investment	UK	22/08/2023
248	Peterlee - North West Industrial Estate, SR8 2RB	Leasehold	Investment	UK	30/08/2023
249	Bradford - Albion Mills, Albion Road, Greengates, Bradford BD10 9TQ	Freehold	Investment	UK	22/08/2023
251	Hooton - The Business Centre, CH66 7NZ	Freehold	Investment	UK	09/06/2023
252	Swindon BSS House, SN2 2PJ	Freehold	Investment	UK	31/08/2023
263	Sandy 1 (Blocks A/B/C/E Tyne Road) & Sandy 2 (Sandy Business Park Gosforth Close), SG19 1SA	Freehold& Leasehold	Investment	UK	11/08/2023
264	Leeds - Brooklands Court, LS11 5HL	Freehold	Investment	UK	31/08/2023

267	Oldham - Hollinwood Business Centre, OL8 3QL	Business Freehold	Investment	UK	15/08/2023
270	Bradford - Dudley Hill, BD4 9SW	Freehold	Investment	UK	18/08/2023
272	Leeds - Wortley, LS12 1EL	Freehold	Investment	UK	31/08/2023
273	Wakefield - BizSpace Business Park, WF2 7AZ	Freehold	Investment	UK	15/08/2023
275	Nottingham Arnold - Byron Industrial Estate, NG5 7ER	Freehold	Investment	UK	09/08/2023
278	Preston Technology Centre, Marsh Lane, Preston, PR1 8UQ	Freehold	Investment	UK	22/08/2023
402	Didcot - The Didcot Enterprise Centre, OX11 7PH	Leasehold	Investment	UK	10/08/2023
403	The Knoll Business Centre, Old Shoreham Road, Hove, BN3 7GS	Leasehold	Investment	UK	08/07/2023
404	London Colney - The Hertfordshire Business Centre, AL2 1JG	Leasehold	Investment	UK	11/08/2023
501	Letchworth - The Pixmore Centre, SG6 1JG	Leasehold	Investment	UK	11/08/2023
551	Northampton - KG House, NN5 7QS	Freehold	Investment	UK	11/08/2023
552	Northampton - K2 House, NN5 7QP	Freehold	Investment	UK	11/08/2023
601	Hartlepool - Oakesway Industrial Estate, TS24 0RP	Freehold	Investment	UK	30/08/2023
607	Sunderland - North Sands	Freehold	Investment	UK	11/08/2023
608	Hebburn - Victoria Industrial Estate, NE31 1UB	Freehold	Investment	UK	08/09/2023
616	Stanley - Greencroft Industrial Estate, DH9 7XP	Freehold	Investment	UK	30/08/2023
619	Consett - Hownsgill Industrial Estate, DH8 7NU	Freehold	Investment	UK	30/08/2023
703	Basingstoke RG21 4HG	Leasehold	Investment	UK	10/08/2023
704	Poole - Discovery Court, BH12 5AG	Freehold	Investment	UK	08/08/2023
706	Cheadle, Cheadle House, Cheadle Point, Cheadle, SK8 2BT	Freehold	Investment	UK	09/06/2023
707	Bristol - Equinox South, BS32 4QL	Freehold	Investment	UK	13/09/2023
708	Bury - Hollis Brook Park	Freehold	Investment	UK	15/08/2023
709	Bow Court, Coventry, CV5 6SP	Freehold	Investment	UK	04/08/2023
711	Gloucester - Barnwood, GL4 3HX	Freehold	Investment	UK	09/08/2023
712	Littlehampton - Enterprise Hub, BN17 7TL	Leasehold	Investment	UK	08/08/2023
714	Doncaster - Gresley House, DN4 5HX	Leasehold	Investment	UK	15/08/2023
715	Solihull - Zenith House, B90 4PD	Freehold	Investment	UK	04/08/2023
716	Cardiff - Trafalgar House, CF24 0ED	Freehold	Investment	UK	14/09/2023
717	Hemel Hempstead - Imex House, HP2 7DX	Freehold	Investment	UK	10/08/2023
718	Fareham - Solent Business Park, PO15 7FP	Freehold	Investment	UK	08/08/2023
719	Merlin House, Brunel Road, Theale, RG7 4AB	Freehold	Investment	UK	10/08/2023
721	Gateshead - Design Works Business Centre, William Street NE10 0JP	Freehold	Investment	UK	18/08/2023

724	Milton Keynes - Lindford Forum, MK14 6LY	Freehold	Investment	UK	11/08/2023
725	Egham - Paramount House, TW20 8RX	Freehold	Investment	UK	28/09/2023
726	Amber Court, William Armstrong Drive, Newcastle Upon Tyne, NE4 7YA	Leasehold	Investment	UK	08/09/2023
727	Dorking - The Atrium, Curtis Road - RH4 1XA	Leasehold	Investment	UK	02/10/2023
728	Maidstone and Knightrider House	Freehold	Investment	UK	04/10/2023
729	Christchurch - 2-4 & 6-7 Airfield Road BH23 3TH	Leasehold	Investment	UK	08/08/2023
730	31 - 35 Park Row, Nottingham, NG1 6FQ	Freehold	Investment	UK	09/08/2023
731	Cobalt House, Eureka Business Park, Ashford, Kent, TN15 4BF	Leasehold	Investment	UK	08/08/2023
732	Bootle - The Bridgewater Complex, Canal Street, L20 8AH	Leasehold	Investment	UK	01/06/2023
733	Barnsley - Longfield Court, Wharncliffe Business Centre, S71 3GN	Freehold	Investment	UK	01/06/2023
734	Islington - Islington Studios, Marlborough Road	Freehold	Investment	UK	20/10/2023
735	Camden - Spectrum House, 32-34 Gordon House Road, NW5 1LP	Freehold	Investment	UK	20/10/2023
736	Islington - The Ivories, 6-18 Northampton Street, N1 2HY	Freehold	Investment	UK	17/10/2023
748	Enfield - M25 Business Centre, EN9 1JH	Leasehold	Investment	UK	11/08/2023

Ref	Address	Tenure	Type	Country	Inspection Date
1	18069 Rostock, Industriestr. 15	Freehold	Investment	GER	15/02/2024
2	30519 Hannover, Am Brabrinke 14	Freehold	Investment	GER	15/08/2023
3	13599 Berlin, Gartenfelder Str. 29-37	Freehold	Investment	GER	22/03/2024
4	68305 Mannheim, Carl-Reuther-Str. 1	Freehold	Investment	GER	29/07/2022
5	73230 Kirchheim-Nabern, Neue Str. 95	Freehold	Investment	GER	27/02/2024
6	81249 München-Neuaußing, Brunhamstr. 21	Freehold	Investment	GER	11/09/2023
7	73230 Kirchheim-Nabern, Neue Str. 95 (Geb. 60/35)	Freehold	Investment	GER	27/02/2024
8	53121 Bonn, Siemensstr. 2-50	Freehold	Investment	GER	01/03/2023
9	51147 Köln, Wilhelm-Ruppert-Str. 38	Freehold	Investment	GER	01/03/2023
10	40589 Düsseldorf, Am Trippelsberg/Reisholzer Werftstr. 92/76	Freehold	Investment	GER	15/02/2024
12	63477 Maintal, Philipp-Reis-Str. 17	Freehold	Investment	GER	09/08/2023
13	63069 Offenbach, Sprendlinger Landstr. 180	Freehold	Investment	GER	09/08/2023
14	63073 Offenbach, Carl-Legien-Str. 15	Leasehold	Investment	GER	09/08/2023
15	42719 Solingen, Georgstr. 5-7	Freehold	Investment	GER	14/02/2024
16	64319 Pfungstadt, Werner-von-Siemens-Str. 2	Freehold	Investment	GER	29/07/2022
18	12623 Berlin-Mahlsdorf, Landsberger Str. 242-244, 250-251, 263-267, 217-224	Freehold	Investment	GER	25/07/2022
19	14482 Potsdam-Babelsberg, Wetzlarer Str. 28-58A, 62+64, 86+88	Freehold	Investment	GER	25/07/2022
20	53121 Bonn, Siemensstr. 17-21	Freehold	Investment	GER	01/03/2023
21	52146 Aachen-Würselen, Adenauerstr. 20	Freehold	Investment	GER	28/02/2023
22	71636 Ludwigsburg, Osterholzallee 140-144	Freehold	Investment	GER	02/08/2022
23	89520 Heidenheim, In den Seewiesen 26	Freehold	Investment	GER	28/08/2023
24	50739 Köln, Ruth-Hallensleben-Str. 4-6	Freehold	Investment	GER	28/02/2023
25	52146 Aachen-Würselen II, Adenauerstr. 20	Freehold	Investment	GER	28/02/2023
26	71706 Markgröningen, Hans-Grüniger Weg 11	Freehold	Investment	GER	02/08/2022
27	47807 Krefeld I, Kimplerstr. 278-296	Freehold	Investment	GER	23/08/2023
28	1109 Dresden, Zur Wetterwarte/ Hugo-Junkers-Ring 0	Freehold	Investment	GER	06/09/2023
29	47807 Krefeld II, Europapark Fichtenhain B15	Freehold	Investment	GER	23/08/2023
30	65189 Wiesbaden, Mainzer Str. 75	Freehold	Investment	GER	06/03/2023

31	63303 Dreieich, Otto-Hahn-Str. 36	Freehold	Investment	GER	06/03/2023
32	60488 Frankfurt I, Praunheimer Landstr. 32	Freehold	Investment	GER	22/02/2023
33	51145 Köln, Frankfurter Str. 720-726	Freehold	Investment	GER	28/02/2023
34	12623 Berlin-Mahlsdorf II, Landsberger Str. 233-234, 256-260	Freehold	Investment	GER	25/07/2022
35	85630 Grasbrunn, Bretonischer Ring / Am Hochacker 4-6a / 3-5	Freehold	Investment	GER	11/09/2023
36	41460 Neuss, Stresemannallee 4a-4c, 6	Freehold	Investment	GER	15/02/2024
37	63263 Neu-Isenburg, Werner-Heisenberg-Str. 2	Freehold	Investment	GER	06/03/2023
38	60388 Frankfurt II, Röntgenstr. 7+9	Freehold	Investment	GER	22/02/2023
39	47807 Krefeld III, Fichtenhain A 13a	Freehold	Investment	GER	23/08/2023
40	22869 Schenefeld, Osterbrooksweg 35-45	Freehold	Investment	GER	21/07/2022
41	22339 Hamburg, Lademannbogen 21-23	Freehold	Investment	GER	21/07/2022
42	72636 Frickenhausen, Benzstr. 2	Freehold	Investment	GER	27/02/2024
43	66123 Saarbrücken, Neugrabenweg 2	Freehold	Investment	GER	14/09/2022
44	40599 Düsseldorf II, In der Steele 39-45	Freehold	Investment	GER	15/02/2024
45	61381 Friedrichsdorf, Max-Planck-Str. 36	Freehold	Investment	GER	21/07/2022
46	70736 Fellbach, Stuttgarter Str. 106	Freehold	Investment	GER	02/08/2022
47	69309 Mannheim, Weinheimer Str. 62-64	Freehold	Investment	GER	29/07/2022
48	44809 Bochum, Herner Str. 299	Freehold	Investment	GER	27/02/2023
49	79331 Teningen, Tscheulinstr. 21	Freehold	Investment	GER	06/03/2023
50	21614 Buxtehude, Postweg 13-15	Freehold & Leasehold	Investment	GER	21/07/2022
51	44809 Bochum II, Herner Str. 299	Freehold	Investment	GER	27/02/2023
52	63755 Alzenau, Industriestr. 13, Siemensstr. 88+100	Freehold	Investment	GER	25/01/2024
53	85399 Hallbergmoos, Lilienthalstr. 25-29	Freehold	Investment	GER	14/02/2024
54	16816 Neuruppin, Friedrich-Bückling-Str. 8	Freehold	Investment	GER	14/02/2024
55	41468 Neuss II, Fuggerstr. 9-11	Freehold	Investment	GER	15/02/2024
56	22848 Norderstedt, An'n Slagboom 7	Freehold	Investment	GER	21/07/2022
57	90427 Nürnberg, Dorfäckerstr. 16-32	Freehold	Investment	GER	02/08/2022
58	69309 Mannheim III, Weinheimer Str. 68	Freehold	Investment	GER	29/07/2022
59	70736 Fellbach II, Max-Planck-Str. 29/Carl-Zeiss-Str. 5	Freehold	Investment	GER	02/08/2022
60	45145 Essen I, Münchener Str. 100-106	Freehold	Investment	GER	27/02/2023
61	74613 Öhringen, Schleifenbachweg 49-53	Freehold	Investment	GER	21/11/2022
62	42579 Heiligenhaus, Höseler Platz 2,	Freehold	Investment	GER	14/02/2024

Ratinger Str. 10

63	46049 Oberhausen, Duisburger Str. 375	Freehold	Investment	GER	24/08/2023
64	60314 Frankfurt III, Hanauer Landstr. 328- 330	Freehold	Investment	GER	16/02/2023
65	99091 Erfurt, Mühlenweg 16, Bernauer Str. 56	Freehold	Investment	GER	05/09/2023
66	45134 Essen II, Schnabelstr. 1, 9-13A + 17	Freehold	Investment	GER	24/08/2023
67	76437 Rastatt, Karlsruher Str. 31-33	Freehold	Investment	GER	27/02/2024
68	72654 Neckartenzlingen, Stuttgarter Str. 45-51	Freehold	Investment	GER	06/03/2023
69	63303 Dreieich, Otto- Hahn-Str. 44a/b	Freehold	Investment	GER	03/05/2022
70	40472 Düsseldorf, Heltorfer Str. 2-6a, 12- 22	Freehold	Investment	GER	14/02/2024
71	50996 Köln, Emil- Hoffmann-Straße 55-59	Freehold	Investment	GER	05/12/2023

APPENDIX C: SOURCES OF INFORMATION

In addition to information established by us, we have relied on the information obtained from the Company and / or your professional advisers, as well as information established by C&W as listed below:

	UK	GER
Information	Source / Author	
Title information	Land Registry	Land Registry
Leasing information	BizSpace Limited	Sirius Facilities
Rating assessments	VOA	CreditSafe
Details of planning uses and relevant planning consents	Local Planning Authorities	Local Planning Authorities
Service charge information	BizSpace Limited	Sirius Facilities
Details of irrecoverable outgoings	BizSpace Limited	Sirius Facilities
Details of current negotiations in hand, including rent reviews, dilapidation claims, details of any CPOs, highway schemes, outstanding requirements under legislation or similar	BizSpace Limited	Sirius Facilities
Details of recent, current or proposed marketing of the Property and offers received	BizSpace Limited	Sirius Facilities

PART XV

DIRECTORS, SENIOR MANAGEMENT AND CORPORATE GOVERNANCE

1. DIRECTORS AND SENIOR MANAGEMENT

1.1. List of Directors

The Directors and their principal functions within the Company, together with a brief description of their management experience and expertise and principal business activities outside the Company, are set out below. The business address of each of the Directors (in such capacity) is Plaza House, Fifth Floor, Admiral Park, St Peter Port, Guernsey, GY1 2HU, Channel Islands.

<i>Name</i>	<i>Position</i>
Daniel Kitchen	<i>Independent Non-Executive Chair</i>
Andrew Coombs	<i>Chief Executive Officer</i>
Chris Bowman	<i>Chief Financial Officer</i>
Mark Cherry	<i>Independent Non-Executive Director</i>
Caroline Britton	<i>Senior Independent Director</i>
Kelly Cleveland	<i>Independent Non-Executive Director</i>
Joanne Kenrick	<i>Independent Non-Executive Director</i>
Deborah Davis ²⁶	<i>Proposed Independent Non-Executive Director</i>

The Capital Raising will not result in any change to the directors of the Company or any of its major subsidiaries.

Daniel Kitchen

Daniel Kitchen brings more than 27 years of property and finance experience in both the listed and private markets. After 14 years in corporate finance and M&A with the Investment Bank of Ireland, he was appointed in 1994 as chief finance officer of Green Property plc, an Irish listed property company. In 2003 he left to join Heron International as group finance director and deputy chief executive. Daniel was appointed chairman of Irish Nationwide Building Society between 2008 and 2011 and was a director of the Irish Takeover Panel. He was previously non-executive chairman of Applegreen plc, Hibernia REIT Plc and Workspace Group plc. Daniel holds no further listed non-executive directorship positions. Daniel is a member of the Remuneration Committee and the Chair of the Nomination Committee.

Andrew Coombs

Andrew Coombs joined the Sirius Facilities group in January 2010 from Regus Group plc (now IWG plc) where he had been UK sales director, and became CEO of Sirius Facilities in January 2012. Before Regus he was a director and general manager for MWB Business Exchange plc. Andrew is the Chair of the Sustainability and Ethics Committee.

Chris Bowman

Chris Bowman has nearly 25 years' accounting, finance and capital markets experience. Most recently, Chris led the UK investment banking arm of Berenberg, a business division which he was brought in to build from new in June 2015 and grew to become one of the UK's leading mid-market public company advisers. Prior to this, Chris spent seven years in investment banking at Liberum, before which he worked in corporate finance at Canaccord and Credit Lyonnais. Chris qualified as a chartered accountant with KPMG in 2000.

