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REIT

Trading Update presentation

Quarter ending
31st December 2021
Industrials REIT FY22 Q3

Hosts



Paul Arenson
Chief Executive Officer



Julian Carey
Managing Director

Agenda

-  Multi-let Industrial Operational Performance
-  Rent Collections
-  Regional Performance Review
-  Transactions
-  Looking forward and closing remarks



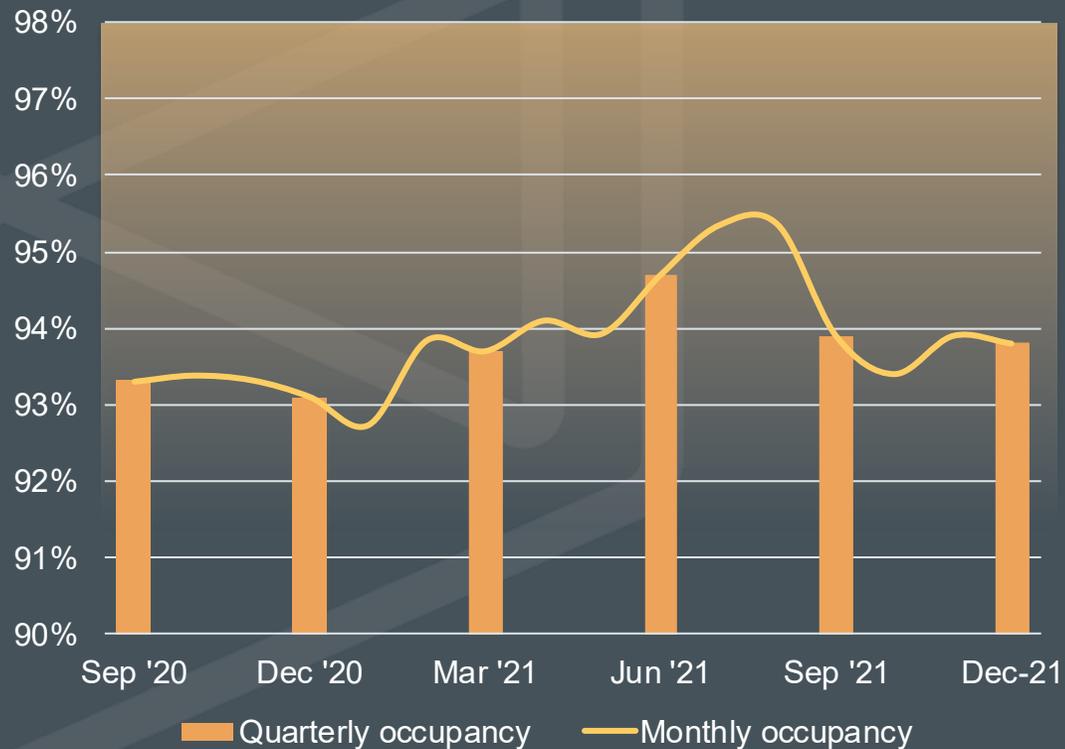
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1.0 Multi-Let Industrial
Operational Performance