²⁶ An announcement confirming the appointment of Deborah Davis as a director of the Company was released on 28 May 2024, such appointment to take effect from 1 December 2024. Deborah Davis is included within the definition of "Directors" used throughout the document, save where the context requires otherwise.

Mark Cherry

Mark Cherry is a Chartered Surveyor, having qualified in 1983, and brings a wealth of real estate knowledge in the investment and asset management markets. Mark was a main board director of Green Property plc for ten years, where he was responsible for its UK assets and left on the sale of the portfolio in 2003. Subsequently he held a board level role at Teesland plc, a fund and asset manager specialising in small industrial estates with offices throughout Europe, including three in Germany. In 2010 Mark joined Lloyds Banking Group as the head of asset management within the real estate “bad bank”, where he was responsible for setting up a number of initiatives to optimise recovery proceeds from defaulted loans. He was employed until 2023 on a part-time basis by Invesco Asset Management Limited as its adviser to the real estate lending team. Mark holds no further listed non-executive positions. He is a member of the Nomination Committee and the Sustainability & Ethics Committee.

Caroline Britton

Caroline Britton is a Chartered Accountant and was an audit partner at Deloitte LLP from April 2000 to May 2018, having qualified with its predecessor firm Touche Ross & Co. In addition to providing audit and advisory services in the financial services sector, Caroline ran the FTSE 250 Deloitte NextGen CFO programme. Caroline is a non-executive director of MONY Group Financial Limited (previously Moneysupermarket.com Group plc) and Revolut Limited, at both of which she chairs the audit committees and is a member of the risk and nomination committees. Caroline is a member of the audit, finance risk and investment committee at Make-A-Wish International and a trustee of the Royal Opera House. Other than the Company and Moneysupermarket.com plc, Caroline holds no further listed non-executive directorship positions. She is a member of the Nomination Committee and the Chair of the Company’s Audit Committee.

Kelly Cleveland

Kelly Cleveland is a Chartered Accountant, having qualified in New Zealand in 2001 at PricewaterhouseCoopers, and has worked in real estate in the UK since 2004. She is currently head of strategy and investment at, and an Exco member and chair of the investment committee for, The British Land Company plc, the FTSE 250 REIT, where she has worked for more than eleven years, including roles in strategy and corporate finance. Kelly previously held roles in corporate finance and finance respectively at the Grosvenor Group and Burberry Group PLC. Kelly holds no other listed non-executive directorship positions. She is a member of the Nomination Committee, Sustainability & Ethics Committee and Audit Committee.

Joanne Kenrick

Joanne Kenrick brings over 30 years’ commercial marketing experience and has extensive listed, private and charitable board experience. Joanne’s former roles include marketing and digital director for Homebase, prior to which she was chief executive officer of Start (HRH the Prince of Wales’ initiative for a more sustainable future), marketing and customer proposition director for B&Q and marketing director at Camelot Group plc. Joanne is currently a non-executive director of Vitality Insurance and was previously a non-executive director of Safestore Holdings plc and of Principality Building Society. Joanne has a degree in law and started her career at Mars Confectionary and PepsiCo. She is currently senior independent non-executive director and remuneration committee chair for Welsh Water and senior independent non-executive director, remuneration committee chair and deputy chair of Coventry Building Society. Joanne was a director (former chair) of the Switching Services Participant Committee and of PayM for Pay.uk. She is also former chair of trustees of the charity Make Some Noise. Joanne is a member of the Nomination Committee, the Sustainability & Ethics Committee and the Chair of the Remuneration Committee.

Deborah Davis

Deborah Davis brings significant global technology and transformation experience and has extensive listed, private and social enterprise board experience. Her former roles include senior executive roles at PayPal, eBay, Symantec and Verizon Business. She holds an engineering honours degree in Applied Science (Electronics), a Masters degree in Science (Management) with Distinction and is a Chartered Director (CDir). Deborah is currently Chair of AIM-listed global healthtech diagnostic data and analytics company Diaceutics plc, Remuneration Committee chair and NED for International Personal Finance and YouGov, and independent non-executive director for Lloyds Banking Group Insurance/Scottish

Widows insurance. Her previous board experience includes roles at IDEX Biometrics ASA (Norway), The Institute of Directors, Which? Ltd and private equity based ieDigital. She is also a trustee of the Southern African Conservation Trust. It has been agreed that Deborah's appointment as an independent non-executive director will commence in December 2024.

1.2. List of Senior Managers

The senior managers of the Company, in addition to the Company's Chief Executive Officer and Chief Financial Officer, are set out below (the "**Senior Managers**"). The business address of those Senior Managers (in such capacity) based in Germany is Sirius Facilities GmbH Eichhornstraße 3, 10785 Berlin and of those Senior Managers (in such capacity) based in the UK is Kinnaird House, 1 Pall Mall East, London, SW1Y 5AU.

<i>Name</i>	<i>Position</i>
Rüdiger Swoboda ²⁷	<i>Chief Operating Officer</i>
Annemie Ress ²⁸	<i>Group HR Director</i>
Kremina Wissel ²⁷	<i>Chief Marketing and Impact Officer</i>
Tariq Khader ²⁸	<i>Group Chief Information Officer and UK Finance Director</i>

2. DIRECTORSHIPS AND PARTNERSHIPS OUTSIDE OF THE GROUP

The details of those companies and partnerships outside the Group of which the Directors and Senior Managers are currently directors or partners, or have been directors or partners at any time during the five (5) years prior to the publication of this document, are as follows:

<i>Name</i>	<i>Current directorships and partnerships</i>	<i>Previous directorships and partnerships in the last five years</i>
<i>Directors</i>		
Daniel Kitchen	Mile Group Unlimited Glyde Group Unlimited St Patricks University Hospital	Hibernia REIT plc Workspace Group PLC Applegreen PLC Irish Takeover Panel LXB Retail Properties PLC Strathspey Limited
Andrew Coombs	Dynamo Serve Ltd	None
Chris Bowman	None	None
Mark Cherry	None	None
Caroline Britton	Revolut Ltd Revolut Bank UAB MONY Group Financial Limited (previously Moneysupermarket.com Group PLC) Royal Opera House Covent Garden Foundation	

²⁷ based in Germany.

²⁸ based in the UK.

<i>Name</i>	<i>Current directorships and partnerships</i>	<i>Previous directorships and partnerships in the last five years</i>
Kelly Cleveland	British Land Co PLC Euston Tower Limited Pillar Denton Limited Nugent Shopping Park Limited BL 5KS Holdings Limited BL Retail Investment Holdings Limited BL Euston Tower Holding Company Limited BL Woolwich Nominee 2 Limited BL Woolwich Nominee 1 Limited BL Woolwich Limited Runfire Limited BL Ealing Holding Company Limited	British Land Real Estate Limited Madam Titillate's Pleasure Devices Ltd Phoenix 111 Limited Runfire Limited
Joanne Kenrick	Coventry Building Society DWR CYMRU CYFYGEDIG GLAS CYMRU HOLDINGS CYFNGEDIG Discovery Holdings Europe Limited Vitality Corporate Services Limited Vitality Health Limited Vitality Life Limited Rhapsody Court Freehold Limited	Safestore Holdings plc Lymouth Colossus Way Management Company Limited Global Charities (Trading) Ltd Global Charities Mobile Payment Service Company Limited
Deborah Davis	Diaceutics plc HBOS Investment Fund Managers Limited International Personal Finance plc Lloyds Bank General Insurance Limited Lloyds Bank General Insurance Holdings Limited Scottish Widows Administration Services Limited Scottish Widows Administration Services (Nominees) Limited Scottish Widows Financial Services Holdings Scottish Widows Limited Scottish Widows Group Limited Scottish Widows Unit Trust Managers Limited St Andrew's Insurance plc YouGov plc	The Institute of Directors IDEX Biometrics ASA Which? Limited

<i>Senior Managers</i>	<i>Current directorships and partnerships</i>	<i>Previous directorships and partnerships in the last five years</i>
Rüdiger Swoboda	None	None
Annemie Ress	PurpleBeach Limited PurpleBeach Property Limited Safetytech Accelerator Limited	Innogy Innovation Hub UK PurpleBeach Consulting Limited
Kremena Wissel	None	None
Tariq Khader	None	Fletchworth Gate Management company Limited

3. CONFLICTS OF INTEREST

Save for their capacities as persons legally and beneficially interested in Ordinary Shares, there are:

- (i) no actual or potential conflicts of interest between the duties owed by the Directors or the Senior Managers to the Company and their private interests and/or other duties that they may also have; and
- (ii) no arrangements or understandings with major Shareholders, customers, suppliers or others, pursuant to which any Director or Senior Manager was selected as a member of the administrative, management or supervisory bodies or member of senior management.

Each of the Directors has a statutory duty under the Companies Law to avoid conflicts of interests with the Company and to disclose the nature and extent of any such interest to the Board. Under the Articles and, as permitted by the Companies Law, the Board may authorise any matter which would otherwise involve a Director breaching this duty to avoid conflicts of interest and may attach to any such authorisation such conditions and/ or restrictions as the Board deems appropriate, in accordance with the Articles.

4. DIRECTORS' AND SENIOR MANAGERS' CONFIRMATIONS

As at the date of this document, no Director or Senior Manager has during the last five years:

- (i) had any convictions in relation to fraudulent offences;
- (ii) been associated with any bankruptcy, receivership, liquidation or companies put into administration while acting in the capacity of a member of the administrative, management or supervisory body or of a senior manager of any company;
- (iii) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including any designated professional body); or
- (iv) been disqualified by a court from acting as a member of the administrative, management or supervisory body of a company or from acting in the management or conduct of the affairs of any company.

No Director or Senior Manager was selected to act in such capacity pursuant to any arrangement or understanding with any Shareholder, consumer, supplier or any other person having a business connection with the Group.

There are no family relationships between any of the Directors and/or the Senior Managers.

There are no outstanding loans or guarantees granted or provided by any member of the Group for the benefit of any of the Directors or Senior Managers.

5. DIRECTORS' AND SENIOR MANAGERS' INTERESTS IN THE ORDINARY SHARES

As at the Latest Practicable Date, the direct and indirect beneficial interests of (i) the Directors (and their associates), including Directors who have resigned during the last 18 months and (ii) the Senior Managers, in the Ordinary Shares are set out in the following tables. Their proportionate ownership of the Enlarged Share Capital immediately following the Capital Raising is also set out below, assuming: (i) 162,234,042 New Ordinary Shares are issued pursuant to the Capital Raising, and (ii) that no additional Ordinary Shares are issued by the Company between the date of this document and Admission of the New Ordinary Shares:

<i>Director</i>	<i>Ordinary Shares beneficially held as at the Latest Practicable Date</i>		<i>Ordinary Shares beneficially held immediately following the Capital Raising</i>	
	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
Daniel Kitchen	218,850	0.0162	218,850	0.0145
Andrew Coombs	11,696,836	0.8676	11,750,027	0.7772
Chris Bowman	100,000	0.0074	125,000	0.0083
Mark Cherry	–	–	26,596	0.0018
Caroline Britton	–	–	–	–
Kelly Cleveland	22,982	0.0017	22,982	0.0015
Joanne Kenrick	–	–	–	–
Deborah Davis	–	–	–	–

<i>Senior Manager</i>	<i>Ordinary Shares beneficially held as at the Latest Practicable Date</i>		<i>Ordinary Shares beneficially held immediately following the Capital Raising</i>	
	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
Rüdiger Swoboda	1,998,266	0.1482	2,007,264	0.1328
Annemie Ress	–	–	–	–
Kremena Wissel	1,349,410	0.1001	1,349,410	0.0893
Tariq Khader	145,509	0.0108	150,828	0.0100

6. DIRECTORS' AND SENIOR MANAGERS' INTERESTS IN THE ORDINARY SHARES PURSUANT TO THE SHARE PLANS

In addition to their interests as detailed above, as at the Latest Practicable Date, the Directors and Senior Managers held the following interests in respect of Ordinary Shares under the terms of the Share Plans:

<i>Director</i>	<i>Interests in respect of Ordinary Shares as at the Latest Practicable Date</i>	<i>Senior Manager</i>	<i>Interests in respect of Ordinary Shares as at the Latest Practicable Date</i>
Andrew Coombs	2,557,034	Rüdiger Swoboda	910,000
Chris Bowman	1,146,393	Annemie Ress	600,000
		Kremena Wissel	910,000
		Tariq Khader	587,891

7. CORPORATE GOVERNANCE

UK Corporate Governance Code and Market Abuse Regulation

The Board is committed to the highest standards of corporate governance and has adopted processes and policies to seek to ensure a sound framework for the control and management of the business. The Board complies with the principles and provisions of the UK Corporate Governance Code published in July 2018 by the Financial Reporting Council ("**UK Corporate Governance Code**"). The Company is not subject to the Code of Corporate Governance in Guernsey. Pursuant to a standing dispensation issued in 2018 by the JSE, the Company is not required to apply the King IV Code on Governance for South Africa 2016, other than for mandated corporate governance matters as set out in the JSE Listings Requirements. The Company reports to its Shareholders on its compliance with the UK Corporate Governance Code in accordance with the Listing Rules.

The Board has an Audit Committee, a Nomination Committee, a Remuneration Committee and a Sustainability and Ethics Committee.

The Company has adopted policies and procedures to comply with the Market Abuse Regulation, including a code of securities dealings in relation to the Ordinary Shares. The code applies to the Directors and other relevant employees of the Company.

General: Board composition

The UK Corporate Governance Code recommends that, on appointment, the chair of a company with a premium listing on the Official List should be independent in character and judgement and free from relationships or circumstances which are likely to affect, or could appear to affect, the director's judgement. The Independent Non-Executive Chair is Daniel Kitchen.

The UK Corporate Governance Code recommends that at least half the Board, excluding the Chair, should be Non-Executive Directors, determined by the Board to be independent in character and judgement and free from relationships or circumstances which are likely to affect, or could appear to affect, the director's judgement. As at the date of this document, the Board comprises two Executive Directors (Andrew Coombs and Chris Bowman) and five independent Non-Executive Directors (Daniel Kitchen, Mark Cherry, Caroline Britton, Kelly Cleveland and Joanne Kenrick), with the appointment of a sixth independent Non-Executive Director, Deborah Davis, to take effect from 1 December 2024. The Company regards each of the Non-Executive Directors as "Independent Non-executive Directors" within the meaning of the UK Corporate Governance Code and free from any business or other relationship that could materially interfere with the exercise of their independent judgement.

The UK Corporate Governance Code further recommends that the board of directors of a company with a premium listing on the Official List of the FCA should appoint one of the Non-Executive Directors to be the Senior Independent Director to provide a sounding board for the Chair and to serve as an intermediary for the other Directors when necessary. The Senior Independent Director should be available to Shareholders if they have concerns which contact through the normal channels of the Chair or the Chief Executive Officer has failed to resolve or for which such contact is inappropriate. Caroline Britton is the Senior Independent Director (Lead Independent Director for purposes of the JSE Listings Requirements).

Audit Committee

The Audit Committee's role is to assist the Board with the discharge of its responsibilities in relation to the financial affairs of the Group and the Group's audits. This includes a review of the interim and annual financial information and accounting policies, internal and external audits and controls, reviewing and monitoring the scope of the annual audit and the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors and reviewing the effectiveness of the internal audit, audit controls, whistleblowing and fraud systems in place within the Group. The Audit Committee meets normally not less than twice a year.

The UK Corporate Governance Code provides that an Audit Committee should comprise at least three members, all of whom are Independent Non-Executive Directors and one of whom has recent and relevant financial expertise. The Audit Committee is chaired by Caroline Britton, and its other member currently is Kelly Cleveland. Since the retirement of James Peggie at the 2024 Annual General Meeting, the Audit Committee has only two members. The Board intends to make a further appointment to the Audit Committee on or before 1 December 2024.

Remuneration Committee

The Remuneration Committee assists the Board in determining its responsibilities in relation to remuneration, including making recommendations to the Board on the Company's policy on executive remuneration, setting the over-arching principles, parameters and governance framework of the Company's remuneration policy and determining the individual remuneration and benefits package of each of the Company's Executive Directors and the Senior Managers (the remuneration of Non-Executive Directors is determined by the Board, absent the Non-Executive Directors). The Remuneration Committee will also ensure compliance with the UK Corporate Governance Code in relation to remuneration. The Remuneration Committee meets normally not less than once a year.

The UK Corporate Governance Code provides that a Remuneration Committee should comprise at least three members who are Independent Non-Executive Directors. The Remuneration Committee is chaired by Joanne Kenrick, and its other member currently is Daniel Kitchen. Since the retirement of James Peggie at the 2024 Annual General Meeting, the Remuneration Committee has only two members. The Board intends to make a further appointment to the Remuneration Committee on or before 1 December 2024.

Nomination Committee

The Nomination Committee assists the Board in reviewing the structure, size, composition and performance of the Board. It is also responsible for nominating new Directors to become part of the Board, as appropriate.

The UK Corporate Governance Code recommends that a majority of the members of a nomination committee should be independent Non-executive Directors. The Nomination Committee is chaired by Daniel Kitchen, and its other members are four Non-executive Directors: Mark Cherry, Caroline Britton, Kelly Cleveland and Joanne Kenrick.

Sustainability and Ethics Committee

The Sustainability and Ethics Committee advises the Board on the economic sustainability of the business and ethical matters relating to the Group. It provides a leadership forum for non-executive directors to work with executive management to shape policy, strategy and, where appropriate, targets to improve the Group's economic sustainability and ethical performance.

The Sustainability and Ethics Committee fulfils the function of a social and ethics committee under the terms of the JSE Listings Requirements.

The Sustainability and Ethics Committee is chaired by Andrew Coombs, and its other members are Mark Cherry, Kelly Cleveland and Joanne Kenrick.

PART XVI

ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

The Directors (including the Proposed Director), whose names appear on page 49 of this document, and the Company accept responsibility for the information contained in this document. To the best of the knowledge of the Directors and the Company, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

The Directors (as at the date of this document), whose names appear on page 49 of this document collectively and individually accept full responsibility for the accuracy of the information contained in this document and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made, and that this document contains all information required by law and the JSE Listings Requirements.

2. INCORPORATION AND ACTIVITY OF THE COMPANY

The Company was incorporated in Guernsey on 20 February 2007 as company limited by shares under the Companies Law with registered number 46442, ISIN code: GG00B1W3VF54, and JSE and LSE share code: SRE with the name Dawnay, Day Sirius Limited. The name was changed in October 2008 to Sirius Real Estate Limited. The legal entity identifier of the Company is 213800NURUF5W8QSK566.

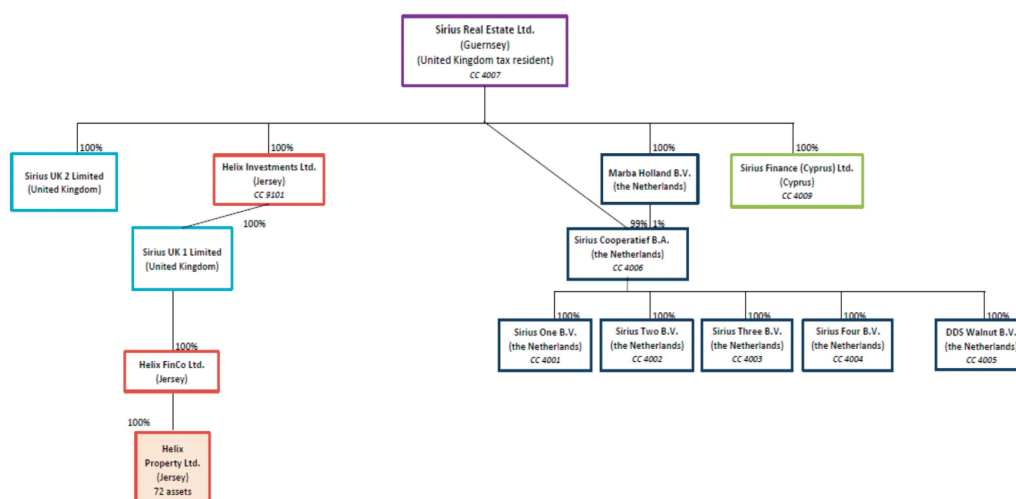
The principal activity of the Company is the operation of branded business and industrial park real estate assets in Germany and the UK, The Company provides conventional space and flexible workspace, acquiring, reconfiguring and integrating business parks into its network of sites under the Company's brand to create and manage optimal workspaces with a focus on the SME market.

The Company is registered in Guernsey with its registered principal place of business at Plaza House, Fifth Floor, Admiral Park, St Peter Port, Guernsey, GY1 2HU, Channel Islands. The telephone number of the Company's registered office is +44 (0)1481 746 024. The Company's website is <https://www.sirius-real-estate.com/> (please note that, other than the information as set out in Part XVII (*Documents Incorporated by Reference*), the contents of the Company's or members of the Group's websites do not form part of this document (including the contents of any websites accessible from the hyperlinks of such websites).

The principal legislation under which the Company operates, and pursuant to which the New Ordinary Shares will be created, is the Companies Law.

3. SUBSIDIARIES

The Company is the holding company of the Group. The following structure chart contains details of the Company's significant subsidiaries:-



4. SHARE CAPITAL OF THE COMPANY

As at the Latest Practicable Date, the share capital of the Company comprised of 1,349,623,348 Existing Ordinary Shares of no par value, all of which were fully paid or credited as fully paid. The Existing Ordinary Shares are listed on the premium listing segment of the Official List, admitted to trading on the Main Market and admitted to trading on the Main Board of the JSE. As at the Latest Practicable Date, the Company held no Existing Ordinary Shares in treasury.

The following changes to the issued share capital of the Company have taken place since 1 April 2022:

- (i) on 15 July 2022, the Company issued 1,620,093 Ordinary Shares pursuant to the LTIP;
- (ii) on 18 August 2022, the Company issued 1,271,279 Ordinary Shares pursuant to its Scrip Dividend Plan;
- (iii) on 22 November 2022, the Company issued 811,621 Ordinary Shares pursuant to the LTIP;
- (iv) on 5 June 2023, the Company issued 1,859,000 Ordinary Shares pursuant to the LTIP;
- (v) on 24 November 2023, the Company issued 170,417,384 Ordinary Shares pursuant to a placing of shares to new and existing investors; and
- (vi) on 18 June 2024, the Company issued 1,482,979 Ordinary Shares pursuant to the LTIP.

The Ordinary Shares will be traded in Pounds Sterling on the LSE and Rand on the JSE.

Save as disclosed in this document, as at the Latest Practicable Date:

- (i) the Company does not hold any treasury shares and no Ordinary Shares were held by, or on behalf of, any member of the Group;
- (ii) no Ordinary Shares have been issued otherwise than as fully paid;
- (iii) the Company has no outstanding convertible securities, exchangeable securities or securities with warrants;
- (iv) save pursuant to the Share Plans, the Company has given no acquisition rights and/or obligations over its authorised share capital nor has it given an undertaking to increase its share capital; and
- (v) save pursuant to the Share Plans, no capital of any member of the Group is under option or is agreed, conditionally or unconditionally, to be put under option.

There have been no public takeover bids by third parties in respect of the Company's share capital within the last financial year or in the current financial year as the Latest Practicable Date.

5. EXISTING SHAREHOLDER AUTHORITIES

It was resolved by Shareholders at the 2024 Annual General Meeting on 28 June 2024 that:

1. the Directors are authorised to allot shares up to an aggregate number equal to 898,760,246 Ordinary Shares, which is two thirds of the total issued share capital of the Company as at 28 May 2024. One half of this amount (equal to one third of the Company's total issued share capital as at 28 May 2024) must be offered by way of a fully pre-emptive offer (including a rights issue or open offer) to holders of Ordinary Shares. This authority will expire on the earlier of: (i) the conclusion of the next annual general meeting of the Company; and (ii) 1 October 2025 except insofar as commitments to allot shares have been entered into before that date; and
2. pre-emption rights are (i) generally disapplied, and (ii) disapplied in connection with an acquisition or specified capital investment, to such allotment of shares in each case up to an aggregate number of 134,814,037 Ordinary Shares (equal to 10 per cent. of the total issued share capital of the Company as at 28 May 2024), with a further 2 per cent. of the total issued share capital of the Company disapplied in connection with a follow-on offer (as contemplated by the UK Pre-Emption Group's Statement of Principles on Disapplying Pre-Emption Rights).

6. INFORMATION ON THE NEW ORDINARY SHARES

Description and type of securities

The issued and fully paid share capital of the Company immediately following the completion of the Capital Raising, assuming that the maximum number of New Ordinary Shares is issued (including full take-up under the Retail Offer) and that no Ordinary Shares are issued as a result of the exercise of any options between the Latest Practicable Date and the completion of the Capital Raising, is expected to be as follows:

Ordinary Shares	Number
	<hr/> 1,511,857,390

In total, the Company will issue up to 162,234,042 New Ordinary Shares in the Capital Raising.

The Capital Raising will result in up to 162,234,042 New Ordinary Shares being issued and the number of Ordinary Shares being increased from a total of 1,349,623,348 Ordinary Shares (excluding treasury shares) to a total of up to 1,511,857,390 Ordinary Shares (excluding treasury shares), representing an increase of up to 12.0 per cent (assuming full take-up under the Retail Offer).

Shareholders do not generally have a right to participate in the Capital Raising, and no New Ordinary Shares are being offered to Shareholders generally in connection with the Capital Raising. If a Shareholder does not partake in the Capital Raising such Shareholder's holding will be diluted by up to 10.7 per cent. as a result of the Capital Raising (assuming full take-up under the Retail Offer).

The New Ordinary Shares will be fully paid Ordinary Shares with no par value. On Admission, the New Ordinary Shares will be registered with an ISIN of GG00B1W3VF54 and a SEDOL of B1W3VF5.

The New Ordinary Shares will be freely transferable and there will be no restrictions on the transfer of New Ordinary Shares in the UK and in South Africa, subject to compliance with applicable securities laws and the Articles.

All New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions made, paid or declared after the date of issue of the New Ordinary Shares. The New Ordinary Shares do not carry any rights to participate in a distribution of capital (including on a winding-up) other than those that exist as a matter of law.

On a show of hands at general meetings of the Company, every Shareholder who is present in person and every person holding a valid proxy shall have one vote and on a poll every Shareholder present in person or by proxy shall have one vote per New Ordinary Share.

Form and currency of the New Ordinary Shares

The New Ordinary Shares will be in registered form and will be capable of being held in certificated and uncertificated form.

For New Ordinary Shares to be listed on the UK register

The Registrar of the Company is Link Market Services (Guernsey) Limited.

The New Ordinary Shares are, and on Admission will be, denominated in Pounds Sterling.

Title to the certificated New Ordinary Shares will be evidenced by entry in the register of members of the Company and title to uncertificated New Ordinary Shares will be evidenced by entry in the operator register maintained by Link Group (which will form part of the register of members of the Company).

No share certificates will be issued in respect of New Ordinary Shares in uncertificated form. No temporary documents of title have been or will be issued in respect of the New Ordinary Shares.

It is currently anticipated that the New Ordinary Shares will be eligible to join CREST, the computerised, paperless system for settlement of sales and purchases of shares in the London securities market, with effect immediately upon Admission and the commencement of dealings on the London Stock Exchange.

For New Ordinary Shares to be listed on the SA register

The SA Transfer Secretary of the Company is Computershare Investor Services Proprietary Limited.

The New Ordinary Shares are, and on Admission will be, denominated in Rand.

Title to the certificated New Ordinary Shares will be evidenced by entry in the SA register of members of the Company and title to uncertificated New Ordinary Shares will be evidenced by entry in the operator register maintained by the SA Transfer Secretary (which will form part of the register of members of the Company).

It is currently anticipated that the New Ordinary Shares will be eligible to join the electronic custody, clearing and settlement environment and system for all share transactions concluded on the JSE (managed by Strate Proprietary Limited (registration number 1998/022242/07), a private company incorporated under the laws of South Africa, being a licensed central securities depository in terms of section 1 of the SA Financial Markets Act), with effect immediately upon Admission and the commencement of dealings on the JSE.

No share certificates will be issued in respect of New Ordinary Shares in uncertificated form. No temporary documents of title have been or will be issued in respect of the New Ordinary Shares.

7. MEMORANDUM AND ARTICLES OF INCORPORATION

The Articles of Incorporation are available for inspection at the address specified in section 22 of this Part XVI (*Additional Information*) and include, *inter alia*, provisions to the following effect:

7.1. Amendments to the Articles

The Articles may be altered or amended by a special resolution of the members.

7.2. Share capital

The share capital of the Company consists of an unlimited number of Ordinary Shares, which are freely transferable, fully paid up and rank *pari passu* in all respects.

7.3. Share rights

Subject to the provisions of the Companies Law and to any rights for the time being attached to any Existing Ordinary Shares, any shares may be issued with, or have attached to them, such preferred, deferred, or other rights or restrictions, whether with regard to dividends, voting, transfer, return of capital or otherwise, as the Company may from time to time either a) by ordinary resolution, determine or, if no such resolution has been passed, or so far as the resolution does not make specific provision, as the Board may determine; or b) with effect from the date of dual primary listing, by special resolution determine.

7.4. Disclosure of interests

The Company may issue a Disclosure Notice to any person whom the Company reasonably believes to be, or have been in the last three years, interested in shares in the capital of the Company to provide further information about any such interests in the Company's shares within 10 days of the Disclosure Notice.

If the information is not received within 10 days, the Board may direct that, if such shares represent less than 0.25 per cent. of the issued shares of the same class, the relevant Shareholder shall not be entitled to be present or to vote, either in person or by proxy, at any general meeting of the Company or separate general meeting of the holders of any class of shares in the capital of the Company, or to be reckoned in a quorum.

The Board may also direct that (i) the payment of any dividend or other money that would otherwise be payable in respect of shares will be withheld; (ii) such a Shareholder shall not be entitled to elect to receive shares instead of a dividend; and (iii) a transfer of shares will not be registered unless the Board gives notice to such holder requiring them to sell their shares to a person who is not a Non-Qualified Holder (see paragraph 7.7 below) or himself a holder of shares subject to such restrictions.

7.5. Voting rights

Subject to the provisions of the Companies Law, to any special terms as to voting on which any shares may have been issued or may from time to time be held and to any suspension or abrogation of voting rights pursuant to the Articles, at a general meeting of the Company:

- (i) every member who is present in person shall, on a show of hands, have one vote;
- (ii) every member who is present in person shall, on a poll, have one vote;
- (iii) every proxy who has been appointed by one or more Shareholders entitled to vote on the resolution shall, on a show of hands, have one vote except that (i) a proxy shall have one vote for and one vote against a resolution if the proxy has been appointed by more than one Shareholder and the proxy has been instructed by one or more Shareholders to vote for and by one or more other Shareholders to vote against the resolution, or (ii) one or more Shareholders have instructed the proxy to vote for the resolution and one or more Shareholders gave the proxy discretion as to how to vote and the proxy exercises that discretion by voting against the resolution, or (iii) one or more Shareholders have instructed the proxy to vote against the resolution and one or more Shareholders gave the proxy discretion as to how to vote and the proxy exercises that discretion by voting for the resolution; and
- (iv) every Shareholder present in person or by proxy shall, on a poll, have one vote for each share of which he is a holder.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names of the holders stand in the register of members in respect of such share.

With effect from the date of dual primary listing, the holders of any securities other than the Ordinary Shares shall not be entitled to vote on any resolution put to the members of the Company save as may be expressly provided for in Articles 7, 8 and 26 (as the latter may be amended from time to time). In such instances, their votes shall not carry any special rights or privileges and they shall be entitled to one vote for each security that they hold, provided that their total voting rights at a general or annual general meeting may not exceed 24.99 per cent. of the total voting rights of all members at such meeting.

7.6. Dividends

In addition to compliance with the provisions of the Companies Law, including the requirement for the board of directors to be satisfied on reasonable grounds that the Company will, immediately after the payment of a dividend satisfy the solvency test set out in the Companies Law, the Articles provide that the Board may authorise dividends to be paid to Shareholders according to their respective rights and interests in the profits of the Company. Notwithstanding this, the Company in a general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Subject to compliance with the provisions of the Companies Law, the Board may from time to time authorise the payment to Shareholders of such interim dividends (including any dividend payable at a fixed rate) as determined by the Board. If at any time the issued shares of the Company are divided into different classes, the Board may pay such interim dividends in respect of shares which rank after shares conferring preferential rights with regard to dividends as well as on shares conferring preferential rights, unless at the time of payment any preferential dividend is in arrears. Provided that the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those preferential rights.

Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid. Subject as aforesaid, all dividends should be apportioned and paid to Shareholders on a date subsequent to the date the dividend is declared, notwithstanding any subsequent transfer or transmission of shares. All dividends or other sums payable on or in respect of any shares which remain unclaimed must be held by the Company in trust for a period of 12 years for the benefit of the relevant holder, whereupon the liability of the Company in relation thereto shall be extinguished.

The Board may, with the authority of an ordinary resolution of the Company, direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, or in any one or more of such ways. Where any difficulty arises in regard to such distribution, the Board may settle it as it thinks fit.

The Board may also, with the prior authority of an ordinary resolution of the Company and subject to such terms and conditions as the Board may determine, offer to holders of Ordinary Shares (excluding any Shareholder holding Ordinary Shares as treasury shares) the right to elect to receive Ordinary Shares, credited as fully paid, instead of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution. The resolution may specify a particular dividend (whether or not already declared), or may specify all or any dividends declared within one or more specified periods provided that any period so specified shall not end later than the third anniversary of the date of the meeting at which the said resolution is passed.

The Company shall not be responsible for any loss of any cheque, warrant or order and any payment made in any manner permitted by the articles shall be at the sole risk of the holder or joint holders. Without prejudice to the generality of the foregoing, if any such cheque, warrant or order has been, or is alleged to have been, lost, stolen or destroyed, the Board may, on request of the person entitled thereto, issue a replacement cheque, warrant or order subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Board may think fit.