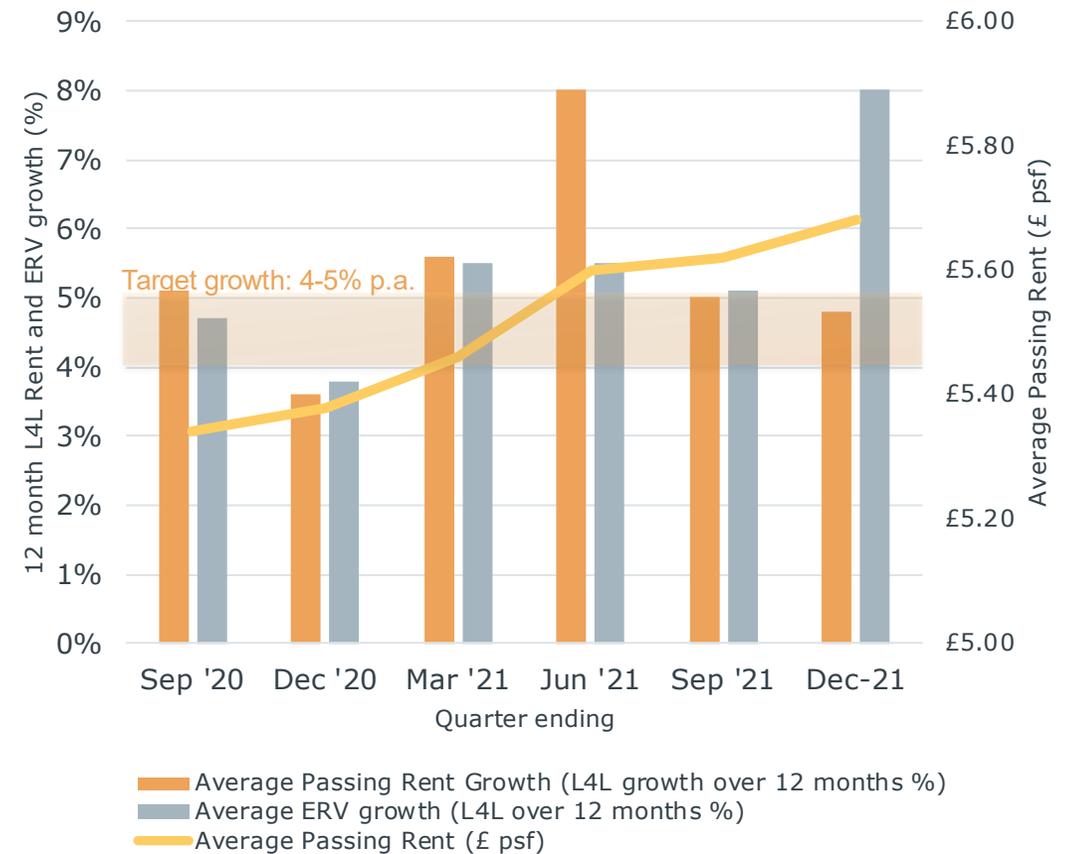
High occupancy continues to drive strong rental growth

Rent and ERV growth on target

MLI Occupancy (%)



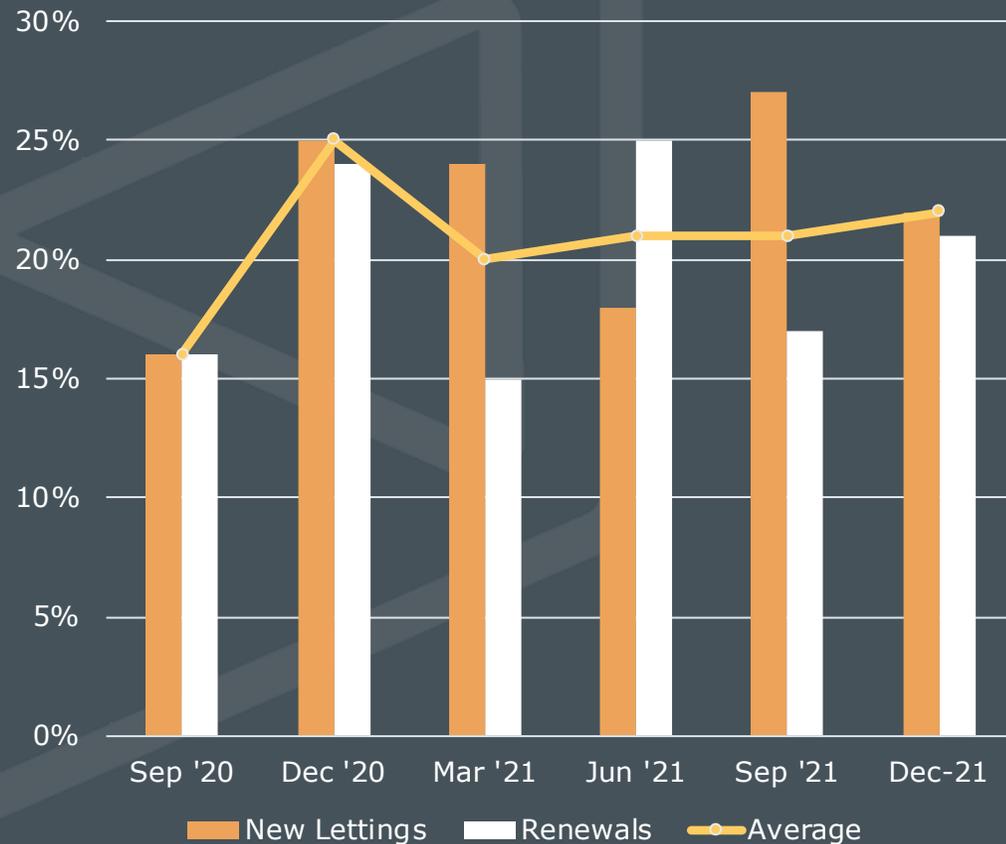
MLI Rents and ERVs



Strong leasing performance

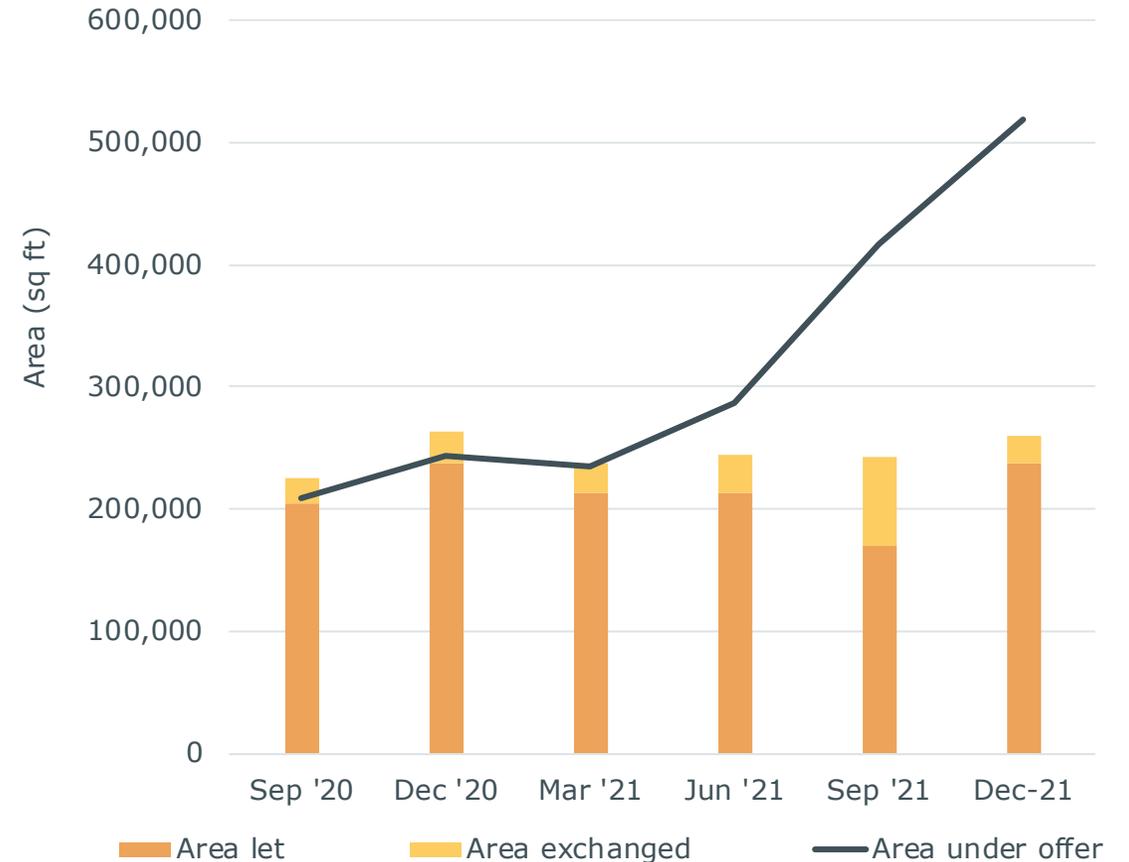
Fifth consecutive quarter of 20%+ average uplifts