The issue of such cheque, warrant or order, the collection of funds from or transfer of funds by a bank in accordance with such direct debit or bank transfer or, in respect of shares in uncertificated form, the making of payment in accordance with the relevant system's rules, shall be a good discharge to the Company.

7.7. Transfer of shares

Subject to any applicable restrictions in the Articles, each member may transfer all or any of his shares which are in certificated form by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument must be executed by or on behalf of the transferor. The transferor is deemed to remain the holder of the share until the transferee's name is entered in the register of members.

The Board may, in its absolute discretion, refuse to register any transfer of a share unless the instrument of transfer:

- (i) indicates to the Board that the transfer is not in favour of a Non-Qualified Holder;
- (ii) it is in respect of a share which is fully paid up;
- (iii) it is in respect of only one class of shares;
- (iv) it is in favour of a single transferee or not more than four joint transferees;
- (v) it is duly stamped (if so required); and
- (vi) it is delivered for registration to the registered office for the time being of the Company or such other place as the Board may from time to time determine, accompanied (except in the case of: (a) a transfer by a recognised person where a certificate has not been issued; (b) a transfer of an uncertificated share; or (c) a renunciation) by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor or person renouncing and the due execution of the transfer or renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.

The Board may refuse to register a transfer of an uncertificated share in such other circumstances as may be permitted or required by the Uncertificated Securities (Guernsey) Regulations 2009 (as amended from time to time) and the relevant system.

If the Board refuses to register a transfer of a share, it shall send the transferee notice of its refusal, together with its reasons for refusal, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company.

No fee shall be charged for the registration of any instrument of transfer or any other document relating to or affecting the title to any share.

The definition of “Non-Qualified Holder” in the Articles includes any person whose holding or beneficial ownership of shares may result in: (i) the Company or any member of its Group being in violation of, or required to register under, the U.S. Investment Company Act of 1940, as amended, or being required to register the Company or its shares under the U.S. Exchange Act or U.S. Securities Act of 1933; (ii) the Company not being a “foreign private issuer” as such term is defined in Rule 3b-4(c) of the U.S. Exchange Act; or (iii) there being a material risk, as determined in the Board’s sole judgement, of 4 the assets of the Company being deemed to be “plan assets” within the meaning of ERISA, and U.S. Department of Labor regulations and guidance issued thereunder.

7.8. **Power of the Board in relation to shares**

Subject to the provisions of the Articles and, with effect from the date of dual primary listing, the JSE Listings Requirements, the unissued shares shall be at the disposal of the Board which may:

- (i) issue an unlimited amount of shares or grant rights to subscribe for, or convert any security into shares, grant options over or otherwise dispose of them to such persons on such terms and conditions and at such times as the Board determines;
- (ii) issue shares for cash or grant or issue options and/or convertible securities for cash;
- (iii) issue shares of different types or shares of different classes including but not limited to shares which:
 - (a) are redeemable shares,
 - (b) confer preferential rights to distribution of capital or income,
 - (c) do not entitle the holder to voting rights, or
 - (d) entitle the holder to restricted voting rights and the creation or issuance of any such shares or any additional shares ranking equally with an existing type or class of share is deemed not to vary the rights of any existing Shareholder;
- (iv) convert all or any classes of the Company’s shares into redeemable shares;
- (v) issue shares which have a nominal or par value;
- (vi) issue shares of no par value;
- (vii) issue any number of shares they see fit;
- (viii) issue fractions of a share;
- (ix) issue shares that provide for the payment of dividends and distributions in differing proportions in accordance with the terms of issue of such shares; and
- (x) pay commissions in such manner and in such amounts as the Directors may determine.

Where an authorisation to issue shares or grant rights to subscribe for or to convert any security into shares specifies and expires on any date, event or circumstance, the Directors may issue shares or grant rights to subscribe for or to convert any security into shares after the expiry of such authorisation if the shares are issued or the rights are granted, in pursuance of an offer or agreement made by the Company before the authorisation expired and the authorisation allowed the Company to make an offer or agreement which would or might require shares to be issued, or rights to be granted, after the authorisation had expired.

The Company may from time to time, subject to the provisions of the Companies Law and, with effect from the date of dual primary listing, the JSE Listings Requirements, purchase its own shares (including any redeemable shares) in any manner authorised by the Companies Law and may hold any such shares as treasury shares.

Any shares may, with the sanction of either: (a) the Board or an ordinary resolution; or (b) with effect from the date of dual primary listing, a special resolution, be issued on terms that they are or at the option of the Company or the holder are liable to be redeemed on such terms and in such manner as the Company before the issue may determine with the sanction of either the Board or an ordinary or a special resolution, as applicable.

The Company and any of its subsidiary companies may give “financial assistance”, as defined in the Companies Law, directly or indirectly for the purpose of or in connection with the acquisition of its shares or in connection with reducing or discharging any liability incurred in connection with the purchase of shares in the Company.

If at any time the shares of the Company are divided into different classes, all or any of the rights for the time being attached to any share or class of shares (and notwithstanding that the Company may or may be about to be in liquidation) may be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three quarters in number of the issued shares of that class or with the consent of a special resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as provided in the Articles, but so that the quorum at such meeting (or at an adjourned meeting) shall be three persons holding or representing by proxy at least 25 per cent. of the issued shares of the class in question.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not (unless otherwise expressly provided by the terms of issue of the shares of that class) be deemed to be varied by: (a) the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto; or (b) the purchase or redemption by the Company of any of its own shares.

The special rights conferred upon the holders of any shares or class of shares issued with preferred, deferred or other special rights shall not be deemed to be varied by the exercise of any powers in the Articles.

For the avoidance of doubt, authority to create or increase the authorised share capital of the Company shall not be regarded or deemed as varying or abrogating the special rights conferred upon the holders of any shares issued with preferred, deferred or other special rights.

The Company may pay commission in money or shares, not exceeding 10 per cent. of the subscription price, to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally for any shares in the Company or procuring or agreeing to procure subscriptions whether absolute or conditional for any shares in the Company provided that the rate or amount of commission shall be fixed by the Board and disclosed in accordance with the Companies Law. The Company may also pay brokerages.

The Directors may at any time after the Board has resolved to issue any share but before any person has been entered in the register as the holder:

- (i) recognise a renunciation thereof by the subscriber in favour of some other person and accord to any subscriber of a share a right to effect such renunciation; and/or
- (ii) allow the rights represented thereby to be one or more participating securities (a security title to units which are permitted to be transferred by means of a relevant system),

in each case upon and subject to such terms and conditions as the Directors may think fit to impose.

Subject to the provisions of the Companies Law, the Board may treat shares of a holder in certificated form and in uncertificated form as separate holdings in giving effect to sub-divisions and/or consolidations and the Board may, at its absolute discretion, cause any shares arising on sub-division or consolidation and representing fractional entitlements to be entered in the Register as shares in certificated form where this is desirable to facilitate the sale thereof.

For the purposes of any sale of consolidated shares, the Board may authorise a person to execute an instrument of transfer of the shares to, or in accordance with, the directions of the purchaser, and the transferee shall not be bound to see to the application of any purchase consideration, nor shall his title to the shares be affected by any act, omission, irregularity or invalidity relating to or connected with the proceedings in reference to the sale. In respect of uncertificated shares, the Board may authorise some person to transfer and/or require the holder to transfer the relevant shares in accordance with the facilities and requirements of the relevant system.

7.9. Variation of rights

If at any time the issued shares of the Company are divided into shares of different classes, any of the rights for the time being attached to any shares may be varied or abrogated in such manner (if any) as may be provided in the Articles by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three-quarters of the issued shares of the relevant class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the class.

The quorum at any such meeting shall be not less than three persons present (in person or by proxy) holding at least 25 per cent. of the voting rights of the issued shares of the relevant class (excluding any shares of that class held as treasury shares) and at an adjourned meeting, such quorum requirements shall continue to apply.

Subject to the terms of issue of or rights attached to any shares, the rights for the time being attached to any shares shall be deemed not to be varied or abrogated by the creation or issue of any new shares ranking *pari passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued or by the reduction of the capital paid up on such shares or by the purchase or redemption by the Company of its own shares or the sale of any shares held as treasury shares in accordance with the provisions of the Companies Law and the Articles.

7.10. General meetings

The Board may convene a general meeting, other than an annual general meeting, whenever it thinks fit.

A general meeting shall be convened by the longer of such notice as may be required by law or the rules of the London Stock Exchange, the JSE Listings Requirements or the requirements of any stock exchange on which the Company's shares are listed or admitted to trading from time to time.

The notice shall specify whether the meeting is convened as an annual general meeting or any other general meeting, the day, time and place of the meeting and the general nature of the business to be transacted at the meeting. In the case of a meeting convened to pass a special resolution, the notice shall include the text of such resolution and specify the intention to propose such resolution as a special resolution. The notice shall specify with reasonable prominence that a person entitled to attend and vote is entitled to appoint one or more proxies (provided each proxy is appointed to exercise the rights attached to a different share held by the Shareholder) to attend and to speak and vote instead of the Shareholder and that a proxy need not also be a Shareholder. The notice must be given to the Shareholders (other than any who, under the provisions of the Articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the Directors and the Auditors, to the JSE (in any manner authorised by the JSE Listings Requirements) and to any other person who may be entitled to receive it. In addition, all notices shall be released on the Stock Exchange News Service (SENS) of the JSE.

The accidental omission to give notice to, or the non-receipt of notice by, any person entitled to receive the same, shall not invalidate the proceedings at the meeting.

The right of a Shareholder to participate in the business of any general meeting shall include without limitation the right to speak, vote, be represented by a proxy or proxies and have access to all documents which are required by the Companies Law or the Articles to be made available at the meeting.

A Director shall, notwithstanding that he is not a Shareholder, be entitled to attend and speak at any general meeting. The chair of any general meeting may also invite any person to attend and speak at that meeting if he considers that this will assist in the deliberations of the meeting.

No business shall be transacted at any general meeting, including an adjourned general meeting, unless a quorum is present. Subject to the Articles, three persons (either Shareholders, duly authorised representatives or proxies) entitled to vote upon the business to be transacted at the meeting shall be a quorum. A meeting may not begin nor may business be transacted until sufficient persons are present at the meeting to exercise, in aggregate, at least 25 per cent. of all the voting rights entitled to be exercised. The chair of the meeting may, with the consent of the meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time (or indefinitely) and from

place to place as the meeting shall determine. Where a meeting is adjourned for 30 days or more or indefinitely, seven clear days' notice at the least, specifying the place, the day and time of the adjourned meeting and the general nature of the business to be transacted, must be given in the same manner as in the case of the original meeting.

A resolution put to a vote of the meeting shall be decided on a show of hands unless a poll is duly demanded. Subject to the provisions of the Companies Law, a poll may be demanded by the chair of the meeting, at least five Shareholders present in person or by proxy having the right to vote on the resolution, a Shareholder or Shareholders representing not less than ten per cent. of the total voting rights of all the Shareholders having the right to vote on the resolution, or a Shareholder or Shareholders holding shares conferring the right to vote on the resolution representing not less than ten per cent. of the total shares conferring that right.

- (i) The Board may, for the purpose of controlling the level of attendance, ensuring the safety of those attending at any place specified for the holding of a general meeting, ensuring the security of the meeting and ensuring the future orderly conduct of the meeting, from time to time make such arrangements as the Board shall in its absolute discretion consider to be appropriate and may from time to time vary any such arrangements or make new arrangements in place thereof. The entitlement of any Shareholder or proxy to attend a general meeting at such place shall be subject to any such arrangements as may be for the time being approved by the Board. In the case of any meeting to which such arrangements apply the Board may, when specifying the place of the meeting make arrangements for simultaneous attendance and participation at satellite meeting places or by way of any other electronic means by Shareholders otherwise entitled to attend the general meeting or who wish to attend at satellite meeting places or other places at which persons are participating by electronic means, provided that persons attending at the principal place and at satellite meeting places or other places at which persons are participating by electronic means shall be able to see, hear and be seen and heard by, persons attending at the principal place and at such other places, by any means.

Such arrangements for simultaneous attendance at such other places may include arrangements for controlling the level of attendance in any manner aforesaid at any of such other places, provided that they shall operate so that any excluded Shareholders are able to attend at one of the satellite meeting places or other places at which persons are participating by electronic means. Any such meeting shall be treated as taking place at and being held at the principal place.

The Board may direct that any person wishing to attend any meeting should provide evidence of identity and submit to such searches or other security arrangements or restrictions as the Board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to refuse entry to any meeting to any person who fails to provide such evidence of identity or to submit to such searches or to otherwise comply with such security arrangements or restrictions.

7.11. Borrowing powers

The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets (present and future) and uncalled capital and, subject to the provisions of the Companies Law, to create and issue debentures and other loan stock and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

The Board shall restrict the borrowings of the Company and shall exercise all voting and other rights and powers of control exercisable by the Company such that the aggregate principal amount outstanding in respect of monies borrowed by the Company does not at any time, without previous sanction of an ordinary resolution of the Company, exceed 95 per cent., of the appraised value of the underlying property portfolio of the Group from time to time, provided that no such sanction shall be required for the borrowing of any sum of money applied or intended to be applied within six months of the date of borrowing in the repayment (with or without premium) of any moneys then already borrowed and remaining undischarged notwithstanding that the same may result in the said limit being exceeded, provided further that for the purposes of the said limit the issue of unsecured loan stock of loan capital shall be deemed to constitute borrowing notwithstanding that the same may be issued in whole or in part for a consideration other than cash.

Any person lending money to the Company shall be entitled to assume that the Company is acting in accordance with the Articles and shall not be concerned to enquire whether such provisions have in fact been complied with.

7.12. Issue of shares

Shareholders in general meetings may authorise the Board to issue unissued shares, and/or grant options to subscribe for unissued shares, as the Board in its discretion deems fit, provided that such corporate action has been approved by the JSE and, with effect from the date of dual primary listing, is subject to the JSE Listings Requirements.

Subject to the provisions of the Companies Law and to any relevant authority of the Company required by the Companies Law and to these Articles, the Board may issue (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of any new shares or rights to subscribe for or convert any security into shares, to such persons (including the Directors themselves), at such times and generally on such terms and conditions as the Board may decide.

The Board may, at any time after the issue of any share but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the subscriber in favour of some other person and accord to any subscriber of a share a right to effect such renunciation and/or allow the rights represented thereby to be one or more participating securities, in each case upon and subject to such terms and conditions as the Board may think fit to impose.

Any shares may be issued with or have attached to them such preferred, deferred or other rights or restrictions, whether in regard to dividends, voting, transfer, return of capital or otherwise, as the Company may from time to time: (a) by ordinary resolution determine or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may determine; or (b) with effect from the date of dual primary listing, by special resolution determine. Any share may with the sanction of either: (a) the Board or; (b) an ordinary resolution or, with effect from the date of dual primary listing, a special resolution, be issued which is, or at the option of the Company or the holder of such share is liable to be, redeemed on such terms and in such manner as the Company before the issue may determine with the sanction of either the Board or an ordinary or a special resolution, as applicable.

The Company is prohibited from claiming a lien on any shares issued by it.

7.13. Offers to Shareholders to be on a pre-emptive basis

The Company is not permitted to issue "equity securities" (being: (i) shares in the Company; or (ii) rights to subscribe for, or to convert securities into, shares in the Company), on any terms unless it has first made an offer to each person who holds equity securities of the same class in the Company to issue to him on the same or more favourable terms a proportion of those securities that is as nearly as practicable equal to the proportion in number held by him of the share capital of the Company, and the period during which any such offer may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer so made. These pre-emption rights may be excluded and dis-applied or modified by special resolution of the Shareholders.

These pre-emption rights do not apply to the issue of bonus shares, equity securities issued pursuant to the payment of scrip dividends, an allotment (or sale, in the case of treasury shares) of shares if such shares are or are to be wholly or partly paid otherwise than in cash, nor do they apply to any shares allotted or issued pursuant to the terms of an employee share scheme.

7.14. Alterations to share capital

With effect from the date of dual primary listing, the Company may by special resolution (i) create any class of share (ii) vary any preferences, rights, limitations attaching to any class of shares (iii) convert one class of shares into one or more other classes (iv) increase the number of shares in a class (v) consolidate its shares (vi) sub-divide its shares or (vii) reduce its share capital, any capital account or any share premium account, in any manner and with and subject to any authorisation or consent required by the Companies Law.

7.15. Directors' fees

The Directors (other than alternate Directors and other than any Director who for the time being is appointed to hold any employment or executive office) shall be entitled to receive by way of fees for their services as Directors such sum as a disinterested quorum of Directors (or any committee authorised by the Board) may from time to time determine (not exceeding in aggregate £600,000 per annum or such other sum as the Company in general meeting shall from time to time determine). Any such fees payable shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provision of the Articles or otherwise and shall accrue from day to day.

The salary or remuneration of any Director appointed to hold any employment or executive office may be either a fixed sum of money, or may altogether or in part be governed by business done or profits made or otherwise determined by a disinterested quorum of Directors or any committee authorised by the Board and may be in addition to or in lieu of any fee payable to him for his services as Director.

The Directors are entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors.

Directors may receive reasonable additional remuneration for performing special duties or service outside his ordinary duties as a Director. The salary or remuneration of any Director holding employment or executive office at the Company may be either a fixed sum or a sum calculated by reference to business done or profits made or otherwise determined by a disinterested quorum of Directors (or any committee authorised by the Board).

7.16. Pensions and gratuities for Directors

The Board, or any committee authorised by the Board, may exercise all of the powers of the Company to provide pensions, other retirement or superannuation benefits, death or disability benefits or other allowances or gratuities for persons who are or were Directors of the Company and their relatives and dependants.

7.17. Directors' interests

The Board may authorise any matter proposed to it in accordance with the Articles which would otherwise involve a breach by a Director of his duty to avoid conflicts of interest under the Companies Law, including any matter which relates to a situation in which a Director has or can have an interest which conflicts, or possibly may conflict, with the interests of the Company (including the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it but excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest). This does not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company. Any authorisation will only be effective if any quorum requirement at any meeting in which the matter was considered is met without counting the Director in question or any other interested Director and the matter was agreed to without their voting or would have been agreed to if their votes had not been counted. The Board may impose limits or conditions on any such authorisation or may vary or terminate it at any time.

Subject to having, where required, obtained authorisation of the conflict from the Board, a Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director of the Company and in respect of which he has a duty of confidentiality to another person and will not be in breach of the general duties he owes to the Company under the Companies Law because he fails to disclose any such information to the Board or to use or apply any such information in performing his duties as a Director, or because he absents himself from meetings of the Board at which any matter relating to a conflict of interest, or possible conflict of interest is discussed, and/or makes arrangements not to receive documents or information relating to any matter which gives rise to a conflict of interest or possible conflict of interest and/or makes arrangements for such documents and information to be received and read by a professional adviser on his behalf and/or behaves in any other way authorised by any guidance which may from time to time be issued by the Board.

Provided that his interest is disclosed at a meeting of the Board, or in the case of a transaction or arrangement with the Company, in the manner set out in the Companies Law, a Director, notwithstanding his office:

- (i) may be a party to or otherwise be interested in any transaction arrangement or proposal with the Company or in which the Company is otherwise interested;
- (ii) may hold any other office or place of profit at the Company (except that of auditor of the Company or any of its subsidiaries) and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as a disinterested quorum of Directors, or a committee authorised by the Board, may determine;
- (iii) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has powers of appointment; and
- (iv) shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any office or employment or from any transaction, arrangement or proposal or from any interest in any body corporate. No such transaction, arrangement or proposal shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such profit, remuneration or any other benefit constitute a breach of his duty not to accept benefits from third parties.

A Director need not declare an interest in the case of a transaction or arrangement with the Company if the other Directors are already aware, or ought reasonably to be aware, of the interest or it concerns the terms of his service agreement that have been or are to be considered at a meeting of the Directors or a committee of the Directors or if the interest consists of him being a director, officer or employee of a company in which the Company is interested.

7.18. Restrictions on Directors' voting

A Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee of the Board concerning any arrangement, transaction or arrangement in which he is aware he has a material interest, if he purports to do so, his vote will not be counted, but this prohibition shall not apply in respect of any resolution concerning any one or more of the following matters:

- (i) any transaction or arrangement in which he is interested by means of an interest in shares, debentures or other securities or otherwise in or through the Company;
- (ii) the giving of any guarantee, security or indemnity in respect of money lent to, or obligations incurred by him or any other person at the request of or for the benefit of, the Company or any of its subsidiary undertakings;
- (iii) the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (iv) the giving of any other indemnity where all other Directors are also being offered indemnities on substantially the same terms;
- (v) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
- (vi) any proposal concerning any other body corporate in which he does not to his knowledge have an interest (as the term is used in Companies Law) in 1 per cent. or more of the issued shares of any class of such body corporate nor to his knowledge hold one per cent. or more of the voting rights which he holds as Shareholder or through his direct or indirect holding of financial instruments (within the meaning of the Disclosure and Transparency Rules) in such body corporate;
- (vii) any proposal relating to an arrangement for the benefit of the employees and Directors or former employees and former directors of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;

- (viii) any proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors;
- (ix) any proposal concerning the funding of expenditure by one or more Directors on defending proceedings against him or them, or doing anything to enable such Director or Directors to avoid incurring such expenditure where all other Directors are being offered substantially the same arrangements; or
- (x) any transaction or arrangement in respect of which his interest, or the interest of Directors generally has been authorised by ordinary resolution.

A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested.

7.19. Number of Directors

Unless and until otherwise determined by an ordinary resolution of the Company, the number of Directors (other than any alternate Directors) shall not be less than four.

If the number of Directors is less than the minimum, the remaining Directors must fill the vacancy or vacancies or call a general meeting for that purpose as soon as practicable and, in any event, not later than three months after the date that the number falls below the minimum.

7.20. Directors' appointment and retirement

Directors may be appointed by the Company by ordinary resolution. If appointed by the Board, a Director holds office only until the next annual general meeting and shall not be taken into account in determining the number of Directors who are to retire by rotation.

At each annual general meeting of the Company, any Directors appointed by the Board since the last annual general meeting shall retire. In addition, one-third of the remaining Directors or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third, shall retire from office by rotation. If there are fewer than three such Directors, one Director shall retire from office.

At each annual general meeting, any Director who was last elected or last re-elected at or before the annual general meeting held in the third calendar year before the current year shall retire by rotation. If the number of Directors so retiring is less than the minimum number of Directors who are required to retire by rotation, additional Directors up to that number shall retire (namely, those Directors who are subject to rotation but who wish to retire and not offer themselves for re-election and those Directors who have been Directors longest since their appointment or last re-appointment (and, as between those who have been in office an equal length of time, those to retire shall, unless they otherwise agree, be determined by lot).

Any Director (other than the chair and any Director holding executive office) who would not otherwise be required to retire shall also retire if he has been with the Company for a continuous period of nine years or more at the date of the meeting and shall not be taken into account when deciding which and how many Directors should retire by rotation at the annual general meeting.

The Company may by ordinary resolution remove any Director before the expiration of his period of office.

The office of a Director shall be vacated if:

- (i) he resigns by notice in writing delivered to, or, if in electronic form, received by the Company Secretary at the registered office or tendered at a meeting of the Board;
- (ii) he ceases to be or to be eligible to be a Director by virtue of any provision of the Companies Law, is removed from office pursuant to the Articles or the Companies Law, or becomes prohibited by law from being a Director;

- (iii) he becomes bankrupt, has an interim receiving order made against him, makes any arrangements or compounds with his creditors or applies to the court for an interim order in connection with a voluntary arrangement or enters into any analogous or similar procedure in any jurisdiction;
- (iv) a registered medical practitioner gives a written opinion to the Company stating that the Director has become physically or mentally incapable of acting as a Director and may remain so for more than three months and the Board resolves that his office be vacated;
- (v) he is absent (whether or not an alternate Director appointed by him attends), without the permission of the Board, from Board meetings for six consecutive months and the Board resolves that his office be vacated; or
- (vi) his resignation is requested by notice in writing at his last-known address by all the other Directors with such removal to take effect from the date stipulated in the notice.

7.21. Proceedings of the Board

Subject to the provisions of the Articles, the Board may meet for the despatch of business, adjourn and otherwise regulate its proceedings as it thinks fit.

One Director, or the Company Secretary at the request of a Director, can summon a Board meeting at any time. Notice of a Board meeting shall be deemed to have been given to a Director if it is given to him personally or by word of mouth or sent to him (in hard copy or electronic form) to him at such address as he may from time to time specify for this purpose (or, if he does not specify an address, at his last known address). A Director may waive the requirement that notice be given to him of any Board meetings, either prospectively or retrospectively.

The quorum necessary for the transaction of business may be determined by the Board and until otherwise determined, shall be two persons, each being a Director or an alternate Director.

Questions arising at any meeting of the Board shall be determined by a majority of votes. In the case of an equality of votes the Chair of that meeting shall have a second or casting vote unless he is not entitled to vote on the resolution in question.

7.22. Indemnity of officers and insurance

Subject to the provisions of the Companies Law, but without prejudice to any indemnity to which he might otherwise be entitled, every past or present Director or officer of the Company or a director or officer of an associated company (except the Auditors or the auditors of an associated company) shall, to the fullest extent permitted by the Companies Law, be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses, damages and liabilities incurred by him in relation to the affairs of the Company or of an associated company, or in connection with the activities of the Company, or of an associated company, as a trustee of an occupational pension scheme.

Subject to the provisions of the Companies Law, the Company may at the discretion of the Board provide any person who is or was at any time a Director or officer of the Company or a director or officer of an associated company (except the Auditors or the auditors of an associated company) with funds to meet expenditure incurred or to be incurred by him (or to enable such Director or officer to avoid incurring such expenditure) in defending any criminal or civil proceedings or defending himself in any investigation by, or against action proposed to be taken by, a regulatory authority or in connection with any application for relief under the provisions referred to in the Companies Law.

In addition the Board may purchase and maintain insurance at the expense of the Company for the benefit of any such person who is or was at any time a Director or officer or employee of the Company or of an associated company or of any company in which the Company has an interest whether direct or indirect (excluding the Auditors or the auditors of an associated company or of a company in which the Company has an interest however direct or indirect) or who is or was at any time a trustee of any pension fund or employee benefits trust in which any employee of the Company or of any such other company or subsidiary undertaking is or has been interested, indemnifying such person against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or omitted to have been done, or alleged to have been done or omitted to have been done, as a Director, officer, employee or trustee.

8. SHAREHOLDER RIGHTS UNDER GUERNSEY LAW

The following is a summary of the rights of the Shareholders under the Companies Law and other applicable laws in Guernsey. Shareholders are advised that this is not a complete statement of the rights of the Shareholders under applicable law in Guernsey or under the Articles.

Board of Directors

Composition and election

Under the Companies Law, the board of directors of a company must be composed of at least one director. Directors are appointed, unless the memorandum and articles of incorporation of the company provide otherwise, by way of ordinary resolution of the Shareholders passed by simple majority.

Limitation on personal liability of directors

A director may not be exempted from or indemnified directly or indirectly by his company in respect of any liability incurred for negligence, default, breach of duty or breach of trust. A company can, however, obtain directors' and officers' insurance cover. Directors are jointly and severally liable for violations of the law or for exceeding powers granted by the articles of incorporation of a company.

Indemnification of directors

A director may not be exempted from or indemnified directly or indirectly by his company in respect of any liability incurred for negligence, default, breach of duty or breach of trust. Any director who has acted honestly and reasonably and who, having regard to the circumstances of each case, ought fairly be excused, may be relieved of liability by the court on such terms and conditions as it thinks fit.

Removal of directors

Under the Articles, Directors may be removed at any time by a general meeting of Shareholders by a simple majority of votes cast. A person will cease to be a director if he/she is ineligible to be appointed or hold office as set out under section 137 of the Companies Law, including where a director is disqualified, by reason of misconduct or unfitness, from acting as a director under the law of a district territory of place outside Guernsey.

Filling vacancies on the board of directors

Directors may only be appointed by way of ordinary resolution of the Shareholders passed by a simple majority, unless a company's articles of incorporation allow otherwise. The Articles provide that the Directors may appoint directors to the Board to fill a vacancy or as an additional director to hold office until the next annual general meeting of the Company.

Company alterations

Under Guernsey law, an amalgamation of two companies requires a special resolution of the Shareholders from each amalgamating company. It is possible for a Guernsey company to merge with another Guernsey company or an overseas company. There is a short form amalgamation process for amalgamations between a company and its wholly owned subsidiary or between two or more wholly owned subsidiaries of the same company which does not require a special resolution of the members of each company. Creditors and members of an amalgamating company can apply to court, if they object to the amalgamation, on the grounds that the amalgamation would unfairly prejudice their interests and, if satisfied that such unfair prejudice may result, the court may order the amalgamation not take effect or be modified.

Under the Companies Law, a compromise or arrangement is permitted between the company and its creditors or Shareholders, or any class thereof, whether for the purpose of facilitating the company's reconstruction or its merger with another company, or otherwise. An application must be made to court which will order a meeting of the company's creditors or Shareholders. It is necessary for 75 per cent. in value of the creditors or 75 per cent. of the voting rights of the Shareholders, or class thereof, as the case may be, to agree to the compromise or arrangement and if such compromise or arrangement is sanctioned by the court, it will be binding on the creditors or Shareholders, or class thereof, as appropriate.

The Companies Law also requires the approval of the Shareholders by special resolution for the removal of a company from the Guernsey Register of Companies for the purpose of becoming registered as a company under the law of a district, territory or place outside Guernsey.

Under the Companies Law, the memorandum of incorporation may be altered to the extent permitted by s15(7) of the Companies Law and the memorandum of incorporation by a special resolution, and articles of incorporation may be altered by special resolution unless provisions are embedded in the articles and are stated as requiring a resolution with a higher or lower threshold. Certain provisions within a company's articles can be embedded with a higher voting threshold required for change and certain parts of a company's memorandum may also require a higher voting threshold.

Variation of the rights of a class of Shareholders may only be effected: (a) in accordance with any provision in the company's articles for the variation of those rights; or (b) where the company's articles contain no such provision, if the variation is consented to in writing by the holders of at least 75 per cent. in value of the issued shares of that class (excluding any shares held as treasury shares), or if a special resolution passed at a separate general meeting of the Shareholders of that class sanctions the variation.

Any amendment of a provision contained in a company's articles of incorporation for the variation of the rights of a class of Shareholders, and any insertion of any such provision into the articles, is itself to be treated as a variation of those rights. Under the Companies Law, in certain circumstances dissent rights in respect of such alterations are available (unless the articles of incorporation provide otherwise in certain cases).

Rights of dissent and appraisal

The Companies Law contains rights of dissent (the granting of which is discretionary on the part of the court), which are applicable where the company resolves to:

- (i) amalgamate with another corporation (other than vertical or horizontal short form amalgamations);
- (ii) transfer of registration of a corporation into a jurisdiction; or
- (iii) carry out a takeover transaction.

Oppression remedy

Under the Companies Law, a Shareholder can apply to the court for an order providing relief on the ground that the company's affairs are being or have been conducted in a manner which is unfairly prejudicial to any of its members.

Shareholder derivative actions

The laws of Guernsey permit derivative actions to be brought by a Shareholder, or such person as the court directs who, in the discretion of the court, is a proper person to make an application to court to bring a derivative action. Under the laws of Guernsey, the complainant must obtain permission of the court to commence a derivative action.

Meetings

Requisitioned by Shareholders

The Companies Law provides the right to call meetings to Shareholders of a company where they hold at least 10 per cent. of such of the capital of the company as carries the right of voting at general meetings of the company (excluding any capital held as treasury shares).

Shareholder proposals

The Companies Law does not specifically provide a process for Shareholders requesting matters to be put to a vote at Shareholder meetings.

Notwithstanding anything to the contrary in the company's memorandum or articles, Shareholders who hold more than 10 per cent. of shares in the capital of the company as carries the right of voting at general meetings of the company (excluding any capital held as treasury shares) may require the directors to call a general meeting and the request may include the text of a resolution that is intended to be moved at the meeting. The notice of the meeting must include notice of the resolution. Also, Shareholders representing not less than five per cent. of the total voting rights of all Shareholders entitled to vote on the resolution (or such lower percentage as is specified for this purpose in the company's articles) of a company may require the company to circulate a resolution (and an accompanying written statement of not more than a 1,000 words) that may properly be moved as a written resolution.

Form of proxy and information circular

The Companies Law contains provisions which require every notice calling a meeting to contain a statement that a member is entitled to appoint a proxy (or proxies, if appointed in respect of different shares) to attend, speak and vote at that meeting and that the proxy need not be a member of the company.

Place of Meetings

The Companies Law provides that subject to the provisions of a company's articles of incorporation, a general meeting may be held at any place in Guernsey or elsewhere. The Companies Law states that subject to any provision to the contrary in a company's articles, if a Shareholder is, by any means, in communication with one or more other Shareholders so that each Shareholder participating in the communication can hear or read what is said or communicated by each of the others, each Shareholder so participating is deemed to be present at a meeting with the other Shareholders so participating and a meeting of Shareholders so conducted will be deemed to be held in the place in which the chair of the meeting is present.

Sale of undertaking

The Companies Law does not contain provisions in relation to Shareholder authority for the sale of a company's undertaking and, accordingly, the sale, lease or exchange of all or substantially all the property of the company will be governed by the articles of incorporation of a company.

Distributions and dividends; repurchases and redemptions

Subject to the directors' satisfaction that the company meets a statutory solvency test, dividends need not be paid out of any particular account or source and, specifically, need not be paid from profits or reserves. The same test applies for other distributions such as redemptions, share buybacks, capital reductions, bonus issues and distributions on winding up. The solvency test requires a certificate to be signed by a director by authority of the Board that, in the opinion of the Board, the company is able to meet its debts and liabilities as they fall due and has assets greater than its liabilities and the grounds for that opinion. If there are no reasonable grounds for certifying that the solvency test is met, or if the correct procedure is not followed, then the directors may be personally liable to reimburse the relevant dividend or distribution if it cannot be recovered from Shareholders.