Average rent uplift at letting and renewal



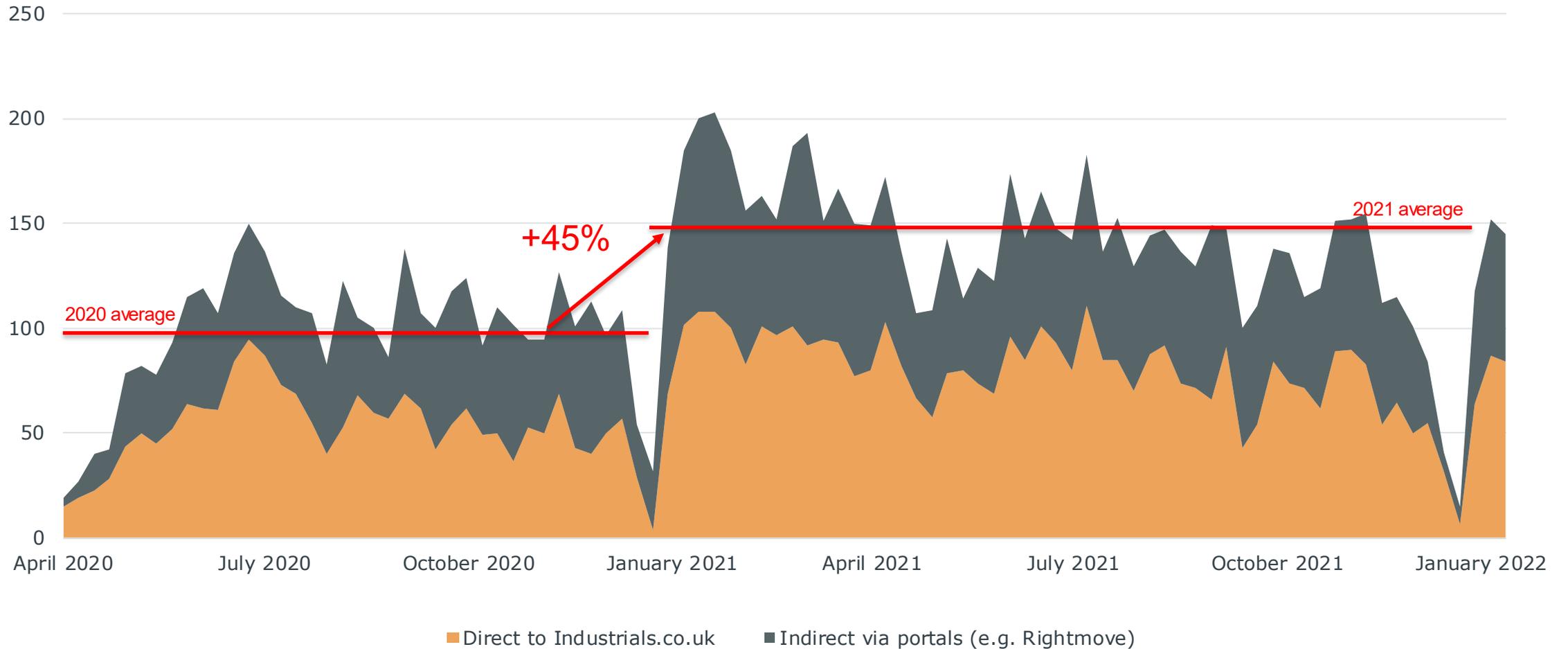
Tenant demand is driving a strong pipeline

Leasing transactions and under offer units per quarter



2022 enquiries have started strongly

Weekly leasing enquiries received into Industrials Hive (excl. via external agents)





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2.0 Rent Collections

Rent collections continue to improve

Rent collected vs billed (%)

| County / Sector | Portfolio Weighting | 2020 | | | 2021 | | | | 2022 | Weighted average |
|------------------|---------------------|---------|---------|---------|---------|---------|---------|---------|-----------|------------------|
| | | Apr-Jun | Jun-Sep | Sep-Dec | Dec-Mar | Mar-Jun | Jun-Sep | Sep-Dec | Dec - Mar | |
| UK MLI | 95% | 97% | 97% | 97% | 96% | 96% | 94% | 91% | 85% | 94% |
| Germany | 5% | 94% | 98% | 97% | 83% | 98% | 100% | 96% | 97% | 95% |
| Weighted average | 100% | 96% | 97% | 97% | 94% | 96% | 94% | 91% | 85% | 94% |