If authorised by its memorandum or articles of incorporation, a company may issue redeemable shares or acquire its own shares (including redeemable shares). A company may not redeem a share unless it is fully paid, nor if as a result the company would have no Shareholders. A company may acquire its own shares pursuant to a market purchase or a contract authorised by the Company's Shareholders by ordinary resolution before the contract is entered into, and a member whose shares are to be acquired is excluded from exercising the voting rights attaching to those shares when voting on the resolution. Ordinary Shares need not be redeemed or acquired from a particular account or source.

Transactions with directors and officers

The Companies Law includes a statutory regime for disclosure of directors' interests. Where a directors' interest is not disclosed to the board of directors of a company at the time of a transaction, the transaction may be avoided within three months of the date of the company becoming aware of the interest, unless it is ratified by Shareholders or the company received fair value for the transaction. Legal protections are available to third parties who transact with the company in good faith, for valuable consideration and without knowledge of the directors' failure to disclose his interests.

Interested Shareholders

The Companies Law does not contain restrictions on the transactions that a Shareholder may conclude with a company.

Schemes of arrangement or compromise

An arrangement may be proposed between a company and its members, or any class of them or creditors or class of creditors (as the case may be).

In addition to a share purchase arrangement, an arrangement includes a reorganisation of the company's share capital by the consolidation of shares of different classes, or by the division of shares into shares of different classes, a conversion into another type of company, an amalgamation, or a migration into another jurisdiction.

An application may be made to the court to summon a meeting of the Shareholders or class of Shareholder, or creditors or class or creditors (as the case may be). Notice (containing certain prescribed information) must be given to all of the members or relevant class of members, or creditors or class or creditors (as the case may be), who will be affected by the arrangement.

If a majority in number representing 75 per cent. in value of the members or class of members (excluding any shares held as treasury shares), or creditors or class or creditors (as the case may be), present and voting either in person or by proxy at the meeting summoned by the court, agree a compromise or arrangement, the court may, on an application under this section, sanction the compromise or arrangement.

In exercising its discretion whether to sanction an arrangement, the court may consider whether:

- (i) the majority is acting in good faith in the interests of the creditors or class of creditors, or members or class of members (as the case may be) it professes to represent: and
- (ii) the different interests of creditors or members are such that they should be treated as belonging to a different class of creditors or members.

Consequently, if a court deems that a Shareholder with a majority shareholding by value has different interests to that of a minority Shareholder, they may be treated by the court as belonging to a different class. As such a majority Shareholder might not be able to be counted in the requisite 75 per cent. required to approve an arrangement. The 75 per cent. would then be considered to be 75 per cent. of the minority Shareholders by value who are present and voting.

A compromise or agreement sanctioned by the court is then binding upon all creditors or class of creditors, or on the members or class of members (as the case may be), the company, an administrator or liquidator and contributories of the company (if relevant) and any receiver of a cell of a protected cell company (if relevant).

Unfair prejudice

A member of a company may apply to the court on the ground that the affairs of the company are conducted in a manner that is unfairly prejudicial to the interests of members generally or of some part of its members (including at least himself), or an actual or proposed act or omission of the company is or would be so prejudicial.

A person who is not a member of a company but to whom shares in the company have been transferred or transmitted by operation of law may apply as if he was a member.

If the court is satisfied that an application is well founded it may make such orders: (a) to regulate the conduct of the company's affairs in the future; (b) to require the company to refrain from doing or continuing to do an act, or require it to do any act which the applicant has complained it has omitted to do; (c) to authorise civil proceedings to be brought in the name and on behalf of the company by such persons and on such terms as the Court may direct; (d) to provide for the purchase of shares of any member of the company by other members of the company or by the company itself (and the reduction of the company's capital accordingly), and to require the company not to make any, or any specified, alterations in its memorandum or articles of incorporation without the leave of the court, and the court may make such alterations to the company's memorandum or articles of incorporation and any of its resolutions as the court thinks fit.

Dealing in securities

Under the Company Securities (Insider Dealing) (Bailiwick of Guernsey) Law, 1996 (as amended), an individual who has information, which specifically relates to particular securities or to a particular issuer(s) (and not to securities or to issuers of securities generally) which has not been made public (but would be likely to have a significant effect on the price of any securities if it were made public), will be guilty of insider dealing if he deals in securities which are price affected securities in relation to the information. That person will also be guilty of insider dealing if he encourages another person to deal in securities which are (whether or not that other knows it) price affected securities in relation to the information, knowing or having reasonable cause to believe that the dealing would take place on a regulated market, or through a professional intermediary or he discloses the information, otherwise than in the proper performance of the functions of his employment, office or profession, to another person.

9. MAJOR SHAREHOLDERS

As at the Latest Practicable Date, the following persons were, directly or indirectly, interested in at least three per cent. of the Existing Ordinary Shares, as notified to the Company in accordance with Rule 5 of the Disclosure Guidance and Transparency Rules.

	<i>Number of Ordinary Shares</i>	<i>Percentage of voting rights</i>
BlackRock	149,566,311	11.09
abrdrn	120,713,555	8.95
Public Investment Corporation (PIC)	73,541,620	5.46
Vanguard Group	70,929,579	5.26
Truffle Asset Management	55,583,561	4.12

BlackRock hold the above Ordinary Shares through a number of underlying funds, each of which is interested in less than 10 per cent. of voting rights.

None of the Company's Shareholders listed above have any different voting rights from any other Shareholder.

As at the Latest Practicable Date, the Company was not aware of any persons who, directly or indirectly, jointly or severally, will exercise or could exercise control over the Company.

As at the Latest Practicable Date, the Company was not aware of any arrangements, the operation of which may at a subsequent date result in a change of control to the Company.

No person involved in the Capital Raising has an interest which is material to the Capital Raising.

10. SIGNIFICANT COMMITMENTS

Major Shareholders

BlackRock has subscribed for: (i) 17,749,993 New Ordinary Shares at the Offer Price, pursuant to the Placing.

Following the Capital Raising, BlackRock will, assuming that it takes up all of the 17,749,993 New Ordinary Shares which it has subscribed for pursuant to the Placing, hold 11.1 per cent. of the Enlarged Share Capital (being 167,316,304 Ordinary Shares, comprising 149,566,311 Existing Ordinary Shares and 17,749,993 New Ordinary Shares).

11. AUDITOR

The auditor of the Company since 21 September 2018 has been Ernst & Young LLP of 1 More London Place, London SE1 2AF. Ernst & Young LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales and has no material interest in the Company or the Group.

12. RELATED PARTY TRANSACTIONS

Other than the participations in the Capital Raising by BlackRock and the Directors described below, no member of the Group entered into any related party transactions (which for these purposes are those set out in the standards adopted according to the Regulation (EC) No 1606/2002) between 31 March 2024 and the Latest Practicable Date.

Major Shareholders

BlackRock is a related party of the Company for the purposes of the Listing Rules as it is a substantial shareholder of the Company which is entitled to exercise, or control the exercise of, more than 10 per cent. of the votes able to be cast at general meetings of the Company. The maximum aggregate value of the New Ordinary Shares to be issued to BlackRock pursuant to the Placing is approximately £16.7 million. Accordingly, the issue of such New Ordinary Shares to BlackRock constitutes a smaller related party transaction for the purposes of paragraph 11.1.10 of the Listing Rules.

Directors

Each Director is a related party of the Company for the purposes of the Listing Rules.

As indicated above, certain PDMRs and other Directors have agreed to subscribe for Subscription Shares. Should Relevant Persons participate, this will occur in accordance with the approval granted by shareholders under resolutions 17 and 18, as adopted at the 2024 Annual General Meeting and in compliance with the JSE Listings Requirements. In terms of the JSE Listings Requirements, such a Relevant Person may participate where his/her/its bid price equals or exceeds the book close price, with shares being allocated equitably “in the book” through the bookbuild process. Due process will be followed.

13. MATERIAL CONTRACTS

The contracts listed below have been entered into by the Company or another member of the Group: (i) within the two years immediately preceding publication of this document which are material to the Company or any member of the Group, or (ii) at any time and contain any provision under which the Company or any member of the Group has any obligation or entitlement which is material to the Company or any member of the Group as at the date of this document, in each case not including contracts entered into in the ordinary course of business.

13.1. Sponsor and Placing Agreement

On 10 July 2024, the Company and the Banks entered into the Sponsor and Placing Agreement pursuant to which: (i) Berenberg was appointed to act as the sole sponsor to the Company in connection with the approval of the Prospectus; and (ii) the Banks were appointed to act as Banks to the Company in connection with the Placing. The Banks have agreed severally, subject to certain conditions, to use reasonable endeavours to procure placees for the Placing Shares. To the extent that any Placee in the Placing fails to subscribe for any or all of the Placing Shares allocated to it in the Placing (including in the event that such Placee fails to take up any or all of the Placing Shares which they have agreed to subscribe for), then each of the Banks has agreed, on the terms and subject to the conditions set out in the Sponsor and Placing Agreement, severally (and not jointly or jointly and severally) to subscribe for such Placing Shares at the Offer Price in its agreed proportion.

In consideration of their services under the Sponsor and Placing Agreement, and subject to their obligations under the Sponsor and Placing Agreement having become unconditional and the Sponsor and Placing Agreement not being terminated, the Company has agreed to pay to the Banks a commission in respect of the Placing and a corporate finance fee.

The Company will also pay certain expenses of the Banks for the matters carried out under the Sponsor and Placing Agreement.

The Company has given certain customary undertakings, representations and warranties to the Banks, including a 90 day lock-up on issues of new shares from the date of Admission (subject to certain customary exceptions), and in relation to other matters relating to the Group and its business. In

addition, the Company has given customary indemnities to the Banks and certain indemnified persons connected with each of them in relation to certain liabilities that Berenberg may incur in respect of acting as sponsor to the Company and that the Banks may incur in carrying out the Placing.

The obligations of the Banks under the Sponsor and Placing Agreement in relation to the Placing are subject to certain customary conditions including, amongst others, no breach of warranty contained in the Sponsor and Placing Agreement and Admission of the New Ordinary Shares becoming effective by 8.00 a.m. (London time) and 9.00 a.m. (Johannesburg time) on 16 July 2024 or such later time and/or date as the Company and the Banks may agree.

If any of the conditions to the Sponsor and Placing Agreement are not satisfied (or waived by the Banks) or have become incapable of being satisfied by the required time and/or date, any of the Banks may terminate the Sponsor and Placing Agreement, but only prior to Admission. In addition, any of the Banks may, prior to Admission, terminate the Sponsor and Placing Agreement in certain circumstances including if there has been a material adverse change in respect of the Company between the date of the Sponsor and Placing Agreement and Admission and the occurrence of certain other matters or force majeure-style events. The agreement is governed by the laws of England and Wales.

13.2. **PSG Capital Engagement Letter**

Separate to the Placing, the Company has engaged PSG Capital pursuant to an engagement letter dated 10 July 2024 to assist the Company with a private placement of New Ordinary Shares to certain selected qualifying investors in South Africa, which, in each instance, fall within the categories of persons contemplated in either section 96(1)(a) or 96(1)(b) of the South African Companies Act pursuant to the SA Placee Undertakings by such investors to subscribe for the SA Placing Shares.

13.3. **2023 Placing Agreement**

The Company, Berenberg, Peel Hunt and Panmure Gordon (UK) Limited (each a “**Bank**” and together the “**Banks**”) entered into a placing agreement dated 20 November 2023 (the “**2023 Placing Agreement**”) pursuant to which, subject to certain conditions, the Banks (as agents for and on behalf of the Company) agreed to use reasonable endeavours to procure subscribers for new Ordinary Shares at a placing price to be determined following completion of an accelerated bookbuild and as set out in the 2023 Placing Agreement.

The 2023 Placing Agreement was conditional upon, *inter alia*: (i) admission of the new Ordinary Shares to the premium listing segment of the Official List and to trading on Main Market; (ii) admission of any new Ordinary Shares placed by PSG Capital to listing and trading on the Main Board of the exchange operated by the JSE, each taking place by no later than 8.00 a.m. (UK time) and 9.00 a.m. (Johannesburg time) on 8 December 2023; (iii) there not having been a material adverse change in the Group prior to admission of the new Ordinary Shares; and (iv) certain other conditions which are customary in agreements of this nature.

Pursuant to this placing and the placing conducted in South Africa, the Company issued 170,417,384 Ordinary Shares (in aggregate) at an issue price of 86 pence.

The 2023 Placing Agreement provided that the Company pay to Berenberg, Peel Hunt and Panmure Gordon a commission in respect of the Placing and the Company was also required to pay to the Banks any costs, fees and expenses incurred in connection with or incidental to the placing (including legal and other professional advisers fees).

In the 2023 Placing Agreement, the Company gave customary warranties, undertakings and indemnities in favour of the Banks and provided that, under certain customary circumstances (including for breach of warranty), the Banks could terminate the agreement. The agreement is governed by the laws of England and Wales.

13.4. 2023 PSG Capital Engagement Letter

Separate to the above placing, the Company engaged PSG Capital pursuant to an engagement letter dated 19 November 2023 to assist the Company with a private placing of new Ordinary Shares at a placing price, to be determined following completion of an accelerated bookbuild, to certain selected qualifying investors in South Africa, which, in each instance, fall within the categories of persons contemplated in either section 96(1)(a) or 96(1)(b) of the South African Companies Act pursuant to the SA Placée Undertakings by such investors to subscribe for SA Placing Shares.

13.5. Facility Agreement Berlin Hyp AG

On 20 October 2016, the Group concluded a facility agreement with Berlin Hyp AG for €70.0 million.

On 13 September 2019, the Group concluded an amendment to this facility agreement and agreed with Berlin Hyp AG to an additional facility for €115.4 million.

On 31 August 2022, the Group concluded an additional amendment to the facility agreement with Berlin Hyp AG to refinance the existing facility stated above with a new facility which amounts in total to €170.0 million. The new facility is a separate financial instrument to the existing facility and came into effect on 1 November 2023 with a term of seven years and a fixed interest rate of 4.26 per cent. per annum plus amortisation of 1.5 per cent. per annum (the remainder is due in one instalment on the final maturity date). This facility is secured over eight property assets. The facility is subject to various covenants.

13.6. Facility Agreement with Sparkasse Saarbruecken

On 20/23 March 2018, the Group agreed to a facility agreement with Sparkasse Saarbruecken for €18.0 million. Amortisation is 4 per cent. per annum with the remainder due in one instalment on the final maturity date. The facility is charged with an all-in fixed interest rate of 1.53 per cent. per annum until 28 February 2025. Each party may terminate the agreement as of the end of the fixed-interest period with a termination period of one month (or after the fixed-interest period with a termination period of three months). Without termination, the facility agreement continues with an interest-rate equal to the general interest-rate set by the Sparkasse Saarbruecken at that time for this type of facility agreements. The facility is secured over one property asset and is subject to various covenants.

13.7. Multi Tranche Facility Agreement with Deutsche Pfandbriefbank AG

On 6 December 2018, the Group agreed to a facility agreement with Deutsche Pfandbriefbank for a maximum amount of €56.0 million. The facility is secured over five property assets and is subject to various covenants. On 19 February 2020, Deutsche Pfandbriefbank agreed to increase its commitments by €6.516 million.

On 26 May 2023, the Group concluded an agreement with Deutsche Pfandbriefbank AG to refinance its existing facility by extending the maturity of the existing commitments until 31 December 2030 and increasing the commitments by an additional amount of up to €1.9 million with an all-in fixed interest rate of 4.25 per cent. (quarterly interest payments). Amortisation is 2.1 per cent. per annum (in equal instalments of €312,500, commencing on 31 March 2024) with the remainder due at maturity. This loan facility is secured over five property assets.

13.8. Issuance of a Promissory Note (Schuldschein)

On 2 December 2019 and on 26 February 2020, the Group agreed to new loan facilities each in the form of unsecured promissory note (Schuldscheindarlehen) for €20.0 million and €30.0 million, respectively. In total, the unsecured facilities originally amounted to €50.0 million spread over five tranches, three of which have already matured and been repaid. As at the Latest Practicable Date two tranches in the total amount of €15.0 million remain outstanding, consisting of (i) a tranche in the amount of EUR 5.0 million with variable interest of EURIBOR + 1.70 per cent. p.a., no amortisation and maturity at 6 January 2025 and (ii) a tranche in the amount of EUR 10.0 million with fixed interest of 1.70 per cent. p.a, no amortisation and maturity at 3 March 2025

13.9. **Credit Facility Agreement with HSBC Continental Europe S.A, Germany**

On 4 November 2023, the Group concluded an agreement with HSBC Continental Europe S.A, Germany, under which HSBC Continental Europe S.A, Germany, granted the Company a €75.0 million credit facility. This facility was amended on 27 November 2023 and the facility amount reduced to €25.0 million. The facility matures on 30 November 2024. The interest rate under this facility is based on the refinancing rate matching the maturity of the respective advance (EURIBOR) plus an applicable margin (which varies depending on Sirius' Fitch rating) and a drawing margin (which varies depending on how much of the facility is drawn down). As at the Latest Practicable Date, this facility remains undrawn. A commitment fee of 40 per cent. of the applicable margin is payable for the undrawn part of the facility.

13.10. **Titanium Venture Agreement**

On 31 July 2019, the Company (acting via the Titanium Venture Shareholders) entered into a shareholders agreement with the AXA Shareholder to govern the ownership of the Venture Companies and the terms of the Titanium Venture. On 31 July 2019, the Company (via Sirius Facilities GmbH) also entered into an operational management contract ("**Sirius Management Agreement**") with the Venture Companies under which it would provide various services to the Venture Companies. The business object of the Titanium Venture is the acquisition, holding, letting, managing and sale of properties. The Company remains responsible for asset, property and facility management until such property is being disposed. Unless terminated the Titanium Venture runs for an indefinite term.

The Titanium Venture is self-financing and will obtain additional funds from third parties without recourse to the Venture Shareholders. The Venture Shareholders are not obliged to contribute further funds or participate in any guarantee or similar undertaking for a Venture Shareholder's benefit. The boards of each Venture Company shall determine whether the respective Venture Company requires additional financing, which exceeds the budgets and business plans as mutually agreed among the Venture Shareholders and if so, invite the Venture Shareholders to make further investment by means of equity, loans or combinations thereof to further fund: (i) acquisition or investments, (ii) additional capex in respect of or for the entire re-development of a property, (iii) an emergency funding situation, or (iv) any funding shortfalls.

Further, the Venture Shareholders agreed to a drag along mechanism pursuant to which the Sirius Shareholders could be forced to sell the whole interest in the respective Venture Company to a third party buyer (Drag along). The Venture Shareholders also agreed to a tag along mechanism pursuant to which each Sirius Shareholder can, if it so wishes, require the AXA Shareholder to procure that the third party buyer purchases all of the interests held by the Sirius Shareholder in the respective Venture Company (Tag along).

Moreover, if an event of default has occurred, the causing Venture Shareholder shall offer the non-defaulting Venture Shareholder the opportunity to acquire the interests of the causing Venture Shareholder in a Venture Company or all Venture Companies for a purchase price to be determined based on certain fair market value mechanism. An event of default is deemed to have occurred in case of, for example: (i) any Venture Shareholder being subject to insolvency event, (ii) a violation of anti-bribery laws and corruption laws, (iii) a breach of further financing procedures, (iv) a change of control event with respect to a Sirius Shareholder, and (v) a breach of the Sirius Management Agreement.

14. **REGULATORY DISCLOSURES**

Below is a summary of the information disclosed in accordance with the Company's obligations under MAR over the last 12 months which is relevant as at the date of this document:

- (a) On 1 July 2024, the Company announced that its registered office address had changed with immediate effect to Plaza House, Fifth Floor, Admiral Park, St Peter Port, Guernsey, GY1 2HU, Channel Islands.
- (b) On 28 June 2024, the Company announced the results of its annual general meeting held on 28 June 2024, and that all resolutions had been passed.

- (c) On 20 June 2024, the Company announced the acquisitions of two industrial assets in the UK, in Banbury, South East England, and Wembley, for just over £31 million.
- (d) On 6 June 2024, the Company announced the posting of its annual report for the year ended 31 March 2024 and notice of its annual general meeting on 28 June 2024 to Shareholders.
- (e) On 3 June 2024, the Company declared a dividend for the six-month period ended 31 March 2024 of €0.0305 per share. For shareholders who wished to receive their dividend in the form of shares, a dividend reinvestment plan was available.
- (f) On 3 June 2024, the Company announced its consolidated financial results for the year to 31 March 2024. This contained a summary of its financial and operating performance. The Company announced continued FFO growth with strong operational performance driving ten years of increasing dividends and Group revenue of €288.8 million, 33.9 per cent. Net LTV and Net Debt to EBITDA of 5.6x. For a calculation of Net LTV, a non-IFRS measure, based on our audited financial statements, see Part XI (*Operating and Financial Review – Non-IFRS Measures – Reconciliation*). The Company announced that it is trading in line with management expectations in the new financial year, against a backdrop of continuing macroeconomic and geopolitical volatility.
- (g) On 28 May 2024, the Company announced that James Peggie would step down as an independent non-executive director of the Company at the conclusion of the 2024 Annual General Meeting and that Deborah Davis would join the Company's Board as an independent non-executive director, with effect from 1 December 2024.
- (h) On 17 May 2024, the Company announced that it had issued €59.9 million nominal value of notes ("**New Notes**") to be consolidated and form a single series with the €300 million 1.75 per cent. bonds due November 2028, issued originally on 18 November 2021 ("**2021 Notes**"). The New Notes were priced in line with current trading levels and represent a 19.9 per cent. tap on the 2021 Notes.
- (i) On 15 April 2024, the Company gave a trading update for the year ended 31 March 2024 which contained a summary of financial and operating performance. The Company announced that its balance sheet remained strong with cash reserves of approximately €220 million and no significant debt maturities until June 2026. and that it expected to deliver full year results in line with market expectations as its acquisition pipeline remained strong.
- (j) On 8 April 2024, the Company announced it had completed on four previous announced notarised acquisitions in Germany and the UK, totalling over €100 million in aggregate, and had completed on the disposal of an asset in the UK for £3 million.
- (k) On 27 March 2024, the Company announced it had exchanged contracts on the acquisition of an asset in the UK for a total acquisition cost of £48.25 million (€56.4 million). As part of the acquisition, the Company also acquired a PV solar business from the vendor. The Company also announced it had completed on the disposal of an asset in Germany, for €40.1 million (£34.3 million), which was a premium to book value.
- (l) On 29 February 2024, the Company announced it had notarised the acquisition of an asset in Germany for an acquisition price on €13.75 million (£11.73 million).
- (m) On 12 February 2024, the Company announced it had notarised the acquisition of two assets in Germany for a total acquisition cost of approximately €40 million (£34 million).
- (n) On 9 February 2024, the Company announced that shareholders on the UK share register holding 6.2 million shares or 0.46 per cent. of the Company's issued share capital as at 15 December 2023 (UK record date), and who qualified to receive the Cash Dividend, had elected to receive shares in terms of the dividend reinvestment plan ("**DRIP**"), resulting in the purchase of 157,365 shares in the market at an average price of £0.85700 per share. Shareholders on the South African share register holding 97.6 million shares or 7.24 per cent. of the Company's issued share capital as at 14 December 2023 (SA record date), and who qualified to receive the Cash Dividend, had also elected to receive shares in terms of the DRIP, resulting in the purchase of 2 244 434 shares in the market at an average price of R 21.47367 per share.

- (o) On 20 November 2023, the Company announced the results of a capital raise which, in aggregate, comprised the issue of 170,417,384 new Ordinary Shares and raised gross proceeds of circa £147 million. The shares represented approximately 14.5 per cent. of the Company's existing issued ordinary share capital prior to the capital raise. The net proceeds would enable it to execute on a significant near term pipeline of acquisition opportunities.
- (p) On 20 November 2023, the Company declared a dividend for the six-month period ended 20 September 2023 of €0.030 per share. For shareholders who wished to receive their dividend in the form of shares, a dividend reinvestment plan was available.
- (q) On 20 November 2023, the Company announced a conditional offer for the subscription of new ordinary shares via PrimaryBid, open to existing shareholders and new investors resident and physically located in the UK. The Company was also conducting an institutional placing of new ordinary shares by way of an accelerated bookbuilding process, and a placing of new ordinary shares to selected qualified investors in South Africa. The PrimaryBid offer would not be completed without the UK and South African placing also being completed.
- (r) On 20 November 2023, the Company announced a non-pre-emptive placing of new ordinary shares in the Company, to raise gross proceeds of approximately £145 million. The capital raise consisted of (i) an institutional placing via an accelerated bookbuild process, (ii) a placing to selected qualified investors in South Africa, and (iii) an offer of new ordinary shares to be made on behalf of the Company by PrimaryBid on its online retail platform. Certain directors and PDMRs of the Company had also expressed an interest to participate in the capital raise, contributing approximately £180,000 in aggregate. The proceeds would enable the Company to execute on a significant near-term pipeline of acquisition opportunities and replenish funds to use opportunistically following several recent acquisitions. The capital raise was not conditional upon the approval by the Company's shareholders.
- (s) On 20 November 2023, the Company issued an update following its half-year report for the six-months ended 30 September 2023. The Company announced it had delivered six months of strong operational performance and continued to trade in line with management expectations for the full year.
- (t) On 7 November 2023, the Company announced it had notarised the disposal of an asset in Germany for €40.1 million, approximately 6 per cent. above book value. The Company further announced it had exchanged and completed on the acquisition of a £33.5 million portfolio of three assets in the UK from a closed ended fund.
- (u) On 24 October 2023, the Company reported that Fitch Ratings had reaffirmed the Company's BBB investment grade credit ratings with 'Stable Outlook'
- (v) On 9 October 2023, the Company issued a trading update for the six months ended 30 September 2023. Against a backdrop of challenging economic conditions, the Group had continued strong trading in line with expectations, with like-for-like rent roll growth of 7.7 per cent. During the period, the Group re-financed its Deutsche Pfandbriefbank (PBB) loan facility, amounting to €58.3 million with a term of seven years at a fixed interest rate of 4.25 per cent. and had paid down its expiring Schuldschein debt of €20 million. It was further reported that the Company had appointed Chris Bowman as Chief Financial Officer, succeeding Alistair Marks who had been acting as interim CEO and who would be leaving the Group at the end of March 2024.
- (w) On 3 October 2023, the Company announced it had completed the disposal of an asset in Germany for €7.3 million, at an approximate 5 per cent. premium to book value. The Company further announced it had completed the £9.5 million acquisition of two assets in the UK.
- (x) On 27 July 2023, the Company announced that its UK subsidiary, BizSpace, had exchanged contracts to acquire a portfolio of two assets in the UK, for a purchase price of £9.5 million.
- (y) On 11 July 2023, the Company announced the results of its annual general meeting held on 10 July 2023, and that all resolutions had been passed.

15. MANDATORY BIDS, SQUEEZE-OUT AND SELL-OUT RULES RELATING TO THE ORDINARY SHARES

Other than as provided by the City Code and Part XVIII of the Companies Law, there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules that apply to the Ordinary Shares.

“Voting rights” for these purposes means all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting.

Persons acting in concert (and concert parties) comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company or to frustrate the successful outcome of an offer for a company. Certain categories of people are deemed under the City Code to be acting in concert with each other unless the contrary is established.

a. **Mandatory bid**

The City Code applies to the Company. Under Rule 9 of the City Code, if an acquisition of Ordinary Shares were to increase the aggregate holding of the acquirer and its concert parties to shares carrying 30 per cent. Or more of the voting rights in the Company, the acquirer (and depending on the circumstances, its concert parties) would be required, except with the consent of the Takeover Panel, to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for any interests in the Ordinary Shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by an acquisition of shares by a person holding (together with its concert parties) shares carrying between 30 per cent. And 50 per cent. Of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the voting rights in the Company.

b. **Squeeze-out**

Under the Companies Law, if an offeror were to acquire 90 per cent. Of the Ordinary Shares within four months of making a takeover offer, it could then compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will compulsorily acquire their shares and then, one month later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding Shareholders. The consideration offered to the Shareholders whose shares are compulsorily acquired under the Companies Law must, in general, be the same as the consideration that was available under the takeover offer.

The above process is subject to objection from any dissenting Shareholder. A dissenting Shareholder (being a Shareholder who has not assented to, or who has failed or refused to transfer his shares to the transferee in accordance with the scheme or contract) may, within one month after the date of a notice to acquire, apply to the Court to cancel that notice. The court may then either cancel the notice or make such order as it thinks fit.

c. **Sell-out**

The Companies Law does not give Shareholders sell-out rights in respect of their Ordinary Shares (that is, the right to have their Ordinary Shares acquired by an offeror as part of a takeover offer, where the offeror had acquired more than 90 per cent. Of the Ordinary Shares before the end of the offer period, and the Shareholder had not previously accepted the offer).

16. LEGAL AND ARBITRATION PROCEEDINGS

The Group is currently involved in a legal dispute (comprising several court proceedings) with FC REF GmbH (and affiliate companies) following the disposal of a business park in Germany in 2017 (Rupert-Meyer-Straße, Munich). The claims asserted against the Group pertain to, *inter alia*, fire protection measures as well as repair and maintenance works. The Group has recognised a provision of €3.1m in respect of the claim in its 2024 Financial Statements.

Save as referred to above, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering at least the twelve (12) months preceding the date of this document which may have, or have had in the recent past, significant effects on the Company's and/or the Group's financial position or profitability.

17. EXPENSES

The total costs and expenses payable by the Company in connection with the Capital Raising (including the listing fees of the FCA, the London Stock Exchange, the JSE, professional fees and expenses and the costs of printing and distribution of documents) are estimated to amount to approximately £5.7 million (including VAT).

18. WORKING CAPITAL

In the opinion of the Company, taking into account its available debt facilities, the working capital available to the Group is sufficient for its present requirements (that is, for at least 12 months following the date of this document).

19. NO SIGNIFICANT CHANGE

There has been no significant change in the financial position or financial performance of the Group since 31 March 2024, the date to which the Group's latest audited year-end financial information was published.

20. DIVIDEND POLICY

It is the Company's current policy to pay out at least 65 per cent. of FFO as dividends. The Company retains the flexibility to adjust this pay out ratio, as it has done in the past, to take into account, for instance, cash drag from equity fundraisings and acquisitions. FFO is calculated as recurring profit before tax as reported in the Company's statutory accounts, adjusted for depreciation, amortisation of financing fees and current tax receivable/incurred. The Board seeks to balance its dividend policy with its cash flow requirements, in particular its capex investment programme and regular debt amortisation. The Board intends to review the pay-out ratio, regularly taking into account these and other cash flow requirements of the Group.

In order to comply with UK REIT status, since 1 April 2022, the Company is required to meet a minimum distribution test in respect of its UK business for each year that it is a UK REIT. This minimum distribution test requires the Company to distribute 90 per cent. of the income profits of the UK Property Rental Business for each accounting period, as adjusted for tax purposes.

Currently the Company pays dividends on a half yearly basis with dividends declared in or around June and November of each year and paid as soon as practicable thereafter.

The Company has previously offered Shareholders the opportunity to receive some or all of their dividend entitlement in new Ordinary Shares rather than cash. At the 2024 Annual General Meeting, the Company obtained authority to offer to Shareholders the right to elect to receive Ordinary Shares instead of some or all of their entitlement to any dividend declared in respect of the year ended 31 March 2025.

The Group declared a 2023 interim dividend of €0.30 per ordinary share, which was announced on 20 November 2023 and paid on 25 January 2024 to Shareholders on the UK share register at the close of business of 15 December 2023 and to shareholders on the South African register at the close of business on 14 December 2023. On 3 June 2024, the Board declared a dividend of €0.0305 per share in respect of the six months ended 31 March 2024, which would give a total dividend for the year ended 31 March 2024 of €0.0605 per share. The Company will not be offering a scrip dividend alternative for the dividend in respect of the six months ended 31 March 2024 but, for those Shareholders who wish to receive their dividend in the form of shares, the dividend reinvestment plan will be available.

The level of future dividends will be determined by the Board having regard to, among other things, the financial position and performance of the Group at the relevant time, UK REIT requirements and the interests of Shareholders, as a whole.

21. CONSENTS

- (a) Berenberg has given and not withdrawn its written consent to the inclusion of its name in this document in the form and context in which it is included.
- (b) PSG Capital has given and not withdrawn its written consent to the inclusion of its name in this document in the form and context in which it is included.

- (c) Peel Hunt has given and not withdrawn its written consent to the inclusion of its name in this document in the form and context in which it is included.
- (d) Panmure Liberum has given and not withdrawn its written consent to the inclusion of its name in this document in the form and context in which it is included.
- (e) C&W (U.K.) LLP, German Branch, of Bleidenstraße 6, 60311 Frankfurt am Main, Germany (which is qualified for the purpose of the valuation reports in Part XIV (*Property Valuation Report prepared by C&W in relation to certain assets of the Portfolio*) of this document in accordance with the RICS Valuation – Global Standards, January 2022, issued by the Royal Institution of Chartered Surveyors, has given and not withdrawn its written consent to the inclusion of its report in Part XIV (*Property Valuation Report prepared by C&W in relation to certain assets of the Portfolio*) of this document and has authorised the contents of its report for the purposes of Prospectus Regulation Rule 5.3.2R(2)(f). C & W (U.K.) LLP German Branch does not have a material interest in the Company or the Group.

There has been no material change in the valuations of the properties which are the subject of the Property Valuation Report referred to in paragraph (e) above since the date of the relevant valuations contained in such reports.

22. GENERAL

The Company has not incurred any preliminary expenses (as contemplated in the JSE Listings Requirements) over the last three financial years.

23. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected on the Company's website at <https://www.sirius-real-estate.com/> for a period of twelve (12) months from the date of publication of this document:

- (i) the Articles of Incorporation;
- (ii) the Financial Statements;
- (iii) the written consents referred to in paragraph 20 of this Part XVI;
- (iv) the Property Valuation Report; and
- (v) a copy of this document.