Collections as at 21 January 2022

Continued improvements in historic and current collection rates

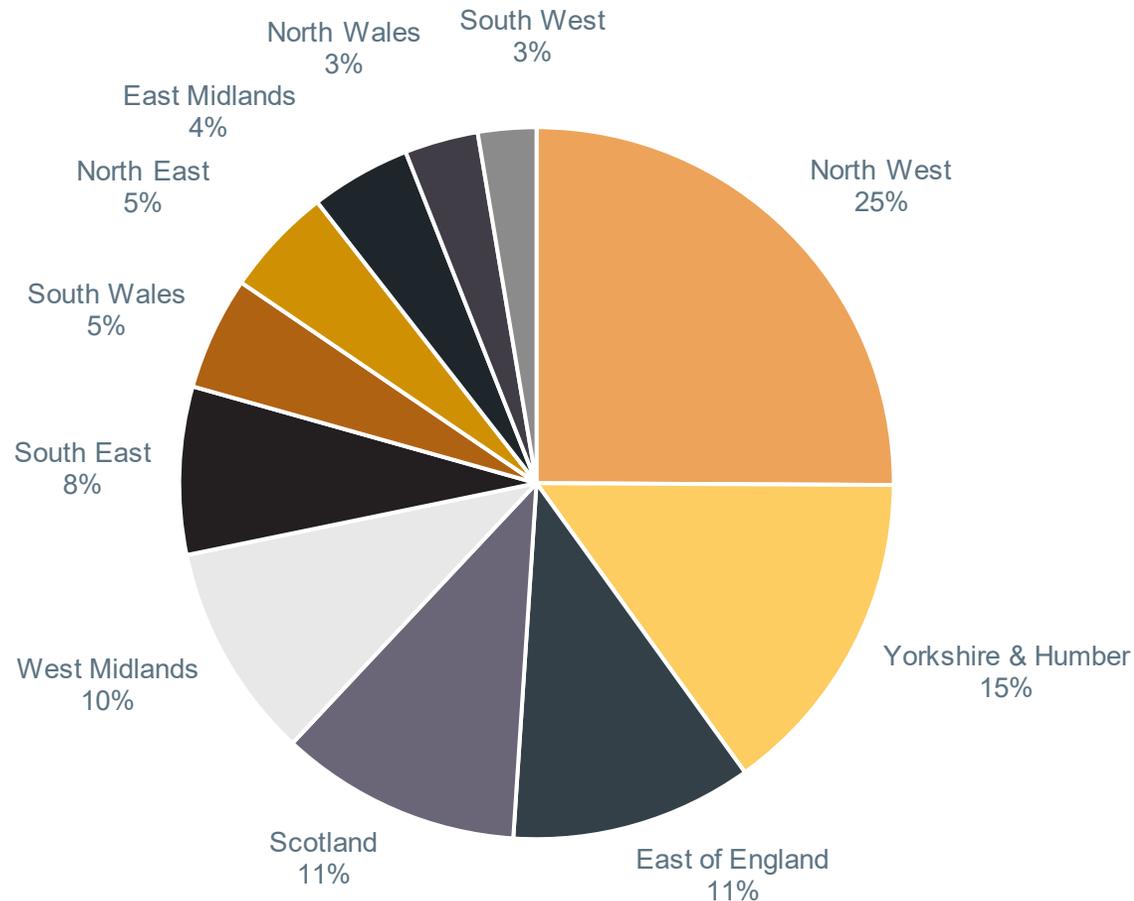


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3.0 Regional Performance Review

A regional view on MLI performance data

Portfolio make-up by sq ft (excl. LL and land)



| Region | Average unit size | Number of units | Average passing rent (£psf) | Average ERV (£ psf) | Difference (%) |
|--------------------|-------------------|-----------------|-----------------------------|---------------------|----------------|
| North West | 3,184 | 539 | £5.37 | £6.41 | 19.20% |
| South West | 7,220 | 25 | £5.36 | £6.24 | 16.40% |
| North East | 4,584 | 74 | £5.71 | £6.64 | 16.30% |
| East of England | 5,721 | 131 | £5.34 | £6.09 | 14.10% |
| Scotland | 2,899 | 258 | £6.57 | £7.50 | 14.10% |
| West Midlands | 3,852 | 174 | £5.10 | £5.80 | 13.60% |
| North Wales | 5,429 | 42 | £4.10 | £4.57 | 11.70% |
| Yorkshire & Humber | 3,890 | 264 | £5.51 | £6.12 | 11.00% |
| South East | 4,741 | 110 | £7.37 | £8.04 | 9.00% |
| East Midlands | 3,207 | 97 | £5.88 | £6.16 | 4.80% |
| South Wales | 4,294 | 82 | £5.92 | £6.04 | 1.90% |
| Total | 3,810 | 1,796 | £5.68 | £6.44 | 13.30% |