For the purposes of Rule 3.2 of the Prospectus Regulation Rules this document will be published in printed form and available free of charge, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) for a period of 12 months following Admission at the Company's registered office, being Plaza House, Fifth Floor, Admiral Park, St Peter Port, Guernsey, GY1 2HU, Channel Islands. In addition, the document will be published in electronic form and be available on the Company's website at <https://www.sirius-real-estate.com>.

PART XVII

DOCUMENTS INCORPORATED BY REFERENCE

The table below sets out the documents of which certain parts are incorporated by reference into, and form part of, this document. Only the parts of the documents identified in the table below are incorporated into, and form part of, this document. The parts of these documents which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this document. To the extent that any part of any information referred to below itself contains information which is incorporated by reference, such information shall not form part of this document for the purposes of the Prospectus Regulation Rules, except where such information is stated within this document as specifically being incorporated by reference or where the document is specifically defined as including such information.

Any statement which is deemed to be incorporated by reference into this document shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained in this document (or in a later document which is incorporated by reference into this document) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this document.

The following documents are available for inspection on the Company's website at <https://www.sirius-real-estate.com/> and at the registered office of the Company as described in paragraph 23 of Part XVI (*Additional Information*) of this document.

<i>Document</i>	<i>Information Incorporate by Reference</i>	<i>Page(s)</i>
2024 Annual Report	Independent auditor's report	130-138
	Consolidated income statement	139
	Consolidated statement of comprehensive income	139
	Consolidated statement of financial position	140
	Consolidated statement of changes in equity	141
	Consolidated statement of cash flows	142
	Notes to the financial statements	143-188
2023 Annual Report	Independent auditor's report	140-148
	Consolidated income statement	149
	Consolidated statement of comprehensive income	149
	Consolidated statement of financial position	150
	Consolidated statement of changes in equity	151
	Consolidated statement of cash flows	152
	Notes to the financial statements	153-202
2022 Annual Report	Independent auditor's report	118-126
	Consolidated income statement	127
	Consolidated statement of comprehensive income	127
	Consolidated statement of financial position	128
	Consolidated statement of changes in equity	129
	Consolidated statement of cash flows	130
	Notes to the financial statements	131-176

PART XVIII

DEFINITIONS

“2024 Annual General Meeting”	means the 2024 annual general meeting of the Company which was held on 28 June 2024;
“2022 Annual Report”	means the Company’s annual report and accounts for the financial year ended 31 March 2022;
“2023 Annual Report”	means the Company’s annual report and accounts for the financial year ended 31 March 2023;
“2024 Annual Report”	means the Company’s annual report and accounts for the financial year ended 31 March 2024;
“Admission”	means the admission of the New Ordinary Shares to the premium listing segment of the Official List, to trading on the Main Market of the London Stock Exchange and to trading on the Main Board of the JSE;
“Affiliate”	has the meaning given in Rule 501(b) of Regulation D under the Securities Act or Rule 405 under the Securities Act, as applicable and, in the case of the Company, includes its subsidiary undertakings;
“Appendix”	means the appendix to the Placing Announcement containing the Placing Terms;
“Articles” or “Articles of Incorporation”	means the articles of incorporation of the Company in force at the date of this document;
“AXA Shareholder”	means CoRE DE 2019 10 S.á r.l., a Company incorporated under the laws of Luxembourg, registered with the Luxembourg Business Register (<i>RCS</i>) under B 231491;
“Banks”	means Berenberg, Peel Hunt and Panmure Liberum;
“Berenberg”	means Joh. Berenberg, Gossler & Co. KG, London Branch;
“BizSpace”	means the business carried on by the BizSpace Group, including Helix Investments Limited;
“BizSpace Acquisition”	means the conditional purchase by the Company on 8 November 2021 of the entire issued share capital of Helix Investments Limited which completed on 15 November 2021;
“BizSpace Group”	means BizSpace Group Limited and each of its subsidiaries (including Helix Investments Limited);
“Board”	means the board of directors of the Company (as at the date of this document, unless otherwise stated);
“Bookbuild”	means the bookbuilding process commenced by the Banks on 10 July 2024 to procure Placees for the Placing Shares, as described in this document and subject to the terms and conditions set out in this document and the Sponsor and Placing Agreement;

“Business Day”	means any day (other than a Saturday or Sunday) on which banks generally are open for business in London and South Africa (other than solely for settlement and trading in Euro);
“Capital Raising”	means the Placing, the SA Placing, the Retail Offer (if applicable) and the Subscription;
“certificated” or “in certificated form”	refers to a share or other security which is not in uncertificated form (that is, not in CREST);
“City Code”	means the City Code on Takeovers and Mergers of the UK;
“Closing Date”	means the day on which the transactions effected in connection with the Capital Raising will be settled;
“Closing Price”	means the closing middle market quotation of an Existing Ordinary Share as derived from the Daily Official List;
“Code”	the US Internal Revenue Code of 1986, as amended;
“Company” or “Sirius”	means Sirius Real Estate Limited of Plaza House, Fifth Floor, Admiral Park, St Peter Port, Guernsey, GY1 2HU, Channel Islands, a company incorporated in Guernsey with registered number 46442, ISIN code: GG00B1W3VF54, and JSE and LSE share code: SRE;
“Companies Law”	means the Companies (Guernsey) Law, 2008 as amended;
“CREST”	means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK is the operator (as defined in the CREST Regulations);
“CREST member”	means a person who has been admitted by Euroclear UK as a system-member (as defined in the CREST Regulations);
“CREST Regulations”	means the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time;
“CREST sponsor”	means a CREST participant admitted to CREST as a CREST sponsor;
“CSDP”	means a central securities depository participant registered in terms of the SA Financial Markets Act, with whom a beneficial holder of shares holds a dematerialised share;
“Daily Official List”	means the daily official list of the London Stock Exchange;
“Directors”	means the directors of the Company (as at the date of this document, unless otherwise stated) and, save where the context requires otherwise, the Proposed Director;
“Disclosure Guidance and Transparency Rules”	means the disclosure guidance and transparency rules made under Part VI of the FSMA (as amended from time to time);
“DSBP”	means the Sirius Real Estate 2017 Deferred Bonus Plan;
“EEA”	means the European Economic Area;
“Enlarged Share Capital”	means the expected issued ordinary share capital of the Company immediately following the issue of the New Ordinary Shares;

“ERISA”	the US Employee Retirement Income Security Act of 1974, as amended;
“ERISA Entity”	any person that is: (i) an “employee benefit plan” as defined in Section 3(3) of ERISA that is subject to Title 1 of ERISA; (ii) a “plan” as defined in Section 4975 of the Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the Code; (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title 1 of ERISA or Section 4975 of the Code; or (iv) any governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the Code whose purchase, holding, and disposition of the Placing Shares could constitute or result in a non-exempt violation of any such substantially similar law;
“EUWA 2018”	means the European Union (Withdrawal) Act 2018;
“EU Prospectus Regulation”	means Regulation (EU) 2017/1129;
“Euroclear UK”	means Euroclear UK & International Limited, the operator of CREST;
“Existing Ordinary Shares”	means, in relation to a particular date, the Ordinary Shares in issue as at that date;
“FCA”	means the UK Financial Conduct Authority;
“FCA Handbook”	means the FCA’s Handbook of Rules and Guidance, as amended from time to time;
“FFO”	means funds from operations, being the Group’s adjusted profit before tax adjusted for depreciation and amortisation (excluding depreciation relating to IFRS 16) amortisation of financing fees, adjustment in respect to IFRS 16 and current tax excluding tax on disposals;
“FSMA”	means the Financial Services and Markets Act 2000 of England and Wales, as amended from time to time;
“Group”	means the Company and each of its direct and indirect subsidiaries from time to time (where “subsidiary” shall have the meaning ascribed to it in the Companies Act 2006);
“HMRC”	means HM Revenue & Customs;
“IFRS”	means International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB);
“JSE”	means JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in South Africa, and licensed as a securities exchange under the SA Financial Markets Act;
“JSE Admission”	means the admission of the New Ordinary Shares to trading on the list of securities admitted to listing on the JSE becoming effective in accordance with the rules of the JSE;
“JSE Listings Requirements”	means the listings requirements of the JSE, as amended from time to time;

“Latest Practicable Date”	means 10 July 2024, being the latest practicable date prior to the publication of this document;
“Listing Rules”	means the listing rules made under Part VI of the FSMA (as set out in the FCA Handbook), as amended;
“LSE” or “London Stock exchange”	means London Stock Exchange Group plc;
“LTIP”	means the Sirius Real Estate 2021 Long Term Incentive Plan;
“Main Board”	means the main board of the list of securities admitted to listing on the JSE;
“Main Market”	means the London Stock Exchange’s main market for listed securities;
“MAR”	means the Market Abuse Regulation EU 596/2014 as it forms part of assimilated EU law as defined in the EUWA 2018;
“New Ordinary Shares”	means the new Ordinary Shares to be issued by the Company pursuant to the Capital Raising;
“Non-PID”	means all distributions made by a UK REIT which are not PID distributions;
“Offer Price”	means 94 pence per New Ordinary Share;
“Official List”	means the official list maintained by the FCA pursuant to the FSMA;
“Ordinary Shares”	means the ordinary shares of no par value issued by the Company (including, if the context requires, the New Ordinary Shares);
“Overseas Shareholders”	means Sirius Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the UK;
“Panmure Liberum”	means Panmure Liberum Limited;
“PDMRs”	means persons discharging managerial responsibility as defined in the MAR;
“Peel Hunt”	means Peel Hunt LLP;
“PID”	means any distribution by a UK REIT Company to which section 548 Corporate Tax Act 2010 applies;
“Placees”	means any person (including individuals, funds or otherwise) by whom or on behalf a commitment to acquire Placing Shares has been given;
“Placing”	means the placing of the Placing Shares which took place by way of the Bookbuild on the basis of and subject to the terms of the Placing Announcement for which Berenberg, Panmure Liberum and Peel Hunt were appointed joint global coordinators and bookrunners (on a several basis) (excluding, for the avoidance of doubt, the SA Placing);
“Placing Announcement”	means the announcement of the Placing made on 10 July 2024;
“Placing Results Announcement”	means the announcement of the results of the Placing (expected to be published on or around the date of this Prospectus);

“Placing Shares”	means 136,035,152 New Ordinary Shares to be subscribed by the Placees pursuant to the Placing;
“Placing Terms”	has the meaning given to it the Appendix;
“Preliminary Prospectus”	means the draft of this Prospectus dated 8 July 2024 made available to prospective Placees;
“Pricing Information”	means the pricing information contained in the Placing Results Announcement and made available to Placees;
“Property Valuation Report”	means the real estate valuations which relate to the Group’s property portfolio as at 31 March 2024, conducted by C&W (UK) LLP German Branch;
“Proposed Director”	means Deborah Davis;
“Prospectus” or “this document”	means this document, comprising a prospectus relating to the Company for the purpose of the Capital Raising and Admission;
“Prospectus Regulation”	means the Prospectus Regulation (EU) 2017/1129, as it forms part of assimilated EU law as defined in the EUWA 2018;
“Prospectus Regulation Rules”	means the Prospectus Regulation Rules of the FCA made under section 73A of the FSMA;
“PSG Capital”	means PSG Capital Proprietary Limited;
“Qualified Investors”	persons who are qualified investors within the meaning of Article 2(e) of the EU Regulation;
“qualified institutional buyer” or “QIB”	has the meaning given such term in Rule 144A of the Securities Act;
“Qualifying Property Rental Business”	means a property rental business within the meaning of section 519 of the Corporation Tax Act 2010 which fulfils the conditions in section 529 of the Corporation Tax Act 2010;
“Registrar”	means Link Market Services (Guernsey) Limited, Mont Crevelt House, Bulwer Avenue, St Sampson, Guernsey;
“Regulation S”	means Regulation S promulgated under the Securities Act;
“Regulatory Information Service”	means any of the services set out in Appendix 3 of the Listing Rules;
“REIT Group”	means the Company and each subsidiary which is a member of its group for the purposes of section 606 of the Corporation Tax Act 2010;
“Relevant Person”	persons who are qualified investors within the meaning of Article 2(e) of the Prospectus Regulation;
“Representative”	means in respect of any person, any of their respective Affiliates or any of their respective agents, directors, officers or employees;
“Residual Business”	means the business of the group UK REIT which is not Qualifying Property Rental Business;
“Restricted Jurisdiction”	means any jurisdiction (including but not limited to Australia, Canada, Japan) where the extension or availability of the Capital Raising (and any other transaction contemplated thereby) would (i) result in a

requirement to comply with any governmental or other consent or any registration filing or other formality which the Company regards as unduly onerous, or (ii) otherwise breach any applicable law or regulation;

“Retail Offer”	means an offer by PrimaryBid Limited after the date of publication of this document but prior to Admission of the Retail Offer Shares at the Offer Price with a maximum aggregate consideration of up to £2,500,000 to retail investors through its online platform;
“Retail Offer Shares”	means the Ordinary Shares to be subscribed by investors under the Retail Offer (if any);
“SA Financial Markets Act”	means the South African Financial Markets Act, No. 19 of 2012, as amended;
“SA Placees”	means selected qualifying investors in South Africa who have agreed to subscribe for New Ordinary Shares pursuant to the SA Placing;
“SA Placée Undertakings”	means the irrevocable undertakings (or commitments in such forms as may be permitted by the Company) pursuant to which SA Placees agree to subscribe for New Ordinary Shares;
“SA Placing”	the placing of New Ordinary Shares to certain selected qualifying investors in South Africa for which PSG Capital was appointed as SA Adviser, Sole SA Bookrunner and Placing Agent;
“SA Placing Shares”	means 23,404,255 New Ordinary Shares to be subscribed by selected qualifying investors in South Africa pursuant to the SA Placing;
“SA Transfer Secretary”	means Computershare Investor Services Proprietary Limited;
“Securities Act”	means the U.S. Securities Act of 1933, as amended;
“Senior Managers”	has the meaning given in section 8.2 of Part XV (<i>Directors, Senior Management and Corporate Governance</i>);
“Settlement Bank”	means Peel Hunt;
“Share Plans”	means the LTIP, the DSBP and the SIP;
“Shareholders”	means the holders of Ordinary Shares from time to time;
“SIP”	means the Sirius Real Estate Senior Share Incentive Plan;
“SME”	means a small or medium enterprise;
“South Africa”	means the Republic of South Africa;
“South African Eligible Investors”	means persons in South Africa who (i) fall within the categories of persons set out in section 96(1)(a) of the South African Companies Act, 2008 or (ii) subscribe for placing shares for a minimum acquisition cost of zar1 000 000 for a single addressee acting as principal, as envisaged in section 96(1)(b) of the South African Companies Act, 2008;
“Sponsor and Placing Agreement”	means the sponsor and placing agreement dated 10 July 2024 between the Company and the Banks, details of which are set out in section 13.1 of Part XVI (<i>Additional Information</i>) of this document;

“stock account”	means an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited;
“Subscription”	means the subscription by the Subscribers and Mark Cherry for the Subscription Shares pursuant to the Subscription Agreements or otherwise;
“Subscription Agreements”	means the agreements entered into between the Company and each of Andrew Coombs, Chris Bowman, Anthony Payne, Burkhard Honsek, Tariq Khader, Mo Jiwaji, Rüdiger Swoboda, (together, the “Subscribers”) on or around the date of this document pursuant to which the Subscribers will subscribe for the Subscription Shares;
“Subscription Shares”	means 135,061 New Ordinary Shares to be subscribed for by the Subscribers and Mark Cherry;
“Titanium Venture Shareholders” and each a “Titanium Venture Shareholder”	means Sirius Three B.V., a Company incorporated under the laws of the Netherlands, registered with the commercial register of the Netherlands (<i>Kamer van Koophandel</i>) under registration no. 17208187; and Sirius Four B.V., a Company incorporated under the laws of the Netherlands, registered with the commercial register of the Netherlands (<i>Kamer van Koophandel</i>) under registration no. 17214719;
“UK”	means the United Kingdom;
“UK Admission”	means admission of the New Ordinary Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange’s main market for listed securities;
“UK MiFID II”	means EU Directive 2014/65/EU as it forms part of UK domestic law by virtue of the EUWA 2018;
“UK Property Rental Business”	means a UK property rental business within the meaning of section 205 of the Corporation Tax Act 2009 or an overseas property business within the meaning of section 206 of such act but, in each case, excluding certain specified types of business;
“UK REIT”	means a company or group that qualifies as a UK real estate investment trust under the legislation contained in Part 12 of the Corporation Tax Act 2010 and the regulations made thereunder;
“uncertificated” or “in uncertificated form”	refers to a share or other security recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“VAT”	means value added tax;
“Venture Companies” and each a “Venture Company”	means (i) Sirius Labernum B.V., (ii) Sirius Orchid B.V., (iii) DDS Maple B.V., (iv) DDS Lime B.V., (v) DDS Edelweiss B.V., (vi) Sirius Pear B.V., (vii) Sirius Boxwood B.V, and (viii) DDS Daisy B.V.; and
“Venture Shareholders” and each a “Venture Shareholder”	means the AXA Shareholder and each of the Titanium Venture Shareholders.