A regional view on demand, lettings and rent

For the period 1st January to 31st December 2021



A regional view on demand, lettings and rent

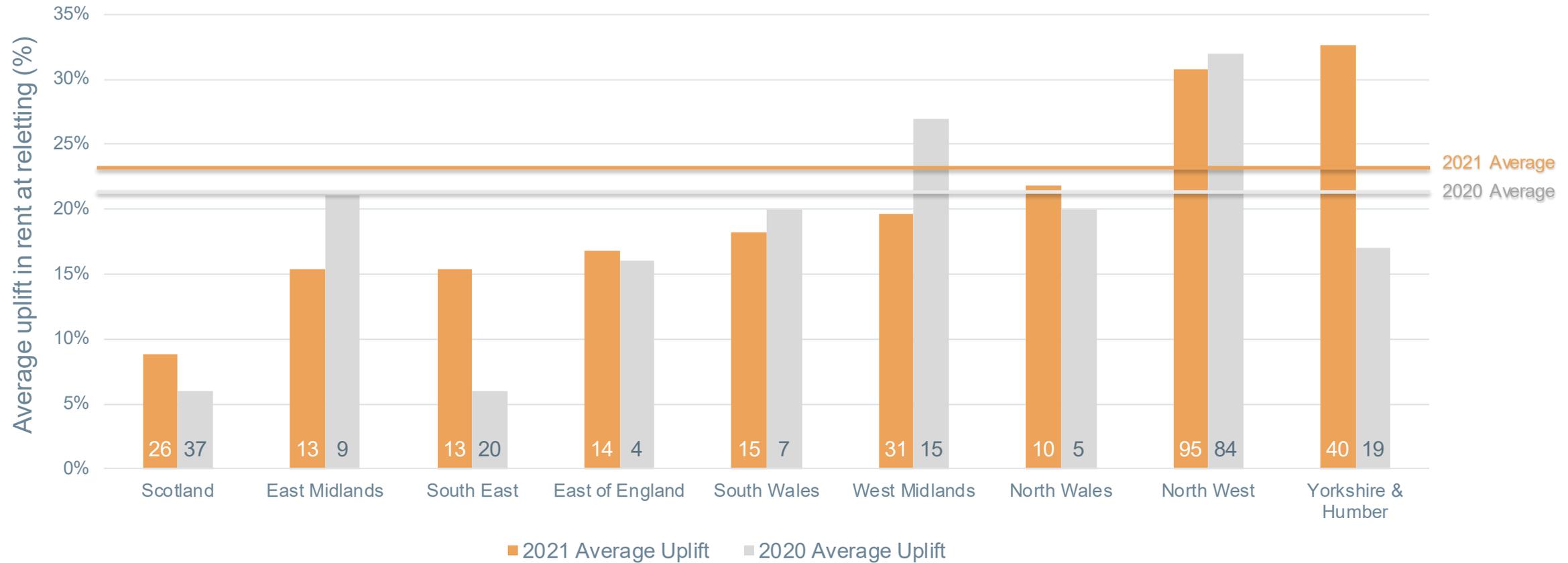
For the period 1st January to 31st December 2021



A regional view on demand, lettings and rent

For the period 1st January to 31st December 2021

Average uplift in rent upon new letting/renewal and deal count (annualised)





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4.0 Transactions

Strong momentum on transactions

Acquisitions October to December 2021



Six MLI estates

- Arkgrove Industrial Estate, Stockton-on-Tees
- Junction One Industrial Estate, Birkenhead
- Dundyvan Industrial Estate, Coatbridge
- Harmony Court, Glasgow
- Belmont Industrial Estate, Durham
- Beacon Business Park, Caldicot



Total acquisitions of **£40.26 million**



480,000 sq ft of new space



Strong pipeline for the rest of FY22 with a further £4.3 million of purchases since quarter end and three MLI estates under offer



£81m acquired to date in financial year. On track to hit £100m target by 31 March 2022.



Transactions

Disposals since 1st October 2021

Leisure Centre, Lugano, Switzerland

Price: CHF12.5 million (c. £10m)

Buyer: Local investor

Net proceeds: c.£2.5 million

Date: 9 December 2021

Last remaining non-MLI disposal in progress





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5.0 Closing Remarks

Summary

Areas of focus

01

Driving rental growth

02

Improving operational efficiency

03

Growing the business to generate economies of scale

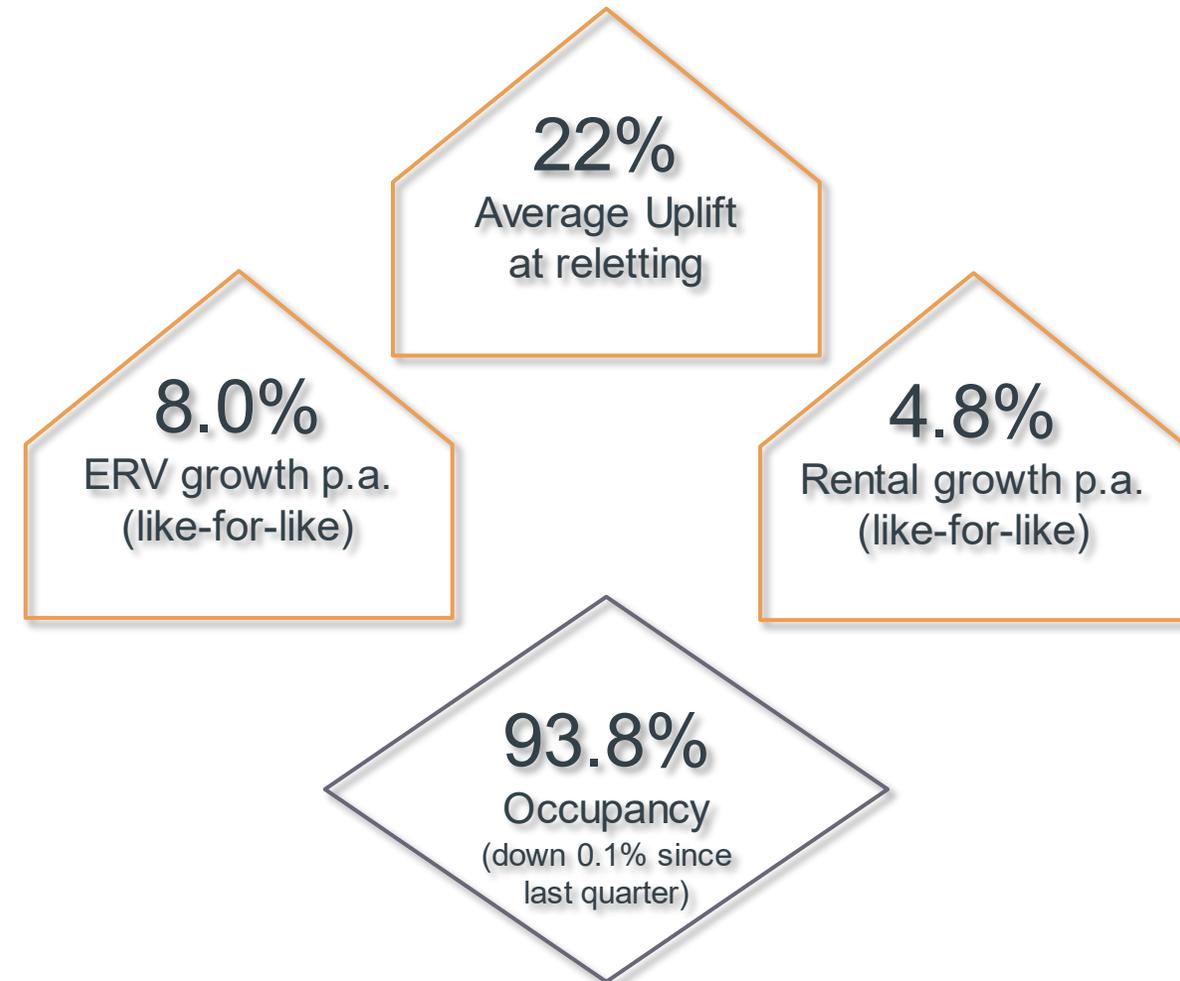


Target:

10%+ Total Shareholder Return

Conclusion

Strong market conditions continue for 2022



Q&A

Please vote on the resolutions for the General Meeting on 9th February 2022

Register to join Industrials REIT Trading Update for 3 months to 31 March 2022

Date: Friday 29 April 2022

Time: 9:00am – 9.30am BST

[Register here to join presentation.](#)

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